



Ein cyf/Our ref JB/PO/00338/2024

John Griffiths MS  
Chair  
Local Government and Housing Committee

19 November 2024

Dear John

### **Ministerial scrutiny session of 10 October 2024 – follow up**

Thank you for your letter of 24 October. Please see my responses to your follow up questions.

#### [Update on the Affordable Homes Taskforce, including the terms of reference for that taskforce](#)

I have outlined my commitment to the delivery of affordable housing, not just because of our commitment to deliver 20,000 homes for rent in the social sector, but because it's the right thing to do. We must deliver more homes if our ambitions to tackle homelessness are to be realised.

On 6 November, I issued a Written Ministerial [Statement](#) which announced the establishment of an Affordable Homes Task Force being led by Lee Waters. The Task Force will work across WG and sectoral interests. I will make a further announcement once membership has been agreed.

#### [Update on the number of homes that will be built on the 68 sites where phosphate issues have held up house building](#)

Local Partnerships were commissioned to undertake detailed work into wastewater treatment works where development has/will not be freed up through the permit review process, including leading targeted deep dive case studies for agreed sites. Of the 68 affordable housing led sites identified by RSLs and LAs as delayed by phosphates, the majority of these are now able to proceed with just one still delayed due to phosphates.

These 68 sites related to 3,083 homes, however the Committee should note that these numbers are subject to planning consent and therefore may change.

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

## Information on the cross-Government work being carried out looking at how robust the current construction sector is and what needs to be done to support that sector

Lead responsibility for the construction sector sits with the Cabinet Secretary for Economy, Energy and Planning. Welsh Government has formalised a collaborative agreement with Construction Excellence Wales (CEW) to enhance the quality of the professional specialist construction advice to Ministers with the objective of improving the responsiveness and level of engagement within government, other parts of the Welsh public sector and external stakeholders. CEW is a not-for-profit organisation widely recognised by the sector as the independent voice for construction in Wales.

The annual costs of this contract are being met equally across three areas of Welsh Government - Economy, Housing and Regeneration and Education. This will provide advice, real-time intelligence and support on construction issues.

Through our closer working relationship with CEW and the Construction Sector it has been identified that there is currently no overarching Construction Strategy in place. We are currently working on a Policy Statement to set out the vision and ambition aligned to Welsh Government policy aims. We want this document to be a co-designed, collaborative piece of work between Welsh Government and the Construction Sector and once the draft is complete this will be issued for consultation via CEW. The Construction Playbook for Wales will support the sector to deliver on the policy ambition and vision.

Pipelines offer the opportunity for the sector to plan ahead and invest in both people and skills, however the sector often make the point that the 'visibility' of public sector pipelines are difficult to access.

Officials are now involved in reviewing how to improve transparency and accessibility to pipelines for Tier 1 contractors and SMEs alike and will bring forward proposals for consideration in due course.

Following the recent failure of a Tier 1 Contractor, we are undertaking work to understand the use of Project Bank Accounts (PBAs). Officials have now commissioned an independent Review, to be undertaken by CEW, into PBAs and their operation in the sector. The report is expected towards the end of the year.

## Update on the impact of the National Empty Homes Grant and further information on why 5 of the 22 local authorities have not signed up to the Grant Scheme, including the reasons for them not signing up and what more can be done to help remove potential barriers

As at 11.10.2024, the National Empty Homes Grant Scheme has received 904 valid applications, of which 300 are approved (not yet completed) and 122 completed. Given the average timescales involved (12 months from application to completion), it is too early to see the true impact of the scheme, however, we would expect the number of completions to increase further as more approvals are awarded.

Reducing the number of empty properties is an important issue, but is also a shared area of responsibility for both national and local government. That is why upon the launch of the scheme, for which the Welsh Government made available up to £50m, the then Minister for Climate Change included a requirement for participating local authorities to provide a financial contribution of 10% of the value of the grants issued in their areas, over the course of the scheme. Unfortunately, 5 local authorities declined to participate in the scheme, citing prioritisation of budgets and lack of surveyors / surveyor capacity as the reasons.

A review of the scheme is currently being explored in order to inform future actions. Should it proceed, it will look further into these challenges with a view to identifying potential solutions.

Further information on the differing levels of council tax premiums which are being applied by local authorities on empty properties across Wales, and whether the intervention is having an effect.

The differing levels of council tax premiums charged on long-term empty properties by local authority area are set out in the table below, with 18 local authorities currently charging a premium. The Welsh Government continues to monitor the effect of the overarching legislative framework for premiums which is relatively new in the context of a local tax system which has existed for many decades. The framework enables local authorities to decide a level appropriate for their individual local circumstances when the time is right for them, and then to monitor and amend the premiums in response to local circumstances.

**Table 1: Council Tax Premiums for Long-Term Empty Properties, by Local Authority, in 2024-25**

Local Authority	Long-term Empty Property Premium
Ynys Mon	100%
Cyngor Gwynedd	100%
Conwy	100%
Denbighshire	100% if empty up to 5 years 150% if empty longer than 5 years
Flintshire	75%
Wrexham	100%
Powys	100%
Ceredigion	100% if empty up to 5 years 150% if empty up to 10 years 200% if empty longer than 10 years
Pembrokeshire	100% if empty for 2 years 200% if empty up to 3 years 300% if empty for 4 years or longer
Carmarthenshire	50%
Swansea	100%
Bridgend	100%
Vale of Glamorgan	100% if empty for 1 year 150% if empty for 2 years or longer
Rhondda Cynon Taf	50% if empty up to 2 years 100% if empty for 2 years or longer
Merthyr Tydfil	100%
Monmouthshire	100% if empty for 1 year 200% if empty for 2 years 300% if empty for 3 years or longer
Newport	100%
Cardiff	100% if empty for 1 year 200% if empty for 2 years 300% if empty for 3 years or longer

It is for individual local authorities to decide whether to charge council tax premiums on certain properties, having regard to the Welsh Government's [guidance](#), and having analysed the evidence available to them about consequential effects, and engaged with communities. Some categories of property remain excepted from long-term empty property

premiums, including annexes, where people are residing elsewhere in armed forces accommodation, and dwellings being marketed for sale or let (a time-limited exception). This demonstrates the wide range of choice on offer for local government as a tool to help manage the number of long-term empty homes locally. I look forward to continuing the discussion about premiums with the Committee as these tools bed in further.

Further information on the procurement process used for awarding the contract to Cardiff University for undertaking independent research and stakeholder workshops on community assets, including whether local authorities could follow the same approach in a similar situation.

The resources or expertise to undertake this work in-house and meet the expectations of the Local Government and Housing Committee (LGH) were not available. It was felt that an in-house review would not be independent and would merely repeat that undertaken by the LGH Committee.

It was decided that a departure rather than a procurement be undertaken. Officials agreed that there was a high risk that if we were to follow a procurement by tender, that one of the lobby/interest groups might make a successful bid, which would challenge the robustness of the evidence provided to the Community Assets Commission. A departure would also ensure the work commenced as quickly as possible.

Other Universities were considered but Cardiff University emerged as the preferred option as the School of Planning and Geography is the only School that brings together planning and geography, which is important as the place and land agenda is captured in one area, which is important for this commission.

Cardiff University did not give evidence to the original Local Government and Housing committee inquiry and are not considered to be stakeholders themselves and were able to support the Community Assets Commission by providing independent, unbiased evidence.

The Welsh Government has comprehensive governance in relation to procurement and the departure process is particularly vigorous. Each council will have specific arrangements in place but the majority of local authorities would allow for the suspension of contract procedure rules to allow a direct award to suppliers. Specific criteria would have to be met and this may differ across local authorities.

Finally, to confirm that arrangements are in hand for my officials to offer a technical briefing on the operation of the local government funding formula to the Committee and other members of the Senedd.

Yours sincerely

A handwritten signature in black ink that reads "Jayne Bryant". The signature is written in a cursive, flowing style.

**Jayne Bryant AS/MS**

Ysgrifennydd y Cabinet dros Lywodraeth Leol a Tai  
Cabinet Secretary for Housing and Local Government