



## Department for Levelling Up, Housing & Communities

**Rt Hon Michael Gove MP**

*Secretary of State for Levelling up Housing &  
Communities*

*Minister for Intergovernmental Relations*

2 Marsham Street

London

SW1P 4DF

**Clive Betts MP**

*Chair, Levelling Up, Housing and Communities Committee*

House of Commons

Westminster

London

SW1A 0AA

3 May 2023

Dear Clive,

Thank you for the opportunity to appear in front of the Committee on 27 March to discuss intergovernmental relations and other matters. I am writing to provide the further information promised during the session.

### **1. Delays in Responding to the Committee's Reports**

I would like to take this opportunity to apologise again for the delay in responding to your committee's comprehensive reports. Below is an update on each response.

#### **Permitted Development Rights**

We have been considering the report with our ongoing wider programme of planning reform and will respond shortly.

#### **Regulation of Social Housing**

You will be aware that the Social Housing (Regulation) Bill continues to progress through Parliament and reached Commons Report Stage on 1 March. We have taken the Committee's recommendations into full consideration during the passage of this legislation. We are finalising our report following late amendments to the Bill that were made at Report Stage, including the introduction of Awaab's Law, and new requirements for mandatory qualifications in the social housing sector. We will be sharing our response at the earliest opportunity.

#### **Exempt Accommodation**

Your committee's excellent report acknowledged recent positive developments in Government policy but was critical about oversight of exempt accommodation. I wrote to you in January to update you on the Government's position. The Government will respond in due course - as demonstrated by our work on the Supported Housing (Regulatory Oversight) Bill, we are committed to tackling this issue. My department wants to ensure that we fully consider the areas the Committee have highlighted before publishing our response.

#### **Draft Strategy and Policy Statement for the Electoral Commission**

The Government is grateful for the Committee's report on the draft Strategy and Policy Statement as part of the statutory consultation. We are considering the Committee's response alongside the views of the other statutory consultees. It is important that all responses are considered in detail. This is currently in progress, and we aim to publish a government response in due course.

## **Reforming the Private Rented Sector**

Minister Maclean met with you last month to discuss the Committee's report and I am keen to give full responses to the helpful points raised. My department will publish our response alongside the introduction of the Renters Reform Bill.

### **2. University Funding**

In February, the Prime Minister announced changes to establish a dedicated Department for Science, Innovation and Technology (DSIT) tasked with driving forward innovation policy across the UK with the aim of delivering improved public services, creating new and better-paid jobs and growing the economy. The departmental changes form part of the Prime Minister's mission to ensure the UK is the most innovative economy in the world and a science and technology superpower.

We backed these changes at Spring Budget with almost £3.5 billion being pledged to support a range of commitments relating to science and technology. More recently, the Science and Technology Secretary announced details of Pioneer, a long-term prospectus programme to support research and innovation in the UK, should association to the Horizon Europe scheme not prove possible. All of these changes sit alongside our wider Levelling Up commitment to Research and Development (R&D) investment and will deliver long term support to universities and other partners involved in R&D and innovation.

### **3. Post-EU funding landscape**

The UK Shared Prosperity Fund (UKSPF) has been designed as a successor, and not a replacement, to the former EU Structural Funds. We believe the new funding landscape improves on the former EU arrangements by empowering places to identify and build on their own strengths and needs at a local level, whilst focusing on pride in place and increasing life chances. Delivery of the UKSPF is now well under way and local authorities are continuing to work through their local partnership groups to determine their commissioning arrangements for project ideas. Social are doing so on an open call basis, allowing a wider range of partners to be involved in delivery and in bringing forward their project ideas.

### **4. Wales-specific considerations**

The Parliamentary Under Secretary of State for Levelling Up recently wrote to the Chair of the Welsh Affairs Committee in response to his questions on the post-EU funding landscape and implications for the Higher Education sector in Wales. The points below reflect the content of her letter.

Whilst we appreciate that universities in Wales have been longstanding beneficiaries of the previous EU funding regimes, the letter made clear that the approach we are taking with the UKSPF is fundamentally different. The primary focus of the UKSPF is to support places to build on their strengths and needs at a local level, whilst focusing on pride in place and increasing life chances. We recognise that this represents a different direction to the previous arrangements that Welsh universities have been accustomed to under EU Structural Funds. However, whilst the direction we have set is different, I would emphasise that the UKSPF offers new opportunities for universities to put forward their ideas for projects incorporating R&D and innovation.

The principle of local subsidiarity is what drives the UKSPF and provides a unique opportunity for local leaders and their partners to fulfil investments that would not be possible under some of the restrictive practices associated with EU Structural Funds. To realise this ambition, in April 2022 we published the UKSPF Prospectus and invited each of the four regions in Wales to work with local partners to develop an investment plan to access their UKSPF allocation. It is fair to say that we have been clear on the direction of travel for the UKSPF since publishing the Prospectus, giving universities and other partners sufficient time to adapt and engage with the new funding landscape.

I would also like to highlight that numerous elements of the UKSPF were adapted specifically for Wales following our early conversation with local partners. For example, we published a specific list of UKSPF interventions for Wales which included priorities for R&D and innovation. The list incorporates opportunities to invest in R&D and to develop innovation infrastructure whilst strengthening entrepreneurship, all of which are pertinent to the work of universities in Wales.

I would also like to highlight the work being undertaken in partnership with the Welsh Government to develop new Investment Zones for Wales. In a similar way to the two new Freeports announced for Wales in March, we expect Investment Zones to capitalise on new opportunities to drive research and innovation across key sectors of the economy, whilst being rooted in strong partnerships between Government, universities and the business community.

I will continue to liaise with other parts of government, including with the Secretary of State for Science, Innovation and Technology, to explore how we can collectively promote the wide range of new opportunities coming forward in R&D and innovation which will be of benefit to Welsh Universities.

## **5. Devolution Scrutiny Arrangements**

The Committee asked how scrutiny will be strengthened under the new arrangements. The English Devolution Accountability Framework published alongside the Trailblazer Deals for the Greater Manchester and West Midland Combined Authorities (which themselves include additional accountability commitments) will improve the scrutiny of decision making.

As I said at the Committee, most of the policy set out in the Framework already exists, however to strengthen accountability and scrutiny of areas with devolution deals, we have committed to publishing a Scrutiny Protocol, Plain English Guidance and new outcomes and metrics for areas over the coming months. We are also establishing an annual conversation between Whitehall Departments and each area to better monitor and understand performance.

The Scrutiny Protocol in particular will focus on the relationship between the mayor/directly elected leader, the institution and its scrutiny and audit functions, and will set the standards and best practice to make sure that committees have the necessary quoracy, resources and experience. My officials are working with areas with devolution deals in developing this document and will look to publish the Protocol before the summer recess.

I hope the Committee finds this information helpful.

**With every good wish,**

A handwritten signature in black ink that reads "Michael Gove". The signature is written in a cursive, slightly slanted style.

**Rt Hon Michael Gove MP**  
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