

Equality, Local Government and Communities Committee

Date: 21 January 2021

Time: 13.30 – 15.30 Minister and Deputy Minister for Housing and Local Government and Minister for Finance and Trefnydd

15.45 – 16.30 Deputy Minister and Chief Whip

Title: Draft Budget Scrutiny 2021-22

Introduction

The Draft Budget includes spending plans for 2021-22. This paper provides evidence to the Committee on the future programme budget proposals in relation to Local Government, Communities, Equalities and Housing and Regeneration as outlined in the Draft Budget which was laid on 21 December 2020.

Annex A provides a breakdown of the relevant Draft Budget figures for the Housing and Local Government Main Expenditure Group (MEG) and extracts from the Central Services and Administration MEG in relation to the Deputy Minister and Chief Whip's portfolio by Spending Programme Area, Action and Budget Expenditure Line (BEL). These figures are reflected in the table below.

Financial Tables

The specific elements for the Equality, Local Government and Communities Committee are Local Government, Communities, Equality, Housing, Regeneration and Community Safety. The budgets for those elements are summarised in the tables below.

	2020-21 Final Budget £'000	2021-22 New Plans Draft Budget £'000	Change £'000	% Change
Revenue	3,937,550	4,211,257	273,707	6.9%
Non Cash	240	381	141	58.7%
Total Resource	3,937,790	4,211,638	273,848	6.9%
Capital	570,411	625,691	55,280	9.6%
Financial Transactions	151,505	91,786	-59,719	-39.4%
Total Capital	721,916	717,477	-4,439	-0.6%

Budget Overview

This is the final budget of the Fifth Assembly. This budget was prepared following the UK Government's one year Spending Review on 25 November 2020.

Despite being able to set revenue and capital plans for one year only, the Draft Budget reflects this Government's continued commitment to protect public services and jobs; provide the financial stability needed and invest in Wales to nurture economic growth and support our priorities. The continuing pressure on public finances and, more specifically, on the level of funding available means we and our partners will face challenges and will need to make difficult choices.

The budget setting process for 2021-22 has focussed on the themes of protect, build and change. In making revenue allocations we have focussed on measures to tackle poverty and inequalities. Capital investments have focussed on tackling climate change, supporting biodiversity, housing and town centres. The budget process provided an opportunity to push forward Cabinet's combined efforts to maximise the use of our resources to improve outcomes in these areas and evidence on priorities in these areas has driven spending on local government, housing and equalities.

These budget proposals also reflect our continuing commitment to protect and prioritise investment that supports preventative measures as far as possible. In making spending decisions we have not only considered how best to meet the current demand for services but we have also focused on supporting interventions that are able to prevent problems arising in the future. This preventative approach is an important part of our planning for public services.

Local Government

Revenue budgets within the Housing and Local Government MEG were baselined at the Final Budget 2020-21. Some adjustments were made to our revenue position in respect of City and Growth Deals (£10m reduction) and Fire Service Communications (£2.010m). These amounts were expected reductions in line with the completion of these funding streams.

The Housing and Local Government MEG received specific allocations to provide an improved settlement for local government, along with an allocation of £23.27m to the Local Government Hardship Fund to continue with the provision in lieu of free school meals for all eligible learners during school holidays in 2021-22. The MEG also received an uplift of £40m to the Housing Support Grant and an allocation of £4m from the Covid-19 reserve to the Homelessness Prevention Grant to continue the progress made to date in this area.

In the Spending Review, the Welsh Government received £766m in consequentials in 2021-22 as a result of Covid-19 related spending announcements in England in devolved areas. This will be deployed in our continuing efforts to respond to, and mitigate the impact of, the pandemic. Due to the uncertainty in this area and to ensure that any decisions on the allocation of this funding meet the evolving challenges presented by the pandemic, only a small number of allocations have been made from this funding for specific services which respond to the impacts of

the pandemic. As we better understand the impact of the winter months on the spread of the disease we will be making further allocations as necessary.

General capital budgets were also baselined at the 2020-21 Final Budget and no adjustments were made to this baseline in the Housing and Local Government MEG. Specific capital allocations were made to the Financial Inclusion BEL and to the Housing and Regeneration portfolio.

Local Government Settlement

Over the last year staff in local authorities have worked extremely hard to keep services in place during the pandemic, working flexibly to meet service user needs. Welsh Government has provided local authorities with significant financial support through the last nine months to address the additional costs and loss of income brought about by the response to Covid-19, with over £500m made available through the Local Government Hardship Fund. We also supported authorities with cash-flow in April by re-profiling the settlement to give them £526m early payment. We anticipate that there will be a need to continue to support local authorities with the additional costs and loss of income they are likely to experience in 2021-22 in response to the pandemic. An **allocation of £23.3m** has been made to the Local Government Hardship Fund in 2021-22 to continue to provide free school meals to eligible learners during school holidays. It is prudent to retain as much flexibility as possible now and we intend to make further allocations from this funding at Final Budget as we better understand the impact of the winter months on the spread of the disease. In particular we will consider what additional funding is needed to support the NHS and local government as they stand at the forefront of our response to the pandemic.

We were able to budget for a good Local Government settlement in 2020-21 with all authorities receiving at least a 3% increase. In this budget, our priorities were again to protect health and local services. In making decisions on the budget overall we have been able to ensure that local authorities get another good settlement overall, despite the negative impact on non-domestic rate pool and lower collection rates during the pandemic. We have provided local authorities with an **overall increase of 3.8%** on a like for like basis. Local authorities will continue to use the core funding that they receive through the settlement, as they do every year, to support the most vulnerable in society, whether through provision of social care, homelessness support or free school meals to name just a few areas. We would, of course, like to give longer term planning figures to authorities to base their financial plans upon, but are unable to do this without a longer term comprehensive spending review from the UK Government.

The local government settlement consists of revenue support grant and funding from non-domestic rates. The Local Government General Revenue Funding BEL has increased by £210.4m, as a result of increased funding of £211m, a transfer in of £1.1m and transfer out to the police settlement of £1.7m. The expected budget for non-domestic rates has fallen by £35m. Overall the effect of this is to provide a cash increase of £176m to the settlement. Taking account of £4m provided in this financial year for teachers pay to compare on a like for like basis this is an increase to the settlement of £172m.

This funding to Local Government is un-hypothecated but we anticipate this additional funding will primarily be used to support the core areas of schools and social care. Authorities will be able to continue and build on their focus to giving young people the

skills they need to reach their potential, and support people to live independently or to meet their care needs in a residential setting and prevent the need for hospital treatment. In general this generates a positive impact on children up to the age of 16 through education provision. Investment in social care benefits a range of people with protected characteristics, including disability - both physical and mental impairments – and age, as the highest proportion of those in receipt of social care are over 65.

The settlement provides the core funding for services, and the demarcation of this along the continuum of preventative to reactive has always been and remains difficult. Local authorities are responsible for carrying out their own impact assessment of decisions as part of their decisions on local budgets. There are key areas of local government services such as family programmes, education, supporting people to live independently that aim to prevent future difficulties and challenges occurring in people's lives. As part of the response to the pandemic local authorities have used blended service delivery using digital and face to face interventions, enabling them to continue to deliver services during this challenging period as well as using both staff and residents' time more efficiently.

Local authorities are required to set and publish well-being objectives to show how they will work to achieve all seven of the well-being goals for Wales. The essential services delivered through local government support the wider health and wellbeing of people in Wales, especially with the wide ranging impact of the pandemic on many people's lives. The priorities of health and local government were set out in the draft budget and the provision of a like for like increase of 3.8% in the settlement reflects this. We know that local authorities have the local knowledge to deliver the majority of services in the best way in their areas through un-hypothecated funding. The ways of working set out in the Wellbeing of Future Generations Act have been essential in responding to the pandemic.

The pandemic has highlighted the need for communities to come together and involve a wide range of people and organisations. It has driven different ways of working and delivering services to meet the needs of service users. Local authorities will take this learning forward and adapt it as necessary as we move through the next financial year and into longer term planning. Some of these changes may be small but they show what is possible, and with advances in digital technologies all the time are a starting point for future innovation. Some of the key areas where changes have been made across authorities are:

- Councils have capitalised on the opportunity to work with homeless individuals on the underlying causes of their situation, particularly providing support with substance misuse.
- Within social care virtual technology has increased many residents' access to social workers and friends outside of their immediate network. Partnership working has been significantly increased and digital technology has meant that responses are much quicker.
- Digitally vulnerable learner panels put in place, working across learning disability teams, family gateways, third sector partners and health to discuss significant safety and welfare concerns.
- Changes to city, town and district centres to facilitate social distancing have also had benefits on air quality and environment.
- Online booking systems for recycling has reduced queuing and improved communication with users, one council reports their recycling centres running at a 90%+ recycling rate, up from an average of 75% average.
- Online library services, and click and collect provision

Many local authorities already had transformation plans in place and were at various stages within those plans. Authorities have reported that many areas of transformation plans, especially around digital transformation, have been accelerated due to the pandemic and need to continue vital service delivery.

Funding outside of the settlement

Alongside the settlement there are also elements of specific funding supporting Public Services Boards to improve the collective well-being of their areas. Provision for Transformation and Legislation supports our work to strengthen local government in the face of ongoing financial challenges and enable them to deliver vital services which support the social and economic wellbeing for all. We are providing funding for a sector-led improvement programme for local government, to enable a more proactive approach to coordinating and supporting continuous improvement across all local authorities – intended to address issues in councils early and prevent problems escalating or requiring intervention. We are also providing support for the establishment of corporate joint committees, which will enable a consistent approach to regional collaboration. These committees will help to align the key strategic decisions which underpin the sustainable development and transformation of regions as a whole.

Funding will also be provided to support the range of local government reforms introduced through the Local Government and Elections (Wales) Bill. One of the Bill's core themes is the promotion of local democracy and diversity including votes for 16-17 and foreign citizens legally residing in Wales allowing the involvement of additional groups of society to inform decisions.

For the next financial year we will continue to provide funding for statutory support and, where necessary, intervention where local authorities are experiencing significant challenges and require assistance to improve service performance and/or corporate capacity; this includes a current support package in Merthyr. We will also be providing funding to support digital transformation in local government, including funding for a Chief Digital Officer of Local Government to develop and support digital public service delivery and transformation.

City and Growth Deals

Funding for the Cardiff Capital Region City Deal was provided as revenue for the first five years of the 20-year deal (from 2016-17 to 2020-21). The remainder of the direct government funding support for the deal is to be provided as capital in accordance with the agreement between, the region, the Welsh Government and the UK Government, subject to the region successfully completing the required Gateway Reviews. Funding for the Swansea Bay City Region City Deal and the North Wales Growth Deal is also to be provided as capital. Budgetary provision for the agreed deals will be addressed through supplementary budgets as the financial arrangements for the deals are finalised.

EU Transition

The Finance Minister's statement on the Welsh budget set out the financial risks and issues around EU transition including our expectation that Wales should not lose out

financially. In 2018 the Welsh Government provided funding for strong and positive structures and support programmes to help Local Authorities in Wales work together to prepare; and to provide assurance on the capability, resilience and preparedness of local government.

A key element of this structure was the establishment of the LG EU Preparedness Advisory Panel – a strategic group made of regional LA representative Chief Executives, service leads, WLGA and Welsh Government. The panel has an oversight of the WLGA EUT Programme <https://www.wlga.wales/brexit-transition-support-programme-for-welsh-local-authorities> and LG ‘Brexit co-ordinators’ both funded programmes funded by Welsh Government. This approach, working in collaboration with local authorities and integrating the response between service areas has enabled more robust planning and risk assessment.

This support has helped Local Authorities to be as prepared as possible (given the uncertainties), with the Wales Audit Office noting the increased level and consistency of preparedness of LAs across Wales from Jan 2019, and highlighting the benefits and success of this model of collaborative working.

Those mechanisms have continued through 2020 in preparation for the end of the transition period, and whilst significant resource had to be diverted to Covid-19 response and recovery work, the EU transition focus has been maintained.

Local Government General Capital Funding

Alongside specific grants for investment which support local economic recovery the Local Government General Capital Fund is a key source of funding for local authorities for general investment in the local environment and services. The 2020-21 final Budget included the final year of a number of time-limited allocations which were due to end in 2021. In setting our capital budget for 2021-22, we have decided to continue this funding of £55m into 2021-22. This means that total capital funding of **£197.8m** is available for local authorities in 2021-22, **£35m** of this is intended to continue to support Local Government in delivering our joint priorities including decarbonisation, and a values led economic recovery following Covid-19.

Local government is fundamental to delivering decarbonisation – not only in the direct delivery of Councils’ own services and estates but in providing local leadership across Wales and championing ambitious sustainable solutions and behavioural change. Working together to share expertise, evidence and solutions will help ensure investment, strategy and policy are effective as possible and help develop the quickest and most sustainable ‘route-map’ to achieving our legal obligations and our ambitions for net zero by 2030.

A Local Government Decarbonisation Strategy Panel bringing together local authority chief executives, WLGA, other public sector organisations, Welsh Government and relevant advisors including experts on decarbonisation and behaviour change was agreed by Ministers and Local Government Leaders this summer. It will drive local government’s contribution to the ‘Team Wales’ approach to developing the next Low Carbon Delivery Plan for Wales and input to COP26 next November.

Non Domestic Rates

Local taxation is an integral part of the system for funding local government in Wales. The gross revenue payable from NDR is over £1.3bn. Once reliefs are applied, NDR contributes over £1bn towards the annual funding of local services.

The Welsh Government provides over £230m a year in statutory reliefs. The permanent Small Business Rates Relief (SBRR) scheme is providing over £125m of relief this year, with half of businesses paying no rates at all. Our charitable relief scheme provides benefit of over £65m, resulting in charities and community amateur sports clubs receiving between 80% and 100% off their rates bills. Empty Property Rates Relief provides an initial period of exemption from rates after a property becomes unoccupied, with relief totalling almost £30m. The impact of coronavirus on the level of property vacancies and the tax-base continues to be assessed. All these schemes are fully funded by the Welsh Government.

In 2020-21, as part of emergency Covid-19 measures, we introduced our Retail, Leisure and Hospitality Rates Relief Scheme, providing 100% relief to ratepayers occupying premises with a rateable value of up to £500,000. We have also made available over £875m of grant support to non-domestic ratepayers. Those with a rateable value of up to £12,000 have received a grant of £10,000, and those eligible for Retail, Leisure and Hospitality Rates Relief with a rateable value between £12,001 and £50,000 have received a grant of £25,000.

Throughout 2021-22, extensive work will be carried out in preparation for the next NDR revaluation scheduled to take effect from 1 April 2023. This will include a consultation on setting the decapitalisation rates for properties without a market rental value, planned for the spring. Towards the end of the year, further preparatory work will be undertaken to examine the potential impact on the tax-base of the revaluation. The Welsh Government will also continue to monitor the impact of Covid-19 on the non-domestic property tax-base. We will also be considering the longer term policy on the length of time between each revaluation and options for reforming NDR appeals.

On 15 December, we announced a freeze of the non-domestic rates multiplier for 2021-22. The multiplier is an integral part of determining ratepayers' bills. This decision will ensure, prior to applying any reliefs, that there is no increase in the amount of rates businesses and other ratepayers pay next year. Capping the NDR multiplier increases to CPI, rather than RPI, between 2018-19 and 2020-21, alongside freezing the multiplier in 2021-22 will result in ratepayers in Wales saving over £90 million on their rates bills since 2018-19.

The Welsh Government is assessing the resources available before making a decision on how to provide future support through non-domestic rates reliefs in 2021-22. The UK Government has indicated it will make a decision on non-domestic rates support in the New Year. The Welsh Government will consider how any additional consequential funding allocated to Wales can be best targeted to support our communities and businesses in Wales as part of our budget and spending priorities.

Council Tax

The flexibility to set their own budgets and council tax levels is a key tool in helping local authorities to deal with the challenges presented by years of austerity imposed by the UK Government. The setting of budgets and council tax is a matter for individual local authorities and the Welsh Government does not require authorities to conduct costly local referenda to set their tax level above a certain limit. Each authority is answerable to its electorate for the decisions it makes including its rate of council tax. Authorities need to take account of all the sources of income available to them in setting their budgets, they need to strike a balance between maintaining local services and recognising the financial burden on households.

Local authorities have reported that the pandemic has had an impact on collection rates for council tax this year. We have agreed to monitor the situation, especially as a number of authorities had applied different payment periods and payment holidays at the start of the pandemic in an effort to alleviate the pressure on local tax payers. The situation should become clearer towards the end of the financial year and we have agreed to consider options for providing additional funds if necessary to mitigate a shortfall at that stage.

Council Tax Reduction Scheme

Our council tax reduction scheme targets support towards the households who most need it. Around 280,000 vulnerable and low-income households receive help with their council tax bills through the scheme. Of these, around 220,000 pay nothing at all. We have maintained full entitlements to support since council tax benefit ended in 2013. We intend to maintain entitlements again in 2021-22 and we will continue to provide £244m through the annual settlement to fund the scheme.

In response to the increased numbers of CTRS applications which authorities have received as a result of the coronavirus pandemic, to date the Welsh Government has provided additional funds of £5.45m to local authorities from the Covid-19 Hardship Fund. Officials are working with WLGA and local authorities to continue to monitor the impact for the remainder of the year and have agreed to consider the position once the Quarter 3 returns have been received.

Housing and Regeneration

Housing is a key priority area in *Prosperity for All*, which sets out our vision that everyone should *live in a home that meets their needs and supports a healthy, successful and prosperous life*. Over this Senedd Cymru term we will have invested £2bn recognising the importance of good, quality housing to support thriving communities. The Covid-19 pandemic has demonstrated what can be achieved with a concerted full system effort supported by significant investment. It has highlighted the importance of home and community and focused minds on the future of our towns.

As part of our recovery effort in 2020-21 we provided additional investments in social housing, town centres and funding to unlock stalled sites in order to support a housing

led green economic recovery. This Draft Budget provides continued financial support in these areas.

£170m will be invested in social housing in 2021-22 (an additional **£14.8m** to the current baseline) to ensure we continue the high level of social housing provision which we have started to deliver during this current term of government and continuing our shift to a prevention and rapid rehousing approach to tackling homelessness in Wales in line with the Homelessness Action Group's recommendations. Allocations of **£40m** and **£4m** to the Housing Support Grant and the Homelessness Prevention Grant will drive forward transformation change in our plans to tackle homelessness.

In addition to this the pandemic has made it clear and has magnified the need for safe and secure homes, appropriate to the tenants' needs and working requirements. Our investment in affordable homes will drive higher standards relating to space, broadband readiness and access to high quality outdoor space. We are maintaining our Major Repair Allowance and Dowry budget at **£108m** to ensure the Welsh Housing Quality Standard is maintained and built upon and an investment of **£74m** in a third phase of Help To Buy Wales will set higher standards including for space and broadband connectivity.

Improving homes and local environments affect many aspects of people's lives, health and wellbeing. That's why place making is a huge part of our Transforming Towns approach. The pandemic has accelerated changes to our high streets, towns and city centres highlighting the need to rethink how we use towns and cities to encourage diversity incorporating living, learning, leisure, green spaces and economic growth. In 2021-22 we will be investing **£46.8m** realising this vision, which includes an **additional £5m** financial transaction capital to provide Town Centre Loans.

Homelessness and Housing Support

We strongly believe that everyone in Wales should have a decent place to call home and we are committed to our **goal of ending homelessness**. Investing in good quality housing, housing support and homelessness prevention are crucial areas of investment to help protect the most vulnerable in society. Good-quality homes are the bedrock of good communities and form the basis for individuals and families to flourish in all aspects of their lives.

Investment in housing delivers on a key policy objective and reduces pressures on other public services but also, more importantly, improves outcomes for individuals and families. We estimate that currently as a result of the pandemic, there are at least 4,000 people in temporary accommodation across Wales. Evidence from Crisis UK indicates that people who experience homelessness for three months or longer cost public services (health and criminal justice) an average of £18,388 which equates to over £73m in costs to public services in Wales (over £25.5m in health services alone) for those people currently in emergency accommodation if their homelessness is not resolved.

Families living in temporary accommodation and other forms of homelessness, are less likely to access important support services. Homelessness can also have a significant negative impact on the children in these households affecting their well-being, development and educational attainment. Furthermore, having a settled and secure home is important for parents. Without this, they are less likely to secure training and long term employment opportunities, which in turn affect their income. They are

therefore more at risk of living in poverty. Investment in housing and housing support services will help to ensure that children who are homeless, will be supported into long term homes. The transformation of the way homelessness services are delivered in Wales will also focus on prevention, aiming to alleviate the risk of homelessness for children.

During 2020-21 in our immediate response to the pandemic we strove to ensure that all individuals were provided with a safe environment in which their health and those of others was protected. We provided funding through the Local Government Hardship Fund to ensure that local authorities could provide emergency temporary accommodation and support for those sleeping rough or in inappropriate temporary accommodation in Wales. Building on this immediate response we invested further funding into Phase 2 of our Homelessness Plan, to ensure people could be supported to move on to permanent housing and not forced to return to the street. Despite pressure on our resources we have also continued to invest in preventative activity.

We recognise that capital investment in building new homes alone will not resolve homelessness unless we also invest in the support services needed to ensure that people can thrive in these homes. To build on the significant strides we have made toward our long-term goal of ending homelessness in Wales, a joint investment in both building and support services is needed. We have therefore allocated **an additional £40m revenue** to enhance these support services in 2021-22 and respond to demand – a total of **£166.8m** will be invested through the Housing Support Grant in 2021-22 to support the delivery of the transformational change required to achieve our long-term goal of ending homelessness. Reform of the housing system offers the opportunity to contribute significantly to a fairer and more equal Wales.

The Housing Support Grant is a preventative programme with a focus on actively helping those who require help now to support and maintain a home and also the development of innovative approaches to delivery designed to prevent people becoming more vulnerable in the future. It addresses the housing and housing related support needs of the most vulnerable individuals in society through a range of early intervention, prevention and support mechanisms. It supports vulnerable people to address the sometimes multiple problems they face, such as debt, employment, tenancy management, substance misuse, violence against women, domestic abuse and sexual violence, and mental health issues. Support is person centred, aimed at supporting people to secure and maintain sustainable housing by addressing the problems they face, helping to improve their health and well-being and helping them progress into, or nearer to, a job or training opportunity based on their specific circumstances. It seeks to mitigate or remove disadvantage to vulnerable people to enable them to have the same life chances as others, and therefore contribute to a more equal Wales.

The Housing Support Grant supports the aim of working together to prevent homelessness and where it cannot be prevented ensuring it is rare, brief and un-repeated. To do this we need to tackle the root cause of homelessness and work to enable people to stay in their own homes longer. Through this grant we seek to secure a *Wales where nobody is homeless and everyone has a safe home where they can flourish and live a fulfilled, active and independent life.*

In addition to the £40m allocation to the Housing Support Grant, we have also allocated **£4m** revenue from the Covid-19 fund to the **Homelessness Prevention Grant**, increasing this grant to **£21.9m** in 2021-22. The Homelessness Prevention Grant further supports the delivery of services aimed at preventing homelessness, and where it cannot be prevented, ensuring it is rare, brief and un-repeated. The Homelessness

Prevention grant supports the delivery of a range of homelessness prevention and relief activity and strengthens implementation of homelessness legislation. This in turn addresses a number of the wellbeing goals of the Well-being of Future Generations Act, particularly A Healthier Wales but also A More Equal Wales and a Wales of Cohesive Communities. The **additional £40m** funding for the Housing Support Grant as well as the **additional £4m** for the Homelessness Prevention Grant will help deliver the transformational change required to achieve the Welsh Government's stated long-term goal of ending homelessness.

The Covid-19 pandemic has demonstrated the high level of previously unmet support needs and whilst the emergency additional funding has assisted in helping to meet these in the short term, to keep people safe during the pandemic, this longer term investment in housing support is necessary to enable us to build on the progress made and not go backwards. The **additional funding of £4m** to the Homelessness Prevention Grant will enable us to maintain the emergency provision of accommodation and support in the early part of the next financial year as required and ensure continuity of provision. This allocation will be sufficient to meet anticipated need for only a short period during 2021-22, further allocations from the Covid-19 reserve will be considered at Final Budget following consideration by Cabinet of the need across Welsh Government.

This funding will enable us to maintain and build on the 'everyone in' approach and will support implementation of the transformational shift to a rapid-rehousing approach, as set out in the Homelessness Action Group recommendations, and which is required in order to end homelessness in Wales.

Social Housing

Investment in social housing is a key commitment and a central plank of the green housing-led economic recovery with potential to deliver significant returns on investment both in economic and societal terms. Providing people with a safe, warm and secure home remains a key priority for the Welsh Government. Social housing remains a top priority, it can provide not only quality homes, but the support needed to ensure people can sustain their tenancies and thrive. It can positively impact on health, mental health and education, which is why we have never moved away from support for social housing since the Senedd came into existence.

It is our intention to build on and strengthen the good work already going on here in Wales and as such, as part of this budget, we are committing to investing **£170m** in 2021-22 in this area. This reflects our commitment to continue the high level of social housing provision which we have started to deliver during this current term of government.

Investing in good quality social housing not only protects some of the most vulnerable people in society but also helps to support the Welsh economy, creating and protecting training opportunities, jobs and supply chains through a community benefits approach. Community benefits and the procurement of contracts enable the benefits of our investment to remain in Wales and be maximised in local communities. In 2021-22 we are **allocating a further £36.8m** to social housing. Of this, £20m will support the Optimised Retrofit Programme, £2m will be directed towards the Physical Adaptations Grant and the balance will be bolster Social Housing Grants.

The 2019 Global Accounts shows that in 2019 Welsh housing associations spent over £1.3 billion (including operational expenditure, staffing costs, construction spend and maintenance/ major works), of which 85% was retained spend in Wales. Our investment in housing enables the housing association sector to lever in private sector funding. The sector has borrowed over £3bn to build new homes and improve existing homes. This is forecast to increase by £0.2bn a year for the next 5 years. Directly and indirectly Welsh housing associations support around 25,000 FTE jobs.

Our capital investment in developing new social housing is **preventative** in nature; every £1.20 spent on decent homes saves the taxpayer £1.80 on the cost of young people not in employment, education or training. It also enables significant jobs and training opportunities to be delivered through a community benefits approach

Jobs created by housing development enable many of the unemployed construction workforce to leave the unemployment list, reducing benefit expenditure and boosting opportunities for apprenticeships and training. Estimated annual welfare savings increasing to £1.1 billion per year by the end of the UK Government term. Social landlords have also spent £200 million in the past five years on projects to help workless residents and on initiatives to tackle unemployment. HM Treasury figures indicate that spending £1 million in improving existing housing supports over 32 jobs in the construction industry.

Help to Buy

Our investment of **£74m** into Help to Buy Wales Phase 3 is another key recovery allocation. (Repayments of £1.7m in respect of Phase 1 and 2 have been netted off this allocation). As well as helping prospective home owners in need of financial assistance to purchase a home, it will also support the house building industry, supply chains, economy and jobs.

The scheme supports those who need additional help to purchase a home and in doing so eases the pressure on waiting list for social rented homes and homes in the private rented sector. Help to Buy Wales has in place affordability checks for customers, which are in addition to the first charge mortgage lender checks, thus ensuring that applicants are able to meet their financial obligations, preventing financial hardship issues for customers. The development of homes for sale that are affordable provides the opportunity for people to live in good quality homes and enjoy the health and well-being benefits associated with good housing, thus preventing the development of health and social problems in the future.

The investment in Help to Buy Wales is, and will continue to, support, sustain and develop the construction industry. Phase 3 will be a key support mechanism for the housebuilding industry, and in the current climate it is particularly important in aiding its recovery from the impact of Covid-19. The lockdown and the new safe working practices have impacted on the housebuilding industry and there is concern about the future of the smaller developers that operate in Wales. There are 134 SMEs registered with the scheme. Help to Buy Wales is a reliable and important source of income for these businesses. The scheme also supports all those involved in the buying and selling of homes. (10,985 homes have been delivered since the beginning of the scheme – as at 30 September 2020, and 7,903 since this term of government).

In turn, by stimulating the house building industry the scheme supports new build home starts and completions (in 2018-19 - the last year for which there is a whole years data - the private sector accounted for 78% of all completions) and the delivery of community benefits. For example a development of 263 homes in Radyr, Cardiff will see the delivery of 30% affordable homes on the site, £1.6m for local schools, £750,000 for bus services and £260,000 towards local community centres and additional benefits.

The scheme works towards the 7 goals and 5 sustainable development ways of working as set out in the Wellbeing of Future Generations Act by contributing towards a healthy and more equal Wales. This is demonstrated by the clear health benefits of having a good quality home which is affordable and located in a safe environment. Investing in building homes contributes to local economies, creating and supporting jobs and training opportunities as well as improving people's health, wellbeing and quality of life.

The scheme is an example of working in partnership to co-produce the best outcomes possible, utilising the strengths and assets people and places have to contribute. Welsh Government officials have worked in partnership with developers, representative bodies, UK Finance and Help to Buy Wales Ltd/Development Bank of Wales to co-produce Phase 3. A number of changes will be introduced to Phase 3 to address criticisms of the scheme, ensure support is targeted at those who most need it, while continuing to support the housebuilding industry and potential customers. Agreement about the scheme particulars has taken place through a sub Group of the Housebuilders Engagement Programme, where each aspect of the new Phase 3 has been discussed and agreed.

Decarbonisation & the Optimised Retrofit Programme

Whilst supporting economic recovery has been a key consideration for this year's budget, our commitment to alleviating climate change has also been at the forefront of our decision making.

By **investing £20m capital** in 2021-22 we are committing to extending the Optimised Retrofit Programme which is focussed on decarbonising homes whilst also simultaneously creating multiple other benefits through the development of new skills, assessment tools, supply chains and procurement frameworks that encourage SME development and create jobs. This programme will provide a stimulus package for boosting economic growth. Of course one of its other key benefits is that it seeks to improve the energy efficiency of homes and combat fuel poverty.

This investment will allow us to test the approach in many more homes. It is easily expandable and sustainable and can build sufficient knowledge and Welsh expertise to support a larger roll-out and help meet our 2050 decarbonisation targets. Once embedded, the Optimised Retrofit Programme will also support the longer term challenge of addressing climate change.

In addition to this, now that our successful Innovative Housing Programme is funding the building of affordable homes at scale and pace, it will be mainstreamed into our core social housing investment programme, seeking to build the near zero carbon, energy efficient social homes of the future. Evidence suggests that modular and other modern methods of home construction can successfully deliver near zero carbon homes and therefore this investment is considered crucial in response to the climate emergency. Making these homes green and sustainable will reduce fuel poverty, enhance occupant wellbeing and contribute to lowering our carbon footprint.

Housing and Health

We will continue and increase our investment in the Integrated Care Fund with a budget of more than **£130m** (£89m revenue and £40m capital in 2021-22). The Integrated Care Fund Capital programme will continue to focus on investing in accommodation to enable older people with care and support needs and people with learning disabilities to continue to live independently, reducing burdens on hospital and residential care services. We will also invest in accommodation for children with complex needs to ensure they are able to live close to home and avoid costly and distressing out of county placements.

We will support this capital investment with integrated, preventative service models, including for children in care or at risk of coming into care and carers. A series of services have been developed across the prevention continuum ranging from community connectors through to services to help people stay well at home and prevent hospital admission. The Fund is managed through Regional Partnership Boards, bringing health and social services together to deliver services around the needs of citizens.

Continuing our investment in the Integrated Care Fund Capital programme offers options to build on the existing programme, investing in assets to strengthen the housing and social care infrastructure to support A Healthier Wales. As a preventative programme, it aims to reduce demand for long term residential care, and the costs associated with hospital admissions and expensive placements. It offers cumulative long term benefits: jobs and supply chain opportunities during construction; acquisition of new social assets; accommodation which delivers savings over the lifetime of the investment; and improved efficiency and effectiveness of health and social care delivery, supporting the models of care set out in A Healthier Wales.

Our Independent Living revenue and capital adaptations programmes are further examples of preventative spend. They have a very significant impact by enabling disabled people to make their own decisions about where they want to live, promoting independence and dignity in line with the social model of disability. Adaptations programmes focus on making adaptations and improvements to existing properties to enable disabled people, frail older people and families with children with complex needs to continue to live independently in their own homes. They also provide rapid adaptations to facilitate timely hospital discharges and prevent Delayed Transfers of Care. The programmes relieve pressures on the NHS, not least by reducing the number of falls which are associated with lengthy hospital stays and poor long term outcomes, and reduces pressures on social care by reducing demand for residential care.

This is why we are maintaining our Care and Repair revenue and capital support at **£4.3m** and **£1.6m** respectively and our ENABLE capital budget at **£4m**. We have also increased the Physical Adaptations Grant capital budget with an **allocation of £2m** to an overall budget of **£10m** reflecting the increased demand this grant has experienced over past years.

These investments will help to create safe, warm and accessible homes, helping older people in Wales live independently in their own homes. It will also support the NHS by facilitating timely discharges and preventing unnecessary admissions and relieves costs on social care by reducing pressures on domiciliary and residential care.

The Integrated Care Fund Capital programme and the Independent Living adaptations programmes both contribute directly to A Healthier Wales by maximising the

contribution housing and adapted housing can make to supporting some of the most vulnerable groups (older people including those with dementia, adults with physical and learning disabilities, and families and children with complex needs) to live independently in the community. They are preventative investments that have cumulative benefits for individuals over time and which prevent problems escalating. Both programmes can only be implemented through the five ways of working, with a particular focus on collaboration an integration between housing, health and social care services, and the involvement and engagement of service users in designing and implementing solutions.

Welsh Housing Quality Standard

We are also maintaining our support for social landlords at **£108m per annum** to ensure the Welsh Housing Quality Standard is achieved and maintained. Our existing 225,000 social homes need to be of a high standard, recognising that quality housing has a demonstrable impact on health and well-being, and particularly mental well-being.

Future standards will focus on making our social homes more efficient, improving fuel efficiency, **reducing carbon** to ensure our social homes are easy and cheap to keep warm whilst reducing our carbon footprint.

Building Safety

Following the Grenfell Tower tragedy, high rise residential buildings (HRRBs) continue to face a range of systemic building safety weaknesses which are well documented.

Under existing leasehold contracts it is most likely that, in the eyes of the law, the leaseholder is duty-bound to fund remediation. But without financial support remediation is unlikely to happen at pace as the financial burden would be significant for leaseholders potentially resulting in bankruptcy, or significant financial hardship, for many. Working estimates indicate a cost to leaseholders of between £12k and £79k depending on the severity of defects. The problem is compounded by related issues regarding mortgages and insurance preventing borrowing against properties with identified cladding issues, leaving people feeling trapped in their own homes.

The issues faced by residents of high-rise buildings are not just housing issues. There are significant mental health concerns for those living in these properties. The potential for them presenting as homeless or requiring additional financial support and long-term access to support services is a genuine risk. The future building safety reforms being developed will take steps to address these issues and prevent them from occurring in the future.

The building safety programme is being developed on a cross governmental basis. There are direct impacts on Planning, Building Control and Housing and Public Protection functions within local authorities and impacts on the Fire and Rescue Services. The work cuts across several areas of existing legislation and reforms will also require new legislation in the future. Officials continue to develop the White Paper on Building Safety which will be published in January 2021. The impacts of the White Paper are not limited to protected groups.

Whilst we know there are 148 HRRBs in Wales (38 social/110 private), the demographics of high rise living is not clear. However, rents and property prices can be lower in these properties, therefore potentially attracting those from lower socio-

economic groups. Often high rise buildings attract younger and older people, who are attracted to their own property but with lower levels of direct 'effort' by themselves – i.e. no gardens, maintenance works undertaken by a building manager, etc., as such these groups can be on lower or more fixed incomes who are therefore less able to respond to high demands for financial contributions for remediation.

In 2021-22 we have **allocated £32m** capital in a range of buildings through a blended offer of grant and loan finance. The **£545k** revenue fund maintained from last year, will assist with the development of building safety policy and expertise. This fund will support the delivery of the Continuity Plan. The capital funding will support buildings of 18 metres and over (as outlined in the Road Map) with identified building defects in relation to building safety and will help speed up the pace of works to address fire and structural issues identified. It will also help maintain the quality of housing stock in Wales and allow residents, leaseholders and tenants to feel safer in their homes. Investment will flow through the building trade which is a cornerstone of economic recovery.

The Building Safety Programme will use the five ways of working outlined within the sustainable development principle of the Wellbeing of Future Generations Act, as key guiding principles. These are being used as the basis of policy development and subsequent actions. In practical terms, we are seeking to make homes safer (for buildings in scope). These properties are multi-generational assets and so it is important to take reasonable steps to ensure these homes remain safe for people to live in now and in the future. Failure to do so will undermine the integrity of the buildings and also impact upon the residents living with them. As well as potentially having a negative impact on the longer term availability of housing.

Town Centre Loans

As part of our recovery effort in 2020-21 we provided additional investment in town centres and funding to unlock stalled sites in order to support a housing led green economic recovery. The pandemic has accelerated changes to our high streets, town and city centres highlighting the need to rethink how we use town and city centres for leisure, learning and living and re-emphasising the need for local accessible services.

In 2021-22 we will invest a total of **£46.8m** into our Town Centre First approach including **£5m** of financial transaction capital funding for Town Centre Loans. This approach looks to encourage multiple reasons to visit town centres, not just to shop, but leisure, services, living, working and experience and to encourage our partners to locate services in town centres. Communities are at the heart of this vision to create high quality town centre environments that contribute to people's health and wellbeing whilst at the same time stimulating economic growth.

Town Centre Loans act as the catalyst to bring vacant and underutilised buildings back into use in the town centre. It forms part of the wider empty properties management agenda, providing a mechanism to allocate funds to local authorities to utilise in negotiations on chronically empty premises in town centres. We have an estimated 25,000 empty properties in Wales and if we can bring these properties back into use, this will alleviate the pressure on house builders, freeing up land for other uses or to not be used at all, promoting green spaces and biodiversity.

The properties will be redeveloped as shops, homes and leisure facilities. The loans are aimed at supporting activities that generate footfall, tackle empty sites and premises

and support businesses to grow and prosper both now and into the future. It is a repayable product that can be used for all types of refurbishment of empty properties and land in town centres. This includes home improvements which can relate to energy efficiency measures. The loans will be instrumental in providing local authorities with an incentive scheme to deliver changes to their town centres following the Covid-19 lockdown measures. The loan fund can be made available to owners who wish to make changes to their premises in order to adhere to social distancing measures.

This funding complements the 'Circular Economy' where we bring old unused buildings back into use before they degrade beyond all reasonable repair and can be used to create homes and premises for families and businesses rather than having to use resources to build new. There will be a variety of opportunities for smaller, local businesses to be involved in the repairs of the buildings. We will actively encourage local authorities to look for collaborative projects that provide exemplar opportunities in these empty buildings for environmental, economic, social and cultural benefits for communities around Wales.

Biodiversity & the Green Infrastructure Fund

Energy efficiency is a key consideration for any building improvements and renovation projects funded through the Regeneration programme. Funding which enables empty properties to be brought back into use and will allow for a potential blended approach to be taken encompassing an element of loan to enable the retrofitting of some low carbon solutions for building owners.

The investment we made last year of **£5m** to establish green infrastructure and encourage biodiversity in our towns and cities will be continued in 2021-22 which will benefit biodiversity as well as stimulate much needed investment in town centres improving their appeal as places to visit.

The resources deployed for this work will help mitigate the effects of climate change within our town and city centres. Green infrastructure is proven to help cool town and city centres, contribute significantly to well-being of residents and visitors and help instil a sense of place. SUDS related planting will help to mitigate the effects of flood related surface flooding.

Equalities

The Covid-19 pandemic has both highlighted and increased inequalities across Wales and a key focus of this budget has been to tackle poverty and inequalities. Revenue budgets across the Equalities portfolio were baselined at the final budget 2020-21. Specific allocations have also been made to build on these baselines to tackle inequalities.

Violence against Women, Domestic Abuse and Sexual Violence

We want to improve the economic, social, environmental and cultural well-being of Wales to achieve a prosperous, resilient, cohesive, healthier and more equal nation and society. This can only be achieved if individuals and groups within our communities are able to live free from fear of violence and abuse.

Women and their children are disproportionately affected by VAWDASV and the Covid-19 pandemic has deepened and aggravated this impact. The likelihood of being a victim of violence and abuse also increases with multiple vulnerabilities. BME women are proportionately more likely to be a victims of VAWDASV than white women, older people, those with disabilities, mental health or substance misuse problems are also more at risk.

The prevalence of VAWDASV is extremely high. The ONS Crime Survey for England and Wales (CSEW) (year ending March 2019) shows that 28% of women and 14% of men aged between 16 and 74 have experienced domestic abuse, and 14% of all crimes recorded by the police were domestic-abuse related. Nearly 3% of respondents aged 16-59 had been sexually assaulted in the previous year. In 2019-20 there were 45,242 police reported domestic violence and sexual violence crimes in Wales.

Evidence from the Live Fear Free helpline, other helplines across the UK, and the Police, as well as children's charities have noted increases in the reporting of domestic abuse during the pandemic. At the same time, perpetrator services have experienced an increase in calls from those concerned that their behaviour has tipped into abuse. It is vital that these callers are supported to prevent their behaviour escalating or developing into a cycle of abuse.

Following evidence that VAWDASV rose by an average of at least one third as the pandemic swept across the globe, £1.575m was allocated to bolster services during 2020-21. Local lockdowns and national 'firebreaks' are continuing the pressure on victims. The evidence indicates that demand for services will continue to grow and become more complex for some time and as a result a further **£1.575m has also been allocated in 2021-22** to continue to support these vital services. This funding will enable the specialist VAWDASV services to provide both preventative interventions, such as education, training and awareness raising programmes to tackle attitudes, but also reactive interventions, such as support, advice, guidance and counselling for victims and survivors of domestic abuse and perpetrator programmes. This increased investment will have a wide ranging impact; providing effective support to victims and perpetrators which will help to minimise impacts on health and criminal justice services.

Working with perpetrators and potential perpetrators to change their behaviour reduces the risk of further victimisation. Raising awareness and providing training for services working with children and families will improve resilience and reduce negative impacts on children's future life chances; supporting families to access appropriately resourced accommodation prevents homelessness.

VAWDASV revenue funding meets many of the well-being goals of the Wellbeing of Future Generations Act. It supports "A resilient Wales" by supporting victims of violence and abuse to access appropriate support, their resilience is developed and physical, mental and emotional wellbeing is safeguarded. It also supports "A more equal Wales" and "A Wales of cohesive communities" by helping victims/survivors and their families to play a full part in their communities, and to gain and retain employment and housing.

£1.2m capital has been added to the VAWDASV capital baseline in 2021-22 (this continues the allocation made at the 2020-21 Draft Budget). This funding will be directed to support third sector providers to buy dispersed community-based accommodation with flexibility to meet the needs of families which cannot be met by refuges, or to enable move on from refuges. Priority will be given to proposals that support and provide benefits to families with teenage boys; families with caring

responsibilities for older dependents or those with additional needs; male victims; victims with pets; victims with mobility and/or disability needs; and survivors who are ready to move out of refuge, but not yet ready to move to fully independent and permanent accommodation. This activity was planned for the 2020-21 financial year, however due to the pandemic the funding was re-prioritised to accommodate individuals impacted by Covid-19.

Equalities

Covid-19 has exacerbated current inequalities existing in Wales and has specifically adversely affected disabled and Black Asian Minority Ethnic people. During the 2020-21 financial year we provided additional support to organisations that played a critical role in the Covid-19 response and recovery and have been a vital link between Welsh Government and communities across Wales.

We expect the impacts of Covid-19 to continue into 2021-22 with a continuing disproportionate impact on those with protected characteristics. We will seek to tackle these inequalities with an **allocation of £1.1m** which will provide an opportunity to further support those communities most affected by Covid-19 across Wales during the recovery period, specifically disabled and Black Asian Minority Ethnic communities. The £1.1m additional budget allocation will assist with advancing the race equality agenda by supporting the development of the Race Equality Action Plan. This plan will put in place actions which will support Black Asian Minority Ethnic communities in Wales and work towards supporting those underrepresented and/or subject to higher levels of marginalisation and exclusion and will address intersectional issues. It will also allow us to begin to address some recommendations from the Black Asian Minority Ethnic Advisory Group. Similarly, a report on the impacts on disabled people is underway and actions recommended from this report will be equally important during recovery and can begin to be addressed through activity supported by the additional £1.1m budget allocation.

With the next Equality and Inclusion programme currently in development, due to commence in October 2021, we will ensure that we shape a successor programme which will help achieve the Equality Objectives set and published in the Welsh Government's Strategic Equality Plan. We will also align funding to the actions in the Gender Equality Plan; Disability Action Plan; Nation of Sanctuary; Race Equality Plan; and Enabling Gypsies, Roma and Travellers.

By funding organisations that support people with protected characteristics, we are helping to ensure fairer access to services and opportunities in Wales. By supporting the long term needs of people with protected characteristics we will help prevent longer term problems by picking up the issues that affect people within these communities at an early stage in policy making. The delivery and actions of the programmes supported by the Equality budget contribute towards the Equality Objectives which will contribute to the Welsh Government maximising its contribution to the Well-being Goals, in particular the well-being goal, 'a more equal Wales' which includes reference to socio-economic inequalities and the goal of 'a Wales of cohesive communities'.

In 2021-22 we have merged the Equality and Prosperity BEL and the Community Cohesion BEL into a new BEL, the Equality and Cohesion BEL which will provide additional flexibility to support communities across Wales. In 2021-22 the projects funded from the European Transition Fund (Strengthening Community Cohesion £0.76m, EU Citizens Rights £0.5m and Tackling Hate Crime and Community Cohesion

£0.6m) have been removed from our baselines resulting in a budget reduction. The funding for these projects through the European Transition Fund was time-limited and this represents the end of the period of funding for these projects.

Third Sector

The **third sector** has a significant role to play if we are to achieve our aims of a fair, just and green recovery. Social enterprises have the ability to enable sustainable and inclusive economic growth. This can be achieved by supporting those furthest from the labour market to gain employment, as well as creating jobs in their own right. Working with the sector has wider reaching benefits in that it also enables community voices to be heard, help target those who have become disenfranchised as well as promoting greater equality. The benefits of this cannot only be measured in economic terms but also social, due to the reduced burden on statutory services.

The third sector and the volunteers it supports have played a vital role in our response to the Covid-19 pandemic and will be similarly involved supporting individuals and communities during recovery. This has shown just how important the sector is to the health and wellbeing of our communities. The Covid-19 crisis and the floods from earlier this year have demonstrated the importance of having a strong and vibrant third sector. The third sector will be crucial in enabling us to ensure the inequalities the pandemic has driven, do not become embedded.

Due to the huge range of both statutory and non-statutory services provided by the 30,000 third sector organisations in Wales to our communities, it contributes to prevention in all categories. The third sector infrastructure (provided through Third Sector Support Wales (TSPC)) provides support that enables third sector organisations to deliver a range of early interventions such as social prescribing and early years support. The infrastructure allows these organisations to operate by improving access to training and best practice on good governance. Third sector organisations can often identify future community support needs before the statutory sector is aware of the problems as they are working at a grass roots level. The infrastructure provides the mechanism through the TSPC to allow the sector to engage with Welsh Government and the wider public sector.

During 2020-21 we have provided over £24m of support for the sector which has enabled:

- Voluntary Services Emergency Fund has provided close to £7million, enabling 156 organisations to support 6,262 volunteers and help 764,073 beneficiaries. This fund closed in August and was replaced by the Voluntary Services Recovery Fund.
- The Voluntary Services Recovery Fund has to date (10 December) provided 102 organisations with grants worth £3.77m. These grants are supporting 2,413 volunteers and aim to help 198,704 beneficiaries.
- Third Sector Resilience Fund has to date (10 December) provided support worth £5.4 million to 122 charities and third sector organisations across Wales.

In 2021-22, we will be providing £4.915m core funding to support our third sector infrastructure, which represents **an increase of £0.669m**. In addition to providing an **additional £3m** of funds in 2021-22 to enable the sector to continue supporting the most vulnerable individuals in our communities.

This funding supports the delivery of a number of the seven well-being goals. The retention of local provision delivered by small organisations and also the development of local skills in terms of the management and growth of small Third Sector organisations

(A prosperous Wales); encourages social and economic resilience by offering a service which supports the development of local organisations. (A resilient Wales); contributes to an environment where people have the opportunity to reach their potential through contributing to local civil society (A more equal Wales) and has the capability to contribute to organisations which support the provision of attractive and safe communities (A Wales of cohesive communities).

Decisions in relation to supporting volunteering will be taken with the 'long term' needs in mind. Supporting small Third Sector organisations in their development could 'prevent' or ease pressure on public bodies as these organisations respond to and meet community needs. Often these smaller organisations have been founded by/with the 'collaboration' of the communities they serve.

Community Asset Loan Fund

An allocation of **£1m financial transaction capital** has been made in 2021-22 to the Wales Council for Voluntary Action's Community Asset Loan Fund. The fund aims to provide community groups taking on community assets with loans of up to £500k to purchase and/or improve these assets for the benefit of the local community.

The Loan Fund will contribute to the delivery of the Prosperity for All commitment to help local communities take ownership of community assets which bring people together. The fund will provide another option for communities where there is a risk they may lose valuable assets. It will do this by offering loan finance to those community groups who are mature enough to move away from grant funding, but not yet in a position to borrow from commercial lenders.

The fund will contribute to the empowerment, resilience, wellbeing and cohesion of communities. It will help to prevent the loss of services where community groups are able to take on the running of much needed community buildings with the assistance of the fund.

The third sector is well used to working in a collaborative and integrated way. Community groups who take on the running of community buildings must work with partners to develop sustainable proposals for the operation of the building. This can include other community groups who may share, rent or utilise the space and local authorities and other public bodies who may deliver services from the venues. This approach protects a valued public service for the longer term, using an alternative delivery model which allows the local authority to save money and the community to protect and develop an important asset and vital service.

The transfer of assets to the community empowers that community as they engage people in local decision-making, seeking their views on the development of the asset. Community ownership of valued and well used buildings can provide a focus for cohesion and build community resilience. The services on offer will provide opportunities for individual community members to learn, socialise, volunteer and work.

Community owned buildings provide services which can prevent problems occurring. The opportunities to socialise and volunteer help to prevent loneliness and isolation. Protecting local access to services such as libraries, training opportunities and local health services helps to build resilience. Community buildings are places where people can find help and support ranging from a foodbank, debt and benefit advice or an

exercise class or weight loss group. These activities can often prevent problems developing or worsening. This helps to avoid the need for more acute interventions.

The Loan Fund will help community groups to improve these buildings, many of which, especially those which may have been in public sector ownership, have maintenance backlogs. These improvements could include better insulation, more efficient heating, new technology such as solar panels, triple glazing and rainwater harvesting systems. These improvements help the decarbonisation agenda and provide environmentally and financially sustainable community buildings for the long term.

Blueprints for Youth Justice and Female Offending

Work has been undertaken to develop proposals on how a distinct and different justice system would operate in Wales. The Female Offending blueprint was developed jointly by HM Prison and Probation Service (HMPPS) and Welsh Government, predicated on the basis of early intervention and prevention; considering how we can further divert people away from crime in the first place, but where we do have to work with offenders, that we do so in a holistic and rehabilitative way. A separate blueprint for Youth Justice was jointly developed between officials and the Youth Justice Board Cymru, building on the key themes of the Charlie Taylor Review of the Youth Justice System of England and Wales, but focusing on the system as it stands within Wales. The Police and Crime Commissioners in Wales and the Home Office are also key partners in this work.

Both blueprints are intentionally ambitious and set out a number of recommendations, many of which will have an impact for devolved services within various ministerial portfolios (health, social services, education, and housing). The intention is that the recommendations set out in the blueprints will be aligned to the existing priorities within respective portfolios in order to provide a coherent and collaborative approach to justice policy that meets the needs of Wales.

In 2021-22, we have made an allocation of £0.5m to take forward the work of Blueprints. This will enable the continued support of the Women's Pathfinder Whole System Approach and 18-25 Early Intervention Service, the 'Visiting Mums' project and the roll out of trauma informed training to all Youth Offending Teams in Wales. This programme of work will help divert women and children from the criminal justice system and help rehabilitation and prevent re-offending.

Both Blueprints contribute to the cross-cutting priorities in the national strategy Prosperity for All by focussing on prevention and early intervention in order to reduce the instances of crime and to divert people from entering the criminal justice system, thereby reducing the risk of crime on communities, individuals and their families. By ensuring that the emerging whole system approach includes the appropriate levels of wraparound support, including substance misuses and mental health support to those who have experienced trauma which may lead to offending, we are also able to support the Health and Active priority. The Ambitious and Learning priority is also addressed with the provision of appropriate levels of education and learning for those within the education system in all settings (including non-mainstream settings) to reduce school exclusions which could leave young people vulnerable and at risk of entering the criminal justice system.

The five ways of working set out in the Well-being of Future Generations (Wales) Act are also addressed. The blueprints have a long term focus by breaking intergenerational cycles of crime, creating a fairer society with more equal outcomes for all. The

safeguarding of women and children, tackling root causes of offending behaviour is preventative in nature with a collaborative approach entrenched to deliver transformative services. We have worked hard to understand the links across policy areas and how this approach can improve the social, economic, environmental and cultural well-being of our communities and have developed our approach to delivering effective services by involving those affected (victims, women, children and communities).

Tackling Poverty (including Welfare)

It is clear that the pandemic has had a disproportionate effect on those from lower socio-economic groups. A key theme of this budget has therefore been to tackle poverty. With revenue budgets baselined at the 2020-21 Final Budget position, the allocations made at last year's draft budget to tackle poverty have been baselined and will continue into 2021-22. This included allocations within our portfolios for period poverty, period dignity, the Financial Inclusion programme and the Time Credits Programme. The Council Tax Reduction Scheme is demand led and will also continue into 2021-22. A new **allocation of £1.1m** has also been made to bolster advice services and an **allocation of £1.5m** in financial transaction capital has been made to support financial inclusion.

For the Welsh Government as a whole, we continue to support children from low income households and Looked After Children to overcome the additional barriers that prevent them from achieving their full potential through the Pupil Deprivation Grant. We have also continued our support for free school meals, the School Holiday Enrichment Programme and the Holiday Hunger Programme.

Advice Services

We know that the economic impacts of Covid-19 and European Transition will fall disproportionately upon groups with protected characteristics, who are already disadvantaged. By supporting advice services, we will continue to make sure nobody is left behind by ensuring those groups are accessing the advice and support that they need to resolve their debt, employment, housing and welfare benefit problems. The outcomes from advice service interventions proactively address poverty and inequalities which are key priorities of the reconstruction and recovery plans.

Whilst the Covid-19 is affecting everyone, the evidence is clear that the most disadvantaged people in Wales will experience severe financial impacts generated by the expected economic downturn. The Single Advice Fund services are reaching deep in to the heart of communities (through their design that encouraged collaboration amongst funded providers) ensuring those most in need access our services, for example in 2020 over 80% of people accessing services have a protected characteristic.

People from groups with protected characteristics are consistently failing to claim their correct entitlement to welfare benefits. Given the economic challenges that lie ahead in 2021-22, it is important that they are receiving their full entitlement to financial support from the Welsh and UK benefit systems. Helping people claim welfare benefits is a key activity delivered through the Single Advice Fund and, between January 2020 and

September 2020, people were supported to claim over £20 million of additional welfare benefit income.

By **investing a further £1.1m** in advice services, the Welsh Government is supporting cost effective initiatives that play a vital role in tackling poverty. For example, the outcomes from advice service interventions include supporting improvements to a person's health and well-being, their employability and financial circumstances. The additional investment will allow us to enhance and increase the provision of the Income Maximisation and Employment Discrimination Advice services delivered through the Single Advice Fund to target advice and support to groups with protected characteristics who are less likely to claim their legal entitlement to welfare benefits and are at highest risk of experiencing employer discriminatory practices. As previously stated, the most vulnerable groups in our society will be hardest hit by the economic crisis we will face during 2021-22 and the Equality and Human Rights Commission has highlighted the Covid-19 pandemic is increasing the potential for discriminative employer conduct, perhaps even more so as the economic crisis deepens. Therefore, these are particularly important services to provide additional funding for during these unprecedented times.

We know vulnerable people experience the largest number of social welfare problems and face the most extreme impacts from these problems. This is why we required Single Advice Fund Advice providers to ensure people from groups with protected characteristics are accessing their services. During 2020 over 80% of people (59% of whom are women), who have accessed Single Advice Fund services are from groups with protected characteristics.

The Welsh Government devised the Single Advice Fund to have a strong focus upon preventative activity. We are now funding an innovative service delivery model comprising of Advice and Access Partners who target early access to advice amongst people who tend not to ask for help until a problem has reached a crisis point - where resolution requires more costly interventions.

Our Single Advice Fund services also offer an empowerment approach, with service users having their own co-developed action plans, including the steps they will take in the resolution of their problem(s). This approach is building a service user's knowledge, capacity, and skills, helping them to prevent the reoccurrence of future social welfare problems.

Advice services positively contribute to the attainment of several Well-being goals, including a prosperous Wales (income maximisation), a resilient Wales (empowering people to deal with their own problems), a healthier Wales (reducing the stress caused by unsolved problems) and a more equal Wales (tackling inequality and promoting access to social justice).

The Single Advice Fund was designed to fund providers who proposed service delivery models that embraced the five ways of working. Therefore, the Welsh Government is now funding collaborative advice delivery models, which offer integrated and preventative services that resolve a person's problem and build their resilience to future social welfare problems occurring.

Financial Inclusion

The **Discretionary Assistance Fund** (DAF) as a demand driven grant fund is key in tackling poverty. The DAF offers cash payments or in-kind support (essential household items and white goods) providing urgent assistance to people to safeguard health and well-being. In 2021-22, we are maintaining support for the DAF at levels provided during the 2020-21 Final Budget.

Since the start of the DAF in 2013 more than 419,000 awards have been made totalling over £71.1m in grant funding to the most vulnerable. In 2021-22 the Discretionary Assistance Fund will continue to provide support to those in need with two types of grant that don't need to be paid back. The Emergency Assistance Payment (EAP) helps with essential costs after experiencing a crisis for reasons such as loss of job or delays in benefit payments and to meet the immediate cost of living, covering the cost of food and fuel for those who are facing severe financial hardship. An Individual Assistance Payment helps those requiring care to live independently rather than enter or remain in an institution such as a care home or hospital. With individuals continuing to be affected by the pressures of Covid-19, individuals and families across Wales are turning to the fund for additional support to help them with some of the financial pressures and challenges they are facing.

During 2020-21 the pressures of Covid-19 have had a significant impact on individuals and families across Wales who are increasingly turning to the fund for additional support to help them with some of the financial pressures and challenges they are facing. In response to Covid-19, Welsh Government have invested an extra £13.9m into the DAF during 2020-21 to support the increasing demands on the fund including the large increase in claims. This additional funding also supported the relaxation to DAF rules concerning the number and frequency of EAP awards due to Covid-19 from 1 May 2020 to 31 March 2021. This provided vital support to individuals and families across Wales who are on low income and experiencing severe financial hardship. Between the periods 18 March 2020, when Covid-19 recording began, up to 30 November 2020, a total of 144,253 EAP DAF payments have been made totalling £9.3m, of which 116,247 quote Covid-19 as a cause, amounting to £7.5m.

Analysis of the Covid-19 emergency payments highlight that it is overwhelmingly being accessed by people who were already in hardship and who have been pushed further into hardship because of the Pandemic. DWP have been asked to actively signpost new claimants to DAF but numbers of people who are newly unemployed and accessing DAF remain low. As many businesses are relying on the UK Furlough scheme to pay their staff it is predicted that there will be a sharp rise in redundancies, business closures and unemployment with more people looking to claim Universal Credit. In these circumstances it is expected that some individuals will turn to the DAF for support. Further support for the DAF will be considered as part of the consideration of allocations to make at Final Budget from the Covid-19 reserve.

Ensuring that financial inclusion is at the forefront of the Welsh Government's spending plans will support individuals to improve their financial situation and general well-being, preventing more costly interventions to the public purse. Financial inclusion makes a vital contribution to the skills and employability, mental health and housing priorities set out in Prosperity for All. Debt and poor money management can impact on a person's ability to sustain employment and there are established links that debt, housing and welfare issues can lead to mental ill-health. Our financial inclusion work supports citizens to participate fully in society, to prepare for and sustain employment and

diminishes the risk of adverse experiences of children by mitigating a range of individual, relational, community and societal factors for parents/carers.

The Financial Inclusion work supports the Well-being of Future Generations Act. The Fund contributes towards many of the goals, including a “more equal Wales” and “a healthier Wales”. Support provided helps those who are financially excluded, have access to financial products they may not be able to access elsewhere, contributing to a more equal, prosperous, resilient and healthier Wales. It also is preventative, with credit unions encouraging a savings habit and promoting access to ethical loans, to people who, without the service of a credit union, are likely to use high-interest lenders.

Whilst credit unions strive to provide affordable credit and savings to everyone, there are people who due to their already fragile financial situations, including significant over-indebtedness, who simply cannot afford to lend responsibly and fairly with credit unions or other community finance providers. It is concerning that they will often turn to high cost credit and illegal lending and intensify their already vulnerable position. For this reason there is also £0.5m set aside to pilot a no interest loan scheme, working with Fair4All Finance and HM Treasury to test whether it is possible for people who currently cannot afford to lend from an affordable credit provider to be able to access responsible credit that is affordable to them.

Supporting the provision of affordable credit in this way is an example of preventative spend. The promotion of fair and responsible lending, with people only borrowing what they can afford to repay will help to reduce over-indebtedness levels in the longer term. It will have a very significant impact on people who, in accessing the right financial product at a fair price, can ease their financial worries, improve their financial wellbeing, and begin their financial journey by being encouraged to save a little alongside their lending, made possible by accessing low cost credit instead of high cost credit.

Credit Unions

In support of financial inclusion, Welsh Government provides funding to credit unions to take forward a variety of projects in our communities. These projects boost growth and reach, allowing more people who are financially excluded to be able to benefit from affordable finance. Projects include payroll growth to support financial resilience and encourage employees to build savings buffers, school and prison savers projects, community outreach work to boost membership and a collaborative marketing project which is raising awareness via social media. In response to the Covid-19 pandemic a **further £1 million capital** was secured to support credit unions with their capital positions during 2020-21 so they can continue to help people to access affordable credit. Credit Unions have been invited to apply for this support.

In 2021-22 we have **allocated a further £1m** financial transaction capital to credit unions, which highlights our support for credit unions and financial inclusion as a key commitment. The pandemic has brought into sharp focus the issue of financial exclusion and has magnified the need for affordable credit that is accessible and appropriate for everyone. Increasing financial inclusion by improving access to affordable credit will make a significant improvement to many aspects of people’s lives, health and wellbeing.

Digital Inclusion

Developing the digital skills of communities can lead to greater economic opportunities, a more equal society and improved social cohesion. Achieving a more digitally inclusive society will make a significant contribution to maximising the contribution of the Welsh Ministers to achieving each of the seven well-being goals of the Well-being for Future Generations (Wales) Act 2015 making Wales a more prosperous, resilient, healthier and equal society with well-connected communities, a vibrant culture and thriving Welsh language.

Equipping digitally excluded people with the basic digital skills to engage with technology enables them to access all the benefits of being online. This includes improved learning opportunities; applying for jobs; managing finances via online budgeting tools or online banking; staying in touch with friends and family; searching for and sharing tips for a healthy lifestyle; and accessing vital public services.

The pandemic has raised the importance of digital inclusion across Government and wider stakeholders, recognising the need to support citizens to be able to access vital services often delivered remotely during the pandemic. As a result we have maintained the Digital Inclusion budget in 2021-22 at £1.25m (a small non-cash allocation of £149k has been made to account for the depreciation of assets purchased during 2020-21). Ensuring that digital inclusion is at the forefront of the Welsh Government's spending plans as part of wider digital transformation, will support individuals to engage with digital public services including help to gain and retain employment, access health services and improve general well-being, preventing more costly interventions to the public purse.

Children and Communities Grant

The programmes within the Children and Communities Grant (CCG) contribute to our commitments to tackling poverty and inequalities. The grant focuses on early intervention and prevention with programmes supporting those most in need, particularly children and families and those seeking to access employment. Tackling inequalities is a key priority and a central strand of Covid-19 recovery. Maintaining this budget line at £135.4m allows the continuation of this support to the most vulnerable children and adults in our communities.

The CCG seeks to address the support needs of the most vulnerable children and adults in our communities through a range of early intervention, prevention and support mechanisms. They seek to mitigate or remove disadvantage to vulnerable people to enable them to have the same life chances as others, and therefore contribute to a more equal Wales. The development of the Funding Alignment approach itself has been done so with close involvement of local authorities, working collaboratively with each other and Welsh Government.

Welfare Reform

The Department for Work and Pensions (DWP) is in the process of migrating claimants from legacy benefits to Universal Credit. This started in July 2019 and is currently expected to be completed by December 2023.

The Covid-19 crisis has generated a significant increase in the number of people in Wales claiming Universal Credit. DWP statistics show that there were 271,890 people on Universal Credit in Wales in October 2020 compared to 150,527 people in February 2020.

In August 2020, 221,190 households in Wales were on Universal Credit in Wales, compared to an estimated 400,000 households once Universal Credit is fully rolled out.

As a result of the continued roll out of Universal Credit, in April 2019 we introduced an annualised net earned income threshold of £7,400 for Universal Credit claimants who want to claim free school meals for their children. We also provided transitional protection, meaning pupils who were eligible for free school meals because their families received Universal Credit or qualifying legacy benefits when the threshold was introduced, or any new claimants who gain free school meals during the rollout of Universal Credit, are protected against losing free school meals whilst Universal Credit is rolled out across Wales, even if their eligibility changes. Once Universal Credit is fully rolled out, any existing claimants who no longer meet the eligibility criteria (because they are earning above the threshold) will continue to receive protection until the end of the pupil's current phase of education (for example, until they finish the primary phase or the secondary phase).

We made an additional £7million available through the Settlement in 2019-20 to fund the estimated increase in the number of children eligible for free school meals and the transitional protection offer. This is in addition to funding of £5million we provided to local authorities in 2018-19, as a specific grant within the Education MEG, to meet the additional free school meal costs associated with the rollout of Universal Credit. There were no changes made as part of draft budget last year so £7m remained in the settlement. No changes are proposed for 2021-22 as we are still waiting for an updated model from DfE.

Joint Work of ELGC, Finance and Children, Young People and Education Committee

Last year, we published a Budget Improvement Plan for the first time as part of the 2020-21 Draft Budget package. This plan outlines our vision, including short-term and medium-term ambitions over the next 5 years, to improve our budget and tax processes.

This includes our approach to developing how we approach the assessment of the impacts of budget decisions in line with our commitment to continuously developing our approach. The Plan also acknowledges the steps we have taken in our journey, and how we have built, or plan to build on this work in future years.

We have published an updated Budget Improvement Plan alongside our 2021-22 Draft Budget which presents our rolling 5 year ambitions as well as a summary of our progress against planned commitments from last year's Plan during 2020.

This has included the new approaches we have explored despite the pandemic to inform what other approaches we could take to complement the SIIA of the budget. For example, following engagement with the Equality and Human Rights Commission last year, we have developed a distributional impact model for analysing public spending in

Wales and we have published our initial analysis as part of the 2021-22 Draft Budget package.

In January 2020 a research consortium involving Swansea University, Bangor University, Diverse Cymru and Young Wales was awarded the contract to undertake research into strengthening and advancing equality and human rights in Wales. The aim of this research is to investigate mechanisms to strengthen and advance equality and human rights in Wales, and to make recommendations for legislative, policy, guidance, or other reforms to meet this objective. The research methodology included undertaking stakeholder organisation interviews and workshops via an online platform, conducting lived experience focus groups involving children/young people and adults with different protected characteristics, and disseminating a questionnaire. The research team are currently in the process of analysing the data collected, with a view to field testing the draft findings/recommendations in mid/late December 2020. The final report, including the main findings and recommendations, will be submitted to Welsh Government by the end of February 2021.

For the 2021-22 Draft Budget, we will summarise the impacts of our spending decisions as part of the main narrative, as well as publish case studies on the impacts of specific spending decisions.

Our normal policy is that published impact assessments are presented alongside the policy work to which they refer. During the pandemic, the Welsh Government has included a section specifically on impact assessments related to coronavirus on the coronavirus section of our website - <https://gov.wales/impact-assessments-coronavirus>. Our current view is that placing impact assessments in the area of the website to which they relate reflects their integral role as part of the policy-making process and aids transparency and that this is preferable to providing impact assessments in one central location. We are currently carrying out a wider review of current effectiveness of and opportunities to keep improving our approach to assessing impact in policy development, work which has been delayed by the pandemic but which will also be informed by it. Evolving best practice in assessing impact may affect our future approach to how and where we share impact assessments.

In respect of the Integrated Impact Assessment, our current approach, is to include all impact assessments together in a single tool. We have now had over 2 years of experience of using the tool (during both normal policy making conditions and the unusual circumstances under which policy has developed during the current pandemic). Work on reviewing the IIA paused at the outset of the pandemic but is just recommencing and will form part of wider work on supporting the policy-making capability of the Welsh Government. We are currently carrying out a comprehensive review of the Integrated Impact tool focused on driving better policy-making and greater transparency. It will also include engagement with a number of external stakeholders including the statutory Commissioners and members of the Budget Advisory Group for Equality

ANNEX A

EXTRACT FROM HOUSING AND LOCAL GOVERNMENT MAIN EXPENDITURE GROUP (MEG)			
RESOURCE BUDGET			
BEL	2020-21 Final Budget £000s	Changes £000s	New Plans Draft Budget 2021-22 £000s
Local Govt General Revenue Funding	3,399,147	210,395	3,609,542
City & Growth Deals	10,000	-10,000	0
Police General Revenue Funding	86,600	1,750	88,350
Non-Domestic Rates Rates Relief	27,700	0	27,700
Local Govt PFI Revenue Consequences	3,124	-132	2,992
Transformation & Legislation	8,857	-1,818	7,039
Non-Domestic Rates Collection Costs	5,172	0	5,172
Emergency Financial Assistance Scheme	1	23,270	23,271
Total: Funding Support for Local Government Action	3,540,601	223,465	3,764,066
Valuation Office Agency Services	8,561	0	8,561
Valuation Tribunal for Wales	1,039	0	1,039
Local Taxation Research & Analysis	100	0	100
Total: Valuation Services Action	9,700	0	9,700
Sponsorship of the Local Democracy and Boundary Commission for Wales	598	0	598
Expenditure to Promote Local Democracy	126	0	126
Total: Building Local Democracy Action	724	0	724
Improvement & Support	350	0	350
Total: Local Government Improvement Action	350	0	350

EXTRACT FROM HOUSING AND LOCAL GOVERNMENT MAIN EXPENDITURE GROUP (MEG)

RESOURCE BUDGET

BEL	2020-21 Final Budget £000s	Changes £000s	New Plans Draft Budget 2021-22 £000s
Academi Wales	1,134	0	1,134
Total: Academi Wales Action	1,134	0	1,134
Community and Town Councils	144	0	144
Public Services Boards	530	0	530
Total: Supporting Collaboration and Reform Action	674	0	674
Supporting Communities	483	0	483
Children and Communities Grant	135,442	0	135,442
Housing Support Grant	126,763	40,000	166,763
Total: Early Intervention, Prevention & Support Action	262,688	40,000	302,688
Financial Inclusion	13,202	0	13,202
Digital Inclusion	1,250	149	1,399
Total: Financial Inclusion and Digital Inclusion Action	14,452	149	14,601
Fire & Rescue Services	10,425	-2,000	8,425
Fire & Rescue Services - Communication Systems	1,765	2,150	3,915
Community Fire Safety	848	0	848
Total: Fire & Rescue Services and Resilience Action	13,038	150	13,188
Homelessness	17,907	4,000	21,907
Total: Homelessness Prevention Action	17,907	4,000	21,907
Housing Policy	5,429	-545	4,884
Total: Housing Policy Action	5,429	-545	4,884
Building Safety*	0	545	545
Building Safety	0	545	545
Housing Finance Grant	13,100	0	13,100
Total: Increase the Supply and Choice of Affordable Housing Action	13,100	0	13,100
Housing Programme Revenue Funding	1,073	0	1,073
Total: Housing Revenue Funding Action	1,073	0	1,073
Regeneration	560	0	560
Cardiff Harbour Authority	5,400	0	5,400
Total: Regeneration Action	5,960	0	5,960
Planning & Regulation Expenditure	5,096	0	5,096
Total: Planning and Regulation Action	5,096	0	5,096
EXTRACT FROM HOUSING AND LOCAL GOVERNMENT MEG - TOTAL RESOURCE BUDGET	3,891,926	267,764	4,159,690

*New BEL and Action - Building Safety

EXTRACT FROM HOUSING AND LOCAL GOVERNMENT MAIN EXPENDITURE GROUP (MEG)			
CAPITAL BUDGET			
BEL	2020-21 Final Budget £000s	Changes £000s	New Plans Draft Budget 2021-22 £000s
Local Govt General Capital Funding	197,837	0	197,837
Total: Local Government General Capital Funding Action	197,837	0	197,837
Fire & Rescue Services	1,000	0	1,000
Fire & Rescue Services - Communication Systems	210	0	210
Community Fire Safety	670	0	670
Total: Fire and Rescue Services and Resilience Action	1,880	0	1,880
Rapid Response Adaption Programme	5,660	0	5,660
Total: Housing Policy Action	5,660	0	5,660
Integrated Care Fund	40,000	0	40,000
Total: Integrated Care Fund Action	40,000	0	40,000
Major Repairs Allowance and Dowry Gap Funding	108,000	0	108,000
Total: Achieve Quality Housing Action	108,000	0	108,000
Social Housing Grants (SHG)	163,219	36,780	199,999
Total: Increase the Supply and Choice of Affordable Housing Action	163,219	36,780	199,999
Building Safety	0	20,000	20,000
Total: Building Safety	0	20,000	20,000
Regeneration	41,808		41,808
Total: Regeneration Action	41,808	0	41,808
EXTRACT FROM HOUSING AND LOCAL GOVERNMENT MEG - TOTAL CAPITAL BUDGET	558,404	56,780	615,184

EXTRACT FROM HOUSING AND LOCAL GOVERNMENT MAIN EXPENDITURE GROUP (MEG)				
FINANCIAL TRANSACTIONS				
BEL	Financail Transactions	2020-21 Final Budget £000s	Changes £000s	New Plans Draft Budget 2021-22 £000s
Financial Inclusion	Credit Unions	-5	1,501	1,496
Total: Financial Inclusion and Digital Inclusion Action		-5	1,501	1,496
Social Housing Grants (SHG)	Building with Modular and Housing Loans	60,000	-60,000	0
Land for Housing	Land for Housing	10,000	-10,000	0
Total: Increase the Supply and Choice of Affordable Housing Action		70,000	-70,000	0
Building Safety	Building Safety Fund	0	12,000	12,000
Total: Building Safety		0	12,000	12,000
Help to Buy Wales Fund and Other Schemes	Help to Buy	68,510	3,800	72,310
Action: Increase the Supply and Choice of Market Housing Action		68,510	3,800	72,310
Integrated Care Fund	Clych Caron Integrated Rescue Centre	2,000	-2,000	0
Total: Integrated Care Fund Action		2,000	-2,000	0
Regeneration	Town Centre Loans	10,000	-5,000	5,000
Total: Regeneration Action		10,000	-5,000	5,000
EXTRACT FROM HOUSING AND LOCAL GOVERNMENT MEG - TOTAL FINANCIAL TRANSACTIONS		150,505	-59,699	90,806

EXTRACT FROM CENTRAL SERVICES AND ADMINISTRATION MAIN EXPENDITURE GROUP (MEG)			
RESOURCE BUDGET			
BEL	2020-21 Final Budget £000s	Changes £000s	New Plans Draft Budget 2021-22 £000s
Violence against Women, Domestic Abuse and Sexual Violence	5,250	1,575	6,825
Total: Violence against Women, Domestic Abuse and Sexual Violence Action	5,250	1,575	6,825
Community Cohesion	1,600	-1,600	0
Equality and Community Cohesion*	5,766	840	6,606
Total: Equality and Inclusion Action	7,366	-760	6,606
Advice Services**	8,901	1,100	10,001
Total: Advocacy Services	8,901	1,100	10,001
Support for the Voluntary Sector and Volunteering	6,625	3,669	10,294
Total: Support for the Voluntary Sector	6,625	3,669	10,294
Community Support Officers	16,787	0	16,787
Total: Community Support Officers	16,787	0	16,787
Female Offending and Youth Justice Blueprints	575	500	1,075
Total: Female Offending and Youth Justice Blueprints	575	500	1,075
Chware Teg	360		360
Total: External Bodies Action	360	0	360
EXTRACT FROM CENTRAL SERVICES AND ADMINISTRATION MEG - TOTAL RESOURCE BUDGET	45,864	6,084	51,948
* Previously 'Equality and Prosperity'			
** Previously 'Advocacy Services'			

EXTRACT FROM CENTRAL SERVICES AND ADMINISTRATION MAIN EXPENDITURE GROUP (MEG)			
CAPITAL BUDGET			
BEL	2020-21 Final Budget £000s	Changes £000s	New Plans Draft Budget 2021-22 £000s
Violence against Women, Domestic Abuse and Sexual Violence	2,169	0	2,169
Total: Violence against Women, Domestic Abuse and Sexual Violence Action	2,169	0	2,169
Gypsy Traveller Sites	5,000	-1,500	3,500
Total: Gypsy Traveller Sites Action	5,000	-1,500	3,500
Community Facilities Programme	4,838		4,838
Total: Community Facilities Programme Action	4,838	0	4,838
EXTRACT FROM CENTRAL SERVICES AND ADMINISTRATION MEG - TOTAL CAPITAL BUDGET	12,007	-1,500	10,507

EXTRACT FROM HOUSING AND CENTRAL SERVICES AND ADMINISTRATION MAIN EXPENDITURE GROUP (MEG)				
FINANCIAL TRANSACTIONS				
BEL	Financcil Transactions	2020-21 Final Budget £000s	Changes £000s	New Plans Draft Budget 2021-22 £000s
Community Facilities Programme	Community Asset Loan Fund	1,000	-20	980
Total: Community Facilities Programme Action		1,000	-20	980
EXTRACT FROM CENTRAL SERVICES AND ADMINISTRATION MEG - TOTAL FINANCIAL TRANSACTIONS		1,000	-20	980