

Communities, Equality and Local Government Committee

Meeting Venue:
Committee Room 2 – Senedd

Meeting date:
16 October 2013

Meeting time:
09:00

Cynulliad
Cenedlaethol
Cymru

National
Assembly for
Wales



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Agenda

Private pre-meeting (9:00 –9:15)

1 Introductions, apologies and substitutions

2 Scrutiny of Welsh Government 2014–2015 draft budget – Evidence session from the Minister for Local Government and Government Business (09:15–10:45) (Pages 1 - 14)

Minister for Local Government and Government Business, Lesley Griffiths AM
Reg Kilpatrick, Director, Local Government
Owain Lloyd, Deputy Director of Operations, Local Government and Communities

Break (10:45–11:00)

3 Scrutiny of Welsh Government 2014–2015 draft budget – Evidence session from the Minister for Housing and Regeneration (11:00–12:30) (Pages 15 - 24)

Minister for Housing and Regeneration, Carl Sargeant AM
John Howells, Director of Housing and Regeneration
Steve Hudson, Head of Finance, Homes and Places

4 Papers to note (Pages 25 - 28)

Communities, Equality and Local Government Committee

CELG(4)-27-13 Paper 1

Date: 16 October 2013

Time: 9.15am to 10.45am

Title: Evidence paper - Local Government, Draft Budget Allocations for 2014-15.

1. Introduction

This paper provides information to the Committee regarding Local Government future programme budget proposals outlined within the Draft Budget which was laid on 8 October 2013. It covers Local Government and safer communities.

2. Background

Compared to the indicative plans published at Final Budget 2013-14, as restated following the reshuffle in March 2013, the total DEL allocation for Local Government has decreased by £95.8m in 2014-15. Within this overall position there is an increase to the Resource DEL of £64.7m in 2014-15 and 2015-16, representing transfers into the Revenue Support Grant. The indicative plan for 2015-16 Resource DEL, which is published for the first time, is £4,459.2m.

There is no change to the capital budget of £22.9m in 2014-15 and the indicative capital budget for 2015-15 is £22.9m. There is no change to the budget of £24.4m for Annually Managed Expenditure (AME) in respect of Fire Services Pensions.

The following summary financial table shows the overall effect on the LG Departmental Expenditure Limit (DEL) baseline budget. This does not include Annually Managed Expenditure (AME) which is outside the Welsh Assembly Government's Departmental Expenditure Limit.

Summary Financial Table for the LG MEG:

	2013-14 Supplementary Budget £000	2014-15 Indicative Plans Restated Final Budget £000	2014-15 Changes £000	2014-15 New Plans Draft Budget £000	2015-16 New Plans Draft Budget £000
Resource DEL	4,717,908	4,661,243	-95,850	4,565,393	4,459,231
Capital DEL	22,920	22,920	0	22,920	22,920
DEL Baseline	4,737,828	4,684,163	-195,850	4,588,313	4,482,151

3. Budget Overview

Local Government Department has three main roles:

- To provide a legislative and funding framework for Local Authorities in Wales, which promotes openness, transparency and accountability in the improvement of public services;
- To tackle anti-social behaviour, crime (including the fear of crime) and to work to reduce the incidence and impact of fires and other emergencies; and
- To provide national leadership to ensure all public services work together effectively to put people first and to make the most effective use of public money through collaboration.

Our approach is set out in the themes identified in Chapters 2 and 7 of the Programme for Government:

- Strengthening local democracy;
- Supporting continuous improvement in public services;
- Ensuring our funding supports stronger and more effective service delivery;
- Securing effective collaboration between public services; and
- Ensuring safer communities for all.

In addition, our work contributes to many of the aims in the Programme for Government through our cross-cutting focus on strengthening public service delivery and promoting community safety.

Within the overall changes to the Local Government MEG, there are transfers into the **Revenue Support Grant** totalling £64.7m in 2014-15 and 2015-16. The transfers comprise:

- £28.6m from the Education and Skills MEG in respect of post-16 special education needs (SEN) provision in mainstream schools (£4.2m), and post-16 special schools and SEN out of county placements (£24.4m);
- £32.9m from the Health and Social Services MEG in respect of the Learning Disability Resettlement Grant; and
- £3.2m from the Health and Social Services MEG in respect of the First Steps Package.

As a result of the Budget Agreement, we are also creating a new £50m Intermediate Care Fund. Of this, £35m resource rests within the Local Government MEG, with £15m capital in the Housing and Regeneration MEG.

Finally, within the overall changes is a transfer out of £0.15m into the Central Services and Administration MEG in respect of the Adjudication Panel Wales. There are also a few transfers within the MEG to facilitate alignment with the departmental business plan, and the bringing together of budgets which focus on local government and public services

Further details will be provided when the Provisional Local Government Finance Report along with the basis of distribution are published on 16 October 2013. This will set out the amount of Revenue Support Grant the Welsh Government proposes to distribute to county and county borough councils in 2014-15 and indicative allocations for 2015-16 along with the basis of distribution.

To aid transparency of the draft budget changes to the LG MEG, a breakdown by BEL is attached at Annex 1.

4. Programme for Government

Local Government

Local Authorities in Wales are democratically accountable to their electorates for the quality of services they provide and the way in which they invest in their areas to make them attractive places to live, work, visit and start-up businesses. While we have been able over the last three years to cushion Local Authorities from the impact of cuts to our Budget from the UK Government, the unprecedented nature of the current financial challenge means it is inevitable Local Authorities will have to work within reduced budgets.

We recognise this Budget is unprecedented and will inevitably impact on Local Authorities and the way that they deliver services in future. We have been working with Local Government for some time on the transformational change needed to manage the combination of financial constraints, rising demand and demographic pressures. We will continue to support Local Authorities in identifying and implementing service improvement, for example through the Invest to Save Fund, the Regional Collaboration Fund and through fora such as the Public Sector Leadership Group.

The Local Government Department sets the legislative and funding framework within which Local Authorities must operate. As part of this the Welsh Government has statutory obligations of its own which it must provide for. These include arrangements for securing a fair distribution of Revenue Support Grant, providing funding for the Local Government Democracy and Boundary Commission, the Independent Remuneration Panel, the Valuation Office Agency and the Valuation Tribunal for Wales. It also provides a substantial proportion of the funding for policing in Wales.

A further aspect of the framework is to provide support to Local Authorities through the Welsh Local Government Association and the Wales Audit Office to meet the requirements placed upon them by the Local Government Measure (Wales) 2009 to ensure they make arrangements to improve the services they deliver to the public.

Effective local scrutiny coupled with open and transparent local democracy

and decision making is essential to support continuous improvement in local services. Requirements for this are set out in legislation and the Welsh Government sees it as a key part of the public service improvement framework which should work in harmony with regulation and audit to drive better services. In the budget £0.21m has been set aside for the Scrutiny Development Fund and support for the Centre for Public Scrutiny to develop and support local scrutiny across Wales.

It is this framework which has guided our decision making process through these difficult financial times. Our aim has been to ensure as much of our Departmental budget allocation as possible is directed at supporting **frontline services** delivered by Local Authorities. This directly promotes **growth and jobs, educational attainment and supports children, families and deprived communities** through the decisions Local Authorities make when they set their own budgets for next year.

In terms of **growth and jobs**, Local Authorities receive a third of the Welsh Government budget and are significant employers, providing a range of jobs, both directly and through the work they commission for the private and third sectors. They also promote their areas as places to do business, work and visit, increasingly working together regionally to maximise their impact.

Local authorities contribute to **educational attainment** through their schools and lifelong learning programmes. Authorities provide many of the amenities and services which their local communities, visitors and businesses rely and depend upon, ranging from leisure and recreation to environmental and social services. These make a vital contribution to **supporting children, families and deprived communities**.

Therefore for 2014-15 we will be investing £4,232m in grant support to Local Authorities and £140m to Police Forces across Wales, £34.9m in Local Government improvement, £28.4m on inspection and regulation and £0.8m in building stronger local democracy. We will be bringing forward regulations which, if passed, will mean our Council Tax Reduction Scheme for 2014-15 will maintain entitlement to assistance for vulnerable households on an equivalent basis to this year. It is also crucial we develop a longer-term solution to provide support for council tax in Wales and we have begun a review to examine the options. Our aim is to develop a solution which will provide sustainable and fair long-term support within the funding available. This new model of support will be implemented from 2015-16.

Fire and Rescue Service

Our programmes to deliver safer communities for all will create an environment where communities can thrive and where business can feel confident to invest. As a collective, these programmes ensure all people can live their lives to the full by focusing on **preventative action and early intervention**. For example, by ensuring communities are protected through

preventative programmes of work delivered by the fire and rescue services. In 2014-15 the fire resilience budget is £5m and the Community Fire Safety budget is £2.14m. This work ranges from home fire safety checks to target vulnerable people in their own home, to activities around arson reduction and children and young people.

Community Safety

By the Autumn of 2013 we will have met our commitment to put 500 community support officers on the beat and will invest £16.8m in 2014-15 to ensure this level is maintained. This is one of the Programme for Government's 'Five for a Fairer Future' and will make a significant contribution to delivering our commitment to reduce the level of crime and fear of crime through **preventative spending**.

Domestic Abuse

Since 2002 the Domestic Abuse Services Grant has supported projects to make the victims of domestic abuse and their children safer, and feel safer; for example by funding an all-Wales Helpline and providing resources to improve the safety of their homes. There has also been investment in projects to support children who have witnessed domestic abuse and general awareness raising campaigns using various media channels. This is a key Grant **supporting children, families and deprived communities**. Through it we are committed both to supporting victims of and reducing rates of domestic abuse and violence against women and break the cycle of abuse within families.

In 2014-15 we have protected and increased Domestic Abuse Services Grant to £4m. The Independent Review of all Violence against Women, Domestic Abuse and Sexual Violence services has been commissioned, with a final report due in Autumn. This will help us to ensure the strategic direction and approach to funding in this area is grounded in a sound understanding of the current landscape of provision in this field and ensure the spending is aligned to support the implementation of the forthcoming Violence Against Women, Domestic Abuse and Sexual Violence Bill.

Youth Justice

As set out in Chapter 7 of 'Programme for Government', we will continue to invest in youth justice services with a focus on **early intervention**, the Youth Justice budget increased by 8% in 2013-2014 to bring the budget to £5.2m. This was allocated to the Youth Crime Prevention Fund and two initiatives with the Youth Justice Board Cymru to pilot resettlement projects in North and South Wales and a case management project. For 2014-15, the budget will be maintained at this level.

Since 2005 the **Youth Crime Prevention Fund** has supported projects aimed

at diverting young people away from crime and anti-social behaviour, including projects relating to education, training, leisure, arts, sports, restorative justice, and initiatives to combat substance misuse. It now operates on the basis of the six regional footprint areas.

This budget is focused on **supporting children, families and deprived communities**. It concentrates on alternatives to custody and ways to prevent children entering the youth justice system in the first place. The aim is to reduce the number of first time entrants into the youth justice custody system through an innovative restorative justice approach as an alternative to police charging, and provides opportunities for those directly affected by an offence (whether they are victims, offenders and/or community members) to communicate and agree how to deal with the offence and its consequences.

Delivery of Policy

Local Authorities deliver policy commitments across portfolios of all Government Ministers. The unprecedented level of financial challenge which public services are facing means it is even more important we focus an element of our resource on supporting Authorities to keep improving and working with partners across the public services to deliver better outcomes for people. The remainder of our programmes are therefore aimed at supporting Authorities to tackle the challenges of reducing budgets.

Putting people first and securing the best value for public money means Local Authorities cannot work in isolation either from each other or from the rest of the public and third sectors. There are encouraging examples of innovative, effective and efficient public services' joint working across Wales but there continues to be a lack of consistency and pace in rolling out this good practice. To support this we have put in place the public services Partnership Council for Wales to provide political leadership, consisting of Welsh Government Ministers, the political leadership of local authorities and senior leaders from across the public service and the Public Service Leadership Group to turn this leadership into action.

The four programmes of work established by the Public Service Leadership Group to lead and drive forward change continue to look at how different delivery models can be adopted more widely. These are making good progress and we continue to build on this base. The majority of the commitments set out in the Simpson Compact were due for delivery by March 2013 and have been completed. Others, such as those related to waste, are due to be completed by 2018.

It would be both tempting and understandable to approach the current financial challenge by retreating into organisational silos, battering down the hatches and waiting for the storm to pass. But this approach will not deliver for the people of Wales, it will not shift culture and practice from dealing with the immediate and reacting to **prevention**, investing in services and practices

which will result in better outcomes for individuals and a more effective and efficient public service.

This is why we established the **Regional Collaboration Fund (RCF)** in 2013 which plays a crucial part in stimulating, supporting and making space for the radical changes which are needed to ensure public services are fit for the future. The Fund has provided each region with the opportunity to access funding on a regional basis to take forward projects which are of significance across the region. I have already announced funding for 30 projects totalling £9.8m, many of which have two or three year programmes of work.

We understand the importance of modernising services and improving co-operation across public services. The **Intermediate Care Fund** is a new fund that will support a more coordinated and joined up approach between health, housing and social care services, of which £35m resource will be funded through the Local Government MEG. This will put the needs of the individual at the centre and help them to live independently, which will also relieve pressures across other public services and will be integrated with health schemes already approved under the Regional Collaboration Fund.

It is also why we are investing £1.5m in **supporting public services to collectively deliver more efficient and effective services**. This investment will **support educational attainment, children, families and deprived communities** by focusing the national leadership of our public services on how **preventative spend** through shared and innovative service delivery models will deliver better futures for our people and communities.

Cross public service reform programmes are driving forward the pace of improvement in public services through securing effective collaboration in key areas including making best use of the £12billion held in public sector assets through the National Assets Working Group; transforming the way the public service procures through the National Procurement Service; and encouraging the adoption of more preventative approaches to supporting vulnerable people such as families involved in domestic abuse.

Local Service Boards, through their single integrated plans provide the means to join up local public services to focus on prevention and deliver better outcomes for people. Single integrated plans focus on **growth and jobs and supporting children, families and deprived communities**. Shared Purpose, Shared Delivery provides an integrated framework for local authorities and their partners to plan and deliver. It has removed the requirement to have separate plans for children and young people, community safety and health and well-being. This has resulted in a reduction in the number of local plans required. It is not about requiring local partners to take on additional responsibilities, it is about them taking control of working together and doing things differently.

£0.35m of funding is available in the non-convergence areas to support LSBs

and £1.1m has been allocated for the final year of match funding for the Local Service Board European Social Fund project. A total of £17 million has been made available over five years, £10 million from the European Social Fund (ESF), funding 38 projects to improve public services to secure **better outcomes for families, help with pathways into work**, tackle carbon emissions and **reduce poverty**. These projects are being evaluated and will provide a firm basis for learning transfer across Wales.

We believe these programmes will ensure the public service is equipped to meet any conclusions and recommendations presented by the **First Minister's Commission on Public Service Governance and Delivery**. The recommendations of the Commission will have implications for all public services in Wales and across all Welsh Government Ministerial portfolios. The Commission is remitted to report by the end of 2013 and the Welsh Government's response to its recommendations will be considered in future budget rounds.

5. Legislation

Two of the Assembly Acts that have received Royal Assent to date are the responsibility of the Local Government Department:

- The Local Government (Bylaws) Wales Act 2012; and
- The Local Government (Democracy) Wales Act 2013.

In addition to implementing these, the Local Government Department is responsible for three Bills within the Legislative Programme:

- The Violence against Women, Domestic Abuse and Sexual Violence Bill;
- The Public Service Workforce Bill; and
- The Youth Justice Bill.

Full account has been made of the impacts in respect of the Local Government (Bylaws) Wales 2012 and the Local Government (Democracy) Wales Act 2013 in line with their Regulatory Impact Assessments. The Regulatory Impact Assessment for the Democracy Act indicated only minor costs would be incurred in implementation by the Local Democracy and Boundary Commission and that these would be absorbed within its existing budget allocation of £0.52m. I have provided funding to town and community councils in this financial year to assist them with the set up of their websites.

Implementation of the Local Government (Wales) Measure 2009 and the Local Government (Wales) Measure 2011 has been underway for some time, with budgets reflecting requirements as assessed at the time of their enactment. These costs have now been mainstreamed into the support grant.

The Violence against Women, Domestic Abuse and Sexual Violence Bill will be introduced in June 2014 and is due to receive Royal Assent in February 2015. A robust Regulatory Impact Assessment, with a fully costed options analysis is being developed. It is anticipated the revenue implementation costs of the proposals can be met from within the VAWDA Team's current revenue budget of £4m. There is no anticipated capital cost related to the proposals. These costs are unlikely to take effect prior to 2015/16.

A consultation on the draft Public Service Workforce Bill is scheduled to take place in late 2013, with introduction following before summer recess in 2014. The precise timing of introduction will depend on the outcome of the consultation. Regulatory Impact Assessment will be prepared prior to introduction, with any financial impacts unlikely to take effect prior to 2015/16.

A White Paper on the matters to be included in the Youth Justice Bill is scheduled for publication in late 2013 with development of the Bill following. A full Regulatory Impact Assessment will be prepared prior to introduction. A date for introduction has yet to be agreed. Any financial impacts are unlikely to take effect during 2014/15.

The broad range of permissive and statutory responsibilities undertaken by local government means that the majority of Acts and Bills within the Legislative Programme have some impact upon them. The Local Government Department engages with Bill Teams across the Welsh Government to discuss and consider those impacts. Particular items of interest include the:

- Social Services and Wellbeing Bill;
- Future Generations Bill
- Housing Bill;
- Planning Reform Bill;
- Active Travel Bill;
- Access and Outdoor Recreation Bill.

All of these Bills had, or will have, fully costed Regulatory Impact Assessments at the time of introduction, taking account of the consequences for local government. Where new statutory burdens are created there is a requirement for the relevant department to fund those costs, usually through the addition of funding to the Revenue Support Grant.

The UK Government announced their legislative programme in the Queens Speech. The Local Government Department has a particular interest in the content of the following Bills:

- Draft Deregulation Bill;
- Anti-social Behaviour, Crime and Policing;
- Local Audit and Accountability Bill; and

- Offender Rehabilitation Bill.

This legislation covers a mixture of devolved and reserved matters. Where Legislative Consent Motions are required these will be introduced promptly. Discussions regarding funding implications are ongoing with the UK Government as part of the wider discussions on the content of the legislation.

6. Capital

Local Government in Wales spends around £1 billion a year in total on capital projects. The Local Government Department will continue to provide £20m of General Capital funding in 2014-15. The Department has worked closely with Local Government to ensure that local government capital spending plans reflect the ambitions and priorities set out in the Wales Infrastructure Investment Plan for Growth and Jobs.

7. Equality Impact Assessment

In determining budget allocations, careful consideration has been given to the impact of the changes on equalities. The underlying assumptions of this year's allocations are in principle the same as previous years' plans, namely to ensure as much of the available resource as possible is targeted at supporting the delivery and improvement of front-line services which support children, families and our deprived communities. The unprecedented reduction in the funding available as a result of this year's UK Spending Round means there will inevitably be significant impacts as local Authorities in particular consider their own budget decisions, generating allocations to their own service budgets over the next few months.

Overall budget reductions made a substantial reduction to Revenue Support Grant (RSG) unavoidable but within this our aim has been to minimise the impact on Local Authorities and protect front-line services to in turn limit equality impacts at the local level. This has involved critically reviewing our other programmes, encouraging the rolling-in of specific grants into RSG to provide greater flexibility, reducing bureaucracy through single integrated planning, ensuring new responsibilities placed on Local Authorities are properly funded, including those arising from the legislative programme, and providing support for transforming and improving services.

In terms of our programmes to support public service reform more widely, our focus is on encouraging and supporting a shift in spending to **preventative models of service delivery**, in particular those which are aimed at improving the life chances of children, young people, the frail and elderly and those with conditions which make them more likely to be disadvantaged or vulnerable. In particular we work to ensure people can live independent lives.

Wales is built on proud and strong communities. We have protected our programme delivering 500 more Community Support Officers across Wales

and will invest more in ensuring that violence against women and domestic abuse is tackled effectively to prevent harmful generational impacts on children and young people. This will also support the **rights of all children** to live lives free from harm and fear.

8. Sustainable Development

The combined effects of the RSG budget changes will vary from place to place but the Welsh Government has been supporting and encouraging Authorities to take a strategic and long term approach to managing their budgets. The challenge is unprecedented but short term decisions, for example to close leisure centres or libraries without consideration of the longer terms impacts on health and literacy, will store up problems for the future and will not provide a sustainable approach to managing the budget reductions.

Many of the projects funded from this MEG support **sustainable development** as they are aimed at **increasing economic, social and environmental well-being**. They also focus on the long term through the development and roll out of service models which focus on early intervention and prevention.

Our continued support for Local Service Boards to develop and implement single integrated planning will ensure **environmental, economic and social well-being** is at the heart of local decision making.

Lesley Griffiths AM
Minister for Local Government and Government Business

RESOURCE BUDGET - Departmental Expenditure Limit

SPA	Actions	BEL Title	2013-14 Supplementary Budget	2014-15 Final Budget (Restated)	Adjustments	2014-15 Draft Budget	2015-16 Indicative Allocations	
Local Government Funding Page 12	Funding Support for Local Government	Community Support Officer Grant	16,787	16,787		16,787	16,787	
		Unitary Authority Revenue Funding (RSG & NDR)	4,408,513	4,351,166	-118,698	4,232,468	4,167,403	
		Police Gen Revenue Funding (RSG & NDR)	147,800	147,800	-7,800	140,000	136,000	
		Local Govt PFI Revenue Consequences	35,628	35,628	-1,014	34,614	33,599	
		Transformation and Legislation	400	3,600	-200	3,400	3,400	
		Non Domestic Rates: Collection Costs	5,172	5,172		5,172	5,172	
		Emergency Financial Assistance Scheme	1	1		1	1	
		Council Tax Reduction Scheme: Pensioner Grant	4,000	4,000		4,000	4,000	
		ACTION TOTAL		4,618,301	4,564,154	-127,712	4,436,442	4,366,362
	Valuation Services	Valuation Office Agency	8,826	8,826	-265	8,561	8,561	
		Valuation Tribunal for Wales	1,167	1,167	65	1,232	1,232	
		ACTION TOTAL		9,993	9,993	-200	9,793	9,793
		SPA TOTAL		4,628,294	4,574,147	-127,912	4,446,235	4,376,155
Safer Communities	Fire and Rescue Services Resilience	Fire and Rescue Services Resilience	5,257	5,585	-558	5,027	5,027	
		ACTION TOTAL		5,257	-558	5,027	5,027	
	Fire and Rescue Services National Framework	Community Fire Safety	2,250	2,250	-112	2,138	2,025	
		ACTION TOTAL		2,250	-112	2,138	2,025	
	Domestic Abuse	Domestic Violence Services Grant	3,666	3,666	334	4,000	4,000	
		ACTION TOTAL		3,666	334	4,000	4,000	
	Youth Justice	Youth Justice Services	5,200	5,200		5,200	5,200	
	ACTION TOTAL		5,200		5,200	5,200		
	SPA TOTAL		16,373	16,701	-336	16,365	16,252	

Page 13	Building Local Democracy	Local Government Scrutiny & Standards	301	455	-154	301	301	
		LGBC General Expenses	520	520		520	520	
		ACTION TOTAL	821	975	-154	821	821	
	Local Government Improvement	Improvement Grants	31,288	31,288		31,288	31,288	
		Grant to Wales Audit Office	1,206	1,206	-60	1,146	1,146	
		Ffynon Knowledge Management Project	500	500	-500	0	0	
		Improvement Services	1,705	1,705	-85	1,620	1,620	
		Local Government Research & Evaluation	800	800		800	800	
		ACTION TOTAL	35,499	35,499	-646	34,853	34,853	
	Intermediate Care Fund	Intermediate Care Fund	0	0	35,000	35,000	0	
		ACTION TOTAL	0	0	35,000	35,000	0	
	Supporting Collaboration and Reform	Local Government Ethics & Regulation	175	175	-15	160	160	
		Local Service Boards & Partnerships	710	710	-280	430	430	
		LSB & Partnerships - ESF Projects	1,119	1,119		1,119	150	
		Public Service Reform	1,851	1,851	-351	1,500	1,500	
		Access Transformation (CIO) funding	450	450	-450	0	0	
		Regulation & Engagement Framework.	200	200	-6	194	194	
		ACTION TOTAL	4,505	4,505	-1,102	3,403	2,434	
		SPA TOTAL	40,825	40,979	33,098	74,077	38,108	
	Care and Social Services Inspectorate	Care and Social Services Inspectorate	Care and Social Services Inspectorate	14,461	14,461		14,461	14,461
		SPA Total	14,461	14,461		14,461	14,461	
	Healthcare Inspectorate Wales	Healthcare Inspectorate Wales	Healthcare Inspectorate Wales	2,591	2,591		2,591	2,591
		SPA Total	2,591	2,591		2,591	2,591	
Estyn	Estyn	Estyn Programme Expenditure	12,364	12,364	-700	11,664	11,664	
	SPA Total	12,364	12,364	-700	11,664	11,664		
	Total Resource - Local Government	4,714,908	4,661,243	-95,850	4,565,393	4,459,231		

CAPITAL BUDGET - Departmental Expenditure Limit							
SPA	Actions	BEL Title	2013-14 Supplementary Budget	2014-15 Final Budget (Restated)	Adjustments	2014-15 Draft Budget	2015-16 Indicative Allocations
Local Government Funding	Local Government General Capital Funding	General Capital Funding	20,000	20,000		20,000	20,000
	SPA TOTAL		20,000	20,000		20,000	20,000
Safer Communities	Fire and Rescue Services Resilience	Fire and Rescue Services Resilience	1,000	1,000		1,000	1,000
		ACTION TOTAL	1,000	1,000		1,000	1,000
	Fire and Rescue Services National Framework	Community Fire Safety	1,339	1,339		1,339	1,339
		ACTION TOTAL	1,339	1,339		1,339	1,339
	Domestic Abuse	Domestic Violence Services Grant	300	300		300	300
		ACTION TOTAL	300	300		300	300
	SPA TOTAL		2,639	2,639		2,639	2,639
Estyn	Estyn	Estyn - Programme Expenditure	281	281		281	281
	SPA TOTAL		281	281		281	281
Total Capital - Local Government			22,920	22,920		22,920	22,920

Local Government - Summary		2013-14 Supplementary Budget	2014-15 Final Budget Baseline	Adjustments	2014-15 Revised	2015-16 Baseline
Revenue DEL		4,714,908	4,661,243	-95,850	4,565,393	4,459,231
Capital DEL		22,920	22,920		22,920	22,920
Total DEL - Local Government		4,737,828	4,684,163	-95,850	4,588,313	4,482,151

Communities, Equality and Local Government Committee

Date: 16 October 2013

Time: 11:00 – 12:30

Title: Evidence paper on the Draft Budget: 2014 - 15
Minister for Housing and Regeneration

Introduction

1. This paper provides background financial information to the Committee regarding the spending plans of the Minister for Housing and Regeneration as outlined within the Draft Budget 2014 - 15.
2. Annex A gives a breakdown of the Draft Budget, by Action, and by BEL within each Action.

Background and Summary

3. The draft budget figures for the Housing and Regeneration MEG may be summarised as follows:

Spending Programme Area	Supplementary Budget 2013-14 £'000	Draft Budget 2014-15 £'000	Indicative Plans 2015-16 £'000
Revenue:			
Housing Policy	150,736	146,615	147,874
Homes & Places	17,295	15,348	14,852
Planning	7,874	6,806	6,806
TOTAL REVENUE	175,905	168,769	169,532
Capital:			
Housing Policy	11,641	1,641	1,641
Homes & Places	278,384	349,729	347,329
Planning	0	0	0
TOTAL CAPITAL	290,025	351,370	348,970
TOTAL DEL BUDGET*	465,930	520,139	518,502

* These figures do not include Annually Managed Expenditure budgets. Details are provided below.

Budget changes

4. Compared to the supplementary budget for 2013-14 the indicative plans for 2014-15 and 2015-16 show the total MEG allocation for Housing and Regeneration has increased by **£54.2m in 2014-15** and **£52.5m in 2015-16**. The changes comprise:

	Draft Budget 2014-15 £'000	Indicative Plans 2015-16 £'000
Revenue:		
Supporting People	-2,699	-6,340
Homelessness	-750	4,150
Home Improvement Agencies	-500	-500
Social Housing Management Grant	-172	-172
Policy Research and Evaluation	50	0
Regeneration	-1,997	-2,443
Planning	-1,068	-1,068
Total Revenue	-7,136	-6,373
Capital:		
Increase the Supply and Choice of Quality Affordable Housing	1,380	-8,320
Increase the Supply and Choice of Quality Market Housing	69,000	71,000
Implementation of Strategic Regeneration Areas	695	5,995
Achieve Quality Housing	270	270
Empty Properties Programme	-10,000	-10,000
Total Capital	61,345	58,945
Total	54,209	52,572

Budget Priorities

5. I have undertaken a review of my budgets in order to ensure that allocations are fully aligned to deliver the priorities set out in the Programme for Government. I have had to prioritise my revenue expenditure to afford a degree of protection to the Supporting People Programme and ensure that the revenue resources available to me are directed towards those in our society who need our help the most. This expenditure is also key to helping reduce pressure on the health and social service budgets by allowing people to remain at home for longer. This

creates much more than just financial benefits due to the benefits of the support that people can receive as they are able to remain in and contribute to their communities for longer.

6. This has meant I have reduced my Planning and Regeneration revenue budgets by greater than a proportionate reduction to protect these sensitive Supporting People areas. Combined with additional support from central reserves of £5m I have been able to limit the reduction on this budget to only £2.7m in 2014-15.

Programme for Government Commitments and Key Policies

7. The Department has a wide ranging remit, with responsibility for developing and implementing policies on housing, regeneration, and planning functions.
8. The Department has a number of main aims reflected across the Programme for Government and this Draft Budget shows how we will deliver in 2014-15 and beyond on the Welsh Government's priorities on tackling poverty and creating the right conditions for jobs and growth. We will ensure that people have high-quality, warm and secure homes to live in, and effective services to ensure that people have the support they need to live independently. The impact of some of our interventions in this area are likely to be felt over the longer-term as we make changes to planning legislation, expand our stock of social housing and support the building of new market homes.
9. We will continue to regenerate key settlements and communities and revive our seaside towns through our new Regeneration policy 'Vibrant and Viable Places'.

Increasing the Supply and Choice of Housing

10. We are working to help promote jobs and growth in Wales by supporting house-building through reforms in the planning system to speed up how land can be released. I have created a new Additional Homes Unit to explore how more public sector land can be released. The draft budget proposes a **£5m** pilot scheme to explore how we can free up more land to support affordable housing.
11. I recently announced on 24 September the Housing Finance Grant. This is reflected in the draft budget by **the £4m Housing Finance Grant to support increased investment in social housing** to deliver over 1,000 new properties over the next two years.
12. The draft budget proposes a further **£5m for Social Housing Grant in 2014-15 and a further £15m in 2015-16** to build more affordable housing. This brings the total Social Housing Grant budget to £53.8m in this draft budget for 2014-15. Social Housing Grant is used to support local authority strategic housing priorities which means that all schemes funded with grant have been prioritised by the

local authority in terms of housing need i.e. we are assured that our grant is being used to build the right types of homes in the right places. In terms of cost all schemes are assessed against our value for money criteria i.e. Acceptable Cost Guidelines and all schemes are required to meet our design standards (Development Quality Requirements - DQR).

13. Support for market housing is also a key contributor to economic growth in Wales. The draft budget includes proposals for funding of **£69m for the Help to Buy Wales** scheme in 2014-15 rising to £71m in 2015-16 which will provide a key stimulus to the house building industry in Wales and create jobs and promote economic growth. Evaluation and benefits realisation has been built in as the scheme has been developed.

Improving Quality of Housing

14. Ensuring people have warm and secure houses is a key contribution my portfolio can make to the tackling poverty in Wales. I have been able to continue to invest **£108m per annum for the Major Repairs Allowance and Dowry Fund**. This budget funds major repairs for local authority housing and dowry payments for former local authority housing that has transferred to new stock transfer landlords. Both of these funding streams help to achieve the Welsh Housing Quality Standard (WHQS), the broad objective of which is to ensure that the social housing stock in Wales is fit for the 21st Century. This work also helps create and support jobs and training opportunities and support the economy.
15. MRA Evaluation takes place annually (with a mid-year review) involving scrutiny of 30-year business plans showing an achievement date for WHQS. Our Knowledge and Analytical Services commission a monitoring statistical return on progress in achieving WHQS which we publish annually in October. We have also just let the contract for the evaluation of WHQS in June 2013 to Altair Consultants and will be reporting in early 2014. The scope of the project includes to review how landlords judge and communicate that they are implementing or have met the Standard in accordance with guidance and the cost implications and practicality of landlords being required to update individual tenants on the compliance of their homes with WHQS.

Improving Housing Services

16. The Supporting People Programme is a key policy that provides support and assistance to some of the most vulnerable people in our society. We have been set a challenging financial envelope within which to deliver for the people of Wales but despite this I am able to invest **£133m a year** in delivering housing related support to vulnerable people through the Supporting People Programme. The impact of welfare reform and the pressures our health and social services are under mean it is critical that we continue to invest in services that allow people to remain at home for longer. We are able to support over 50,000 people

per year through the programme. Professor Sir Mansel Aylward reviewed the grant programme in 2010 and officials are reviewing implementation of recommendations in 2013-14. The programme uses a national board to advise the Minister on the effectiveness of the programme and the board monitors regional commissioning arrangements as part of its remit. This is complimented by a specialist Governance Team that monitors local and regional commissioning arrangements. I am also considering developing further longitudinal research on effectiveness of programme to ensure we continue to target funds where they are needed the most and the programme continues to provide the services that the vulnerable people who access the funding require.

17. The prevention of homelessness remains a key priority for the Welsh Government and although the budget has been reduced by £0.75m we are still able to invest **£6.4m in this key area**. This funding will continue to provide support to the homelessness elements of the Housing Bill. Officials reviewed the Homelessness Grant in 2013/14 to ensure it is aligned with policy and new legislation. The Homelessness Strategies Working Group, made up of external stakeholders from WLGA, voluntary Sector and LA's monitors the implementation of the homelessness 10 year plan to ensure the plan remains on track and will deliver for these vulnerable people.
18. We have continued to protect our investment in allowing people to remain in their own homes by continuing our capital investment in the Rapid Response Adaptations Programme at **£1.6m** per annum. We have also been able to protect the revenue funding we provide to the Care and Repair agencies who deliver this work and other core advice related services of **£4.1m**. This programme is currently being reviewed in 2013-14 to ensure our work with our delivery partners is being well managed and directed and is achieving value for money.

Regeneration of town centres and seaside towns

19. We have prioritised our regeneration programme for 2014-15 through Vibrant and Viable Places. Our new strategy will see us focus our interventions in a discrete number of town and coastal communities across Wales. We are working closely with our delivery partners to ensure this funding is targeted at key settlements across Wales and used to lever significant investment from across the public and private sectors to maximise the impact our interventions will make. This new approach is supported by funding of **£30m** per year for three years. Monitoring and evaluation is a key part in how we will administer this new policy to ensure we are spending our limited resources in the areas that need it most and in a manner that maximises the impact of our interventions. Monitoring and evaluation arrangements were one of the key requirements used when determining which bids were successful in getting through the stage one sift.
20. We also have a commitment to the seven strategic regeneration areas where we have focused our regeneration interventions over the past few years. We will

invest a further **£5m to honour our commitments** to these areas and ensure all the projects we have committed to are completed.

21. We also support a number of key regeneration interventions such as Cardiff Harbour Authority and the draft budget indicates we will spend over **£6m to honour our commitment** to these activities in 2014-15.

Preventative Spend

22. My main area of preventative spend is the Supporting People Programme and the draft budget shows that despite a challenging settlement from the UK Government I have prioritised this area of spend and will provide **£133.8m** of funding in 2014-15. This is a key programme that allows people to remain at home for longer and frees up pressure on the health service and social services.
23. The funding in the draft budget for **Independent Living of £4.6m** in 2014-15 is also preventative spend. This funding provides the physical adaptations people need to remain in their homes and not have to go into hospital or care homes.
24. In total the draft budget indicates proposals to spend 82% of my revenue budget in preventative spend areas.

Legislation

The Housing Bill

25. The Housing Bill is intended to be introduced into the National Assembly later this Autumn for scrutiny. When the Bill is introduced it will be accompanied by an Explanatory Memorandum (which will include a regulatory impact assessment) setting out the financial implications of the all the provisions contained within the Bill.

Planning Reform Bill

26. The wider financial implications of the Planning Reform Bill will be addressed in the regulatory impact assessment which will be published when the Bill is introduced to the National Assembly before the summer recess in 2014. However, the Consultation Paper due to issue in December will touch on the potential financial implications of the reforms.
27. The purpose of the Planning Reform Bill and the consultation is to consider a planning system which is positive in outlook and enables development, helping to deliver in a sustainable way the homes, job and infrastructure that Wales requires.

28. To help to achieve this aim the draft Planning Reform Bill and Consultation Paper is to redefine, in light of devolution, the respective roles and responsibilities of organisations involved in delivering planning services and to make improvements to the development plan and development management system to improve performance and realise the full potential to help to deliver Welsh Government policy objectives

Building Regulations

29. The transfer of Building Regulations Powers to Wales in December 2011 has resulted in increased demands upon the Welsh Government by the Building Regulations Team.

30. The Building Regulations Team is responsible for a multitude of functions which include the health, safety and welfare of people in and around buildings, delivering the Domestic Fire Safety (Wales) Measure, which the Minister for Housing and Regeneration has agreed to implement as a priority based on the will of the Assembly, and ensuring that the Building Regulations in Wales are up-to-date and fit for purpose.

31. As an indication of the costs associated with the devolution of the Building Regulations, the current Part L review and the development of the Domestic Fire Safety Measure have received a budget allocation of more than £3.2 million since 2010, including staff costs.

32. The funding for building regulations in the coming year will be managed so as to ensure delivery of the Welsh Government's policy agenda. The recent incorporation of building regulations within Planning Division assists management of the budget.

Annually Managed Expenditure

33. Annually Managed Expenditure budgets comprise a credit amount - of £71m in 2014-15 – representing the amount, calculated on a formula basis, which Welsh Local Authorities have to repay to the Treasury in respect of the Housing Revenue Account Subsidy (HRAS) system. In England, Local Authorities have bought themselves out of the system. The Welsh Government has agreed an exit strategy which will bring significant savings for the local authorities in Wales. We are currently finalising the details with HM Treasury.

HOUSING AND REGENERATION MAIN EXPENDITURE GROUP (MEG) - BEL TABLE 2013-14

REVENUE BUDGET - Departmental Expenditure Limit											
SPA	Actions	BEL	BEL Number	2013-14 Supplementary Budget New Plans June 2013	2014-15 Baseline	Changes	Draft Budget 2014-15	Changes	Draft Budget 2015-16	Activities Supported	
Housing Policy	Supporting People	Supporting People Grant	1011	136,558	136,558	-2,699	133,859	-3,641	130,218		
	Homelessness	Homelessness	1120	7,181	7,181	-750	6,431	4,900	11,331		
	Independent Living	Home improvement Agencies		1100	4,691	4,691	-500	4,191		4,191	
		Rapid Response Adaptation Programme		1285	432	432		432		432	
		Independent Living			5,123	5,123	-500	4,623	0	4,623	
	Policy Development and Implementation	Policy Development and Implementation		1161	173	173		173		173	
		Policy Research and Evaluation		1181	57	57		57		57	
		Social Housing and Management Grant		1220	1,644	1,649	-177	1,472		1,472	
		Policy Development and Implementation			1,874	1,879	-177	1,702	0	1,702	
	Total Housing Policy				150,736	150,741	-4,126	146,615	1,259	147,874	
Homes and Places	Achieve quality Housing	Welsh Housing Quality Standards	1162	274	274		274		274		
	Increase the Supply and Choice of Affordable Q	Housing Enablers	1286	95	95		95		95		
		Support for Social Housing	984	4,000	4,000		4,000		4,000		
		Increase the Supply and Choice of Housing			4,095	4,095	0	4,095	0	4,095	
	Policy research and evaluation	Affordable homes		1014	115	115	-115	0		0	
		Policy research and evaluation		1181	14	14	348	362		312	
		Social Housing Management Grants		1220	183	183	-183	0		0	
		Policy research and evaluation			312	312	50	362	0	312	
	Regeneration	Implementation of Strategic Regeneration Areas		4151	4,614	4,597	-770	3,827	-446	3,381	
		Manage Delivery of Legacy Regeneration Areas		4162	8,000	8,000	-1,210	6,790		6,790	
Regeneration				12,614	12,597	-1,980	10,617	-446	10,171		
Total Homes and Places				17,295	17,278	-1,930	15,348	-446	14,852		
Planning	Planning Policy Development, Planning Inspectorate and Regulation	Planning Expenditure	2250	7,090	7,090	-1,068	6,022		6,022		
	Construction Unit	Home Safety/Construction	1261	784	784		784		784		
Total Planning				7,874	7,874	-1,068	6,806	0	6,806		
Total Revenue - Housing and Regeneration				175,905	175,893	-7,124	168,769	813	169,532		

CAPITAL BUDGET - Departmental Expenditure Limit										
SPA	Actions	BEL		2013-14 Supplementary Budget New Plans June 2013	2013-14 Final Budget	Changes	Draft Budget 2014-15	Changes	Draft Budget 2015-16	Activities Supported
Housing Policy	Independent Living	Rapid Response Adaptation Programme	1285	1,641	1,641		1,641		1,641	
	Empty Properties Programme	Empty Properties Programme	983	10,000	0		0			
Total Housing Policy				11,641	1,641	0	1,641	0	1,641	
Homes and Places	Achieve Quality Housing	Major Repairs Allowance	1061	108,000	108,000		108,000		108,000	
		Housing General Support	1062	37,470	37,470		37,470		37,470	
		Renewal Areas	1063	11,267	11,537		11,537		11,537	
		Achieve quality housing		156,737	157,007	0	157,007	0	157,007	
	Increase the Supply and Choice of Affordable Q	Social Housing Grants (HSG)	982	66,153	57,533	-3,700	53,833	4,000	57,833	
		Land for Housing	?	0	0	13,700	13,700	-13,700	0	
		Extra care	1005	4,301	4,301		4,301		4,301	
		Increase the supply and choice of Quality Housing		70,454	61,834	10,000	71,834	-9,700	62,134	
	Increase the Supply and Choice of Market Hous	Help to Buy Wales	?	0	0	69,000	69,000	2,000	71,000	
				0	0	69,000	69,000	2,000	71,000	
	Regeneration	Implementation of Strategic Regeneration Areas	4151	38,905	34,600	5,000	39,600	5,300	44,900	
		Manage Delivery of Legacy Regeneration Areas	4162	1,400	1,400	0	1,400	0	1,400	
Local Authority Regeneration General Capital Funding		1380	10,888	10,888		10,888		10,888		
Total Regeneration			51,193	46,888	5,000	51,888	5,300	57,188		
Total Homes and Places				278,384	265,729	84,000	349,729	-2,400	347,329	
Total Capital - Housing and Regeneration				290,025	267,370	84,000	351,370	-2,400	348,970	

REVENUE BUDGET - Annually Managed Expenditure										
SPA	Actions	BEL	BEL Number	2013-14 Supplementary Budget New Plans June 2013	2013-14 Final Budget	Changes	Draft Budget 2014-15	Changes	Draft Budget 2015-16	Activities Supported
Housing	Achieve quality housing	Housing Revenue Account Subsidy	1300	-71,000	-71,000		-71,000		-71,000	
	Total Housing			-71,000	-71,000	0	-71,000	0	-71,000	
	Total AME - Housing and Regeneration			-71,000	-71,000	0	-71,000	0	-71,000	

REVENUE BUDGET - Departmental Expenditure Limit										
SPA	Actions	BEL	BEL Number	2013-14 Supplementary Budget New Plans June 2013	2013-14 Final Budget	Changes	Draft Budget 2014-15	Changes	Draft Budget 2015-16	
Housing and Regeneration and Heritage - Summary										
	Revenue DEL			175,905	175,893	-7,124	168,769	813	169,532	
	Capital DEL			290,025	267,370	84,000	351,370	-2,400	348,970	
	Total DEL			465,930	443,263	76,876	520,139	-1,587	518,502	
	Annually Managed Expenditure			-71,000	-71,000	0	-71,000	0	-71,000	
	Total - Housing and Regeneration			394,930	372,263	76,876	449,139	-1,587	447,502	

Communities, Equality and Local Government Committee

CELG(4)-27-13 Paper 3 to note

Action Point from CELG(4)-23-13: 17 July 2013

At the Communities, Equality and Local Government Committee meeting on 17 July, the Committee received evidence from Royal Institution of Chartered Surveyors Wales, as part of its inquiry into barriers to home building in Wales. They agreed to provide the following information:

1.Approaches taken by utility companies to new housing developments and their relationship with building companies;

It can be difficult to get hold of the right person at any of the utility companies particularly with the smaller suppliers of gas and electricity. The majority of utility companies can be difficult to deal with and make life for developers and building companies alike extremely difficult. Their lack of commerciality and contractual rigidity was some feedback to us suggested undoubtedly costing the construction industry a significant amount of money and lost productivity every year. It is felt regulators like OFWAT and OFGEM could be more pro active. There should be better transparency between the utility companies and the industry. At present costs associated with hydraulic surveys, section agreements, and physical works are often submitted by the utility company with little or no breakdown. Utility companies should act on a commercial basis but be transparent in their social responsibility and integrity.

2. Whether smaller developers are at a disadvantage when compared with higher volume national house builders and whether National Planning Policy puts small and medium size developers at a disadvantage;

Some companies can make life extremely difficult, as for example one phone company will not connect a landline to a new property without a customer (i.e. an ongoing occupier) to sign up to an account and it is this sort of inflexibility that can occasionally put small scale developers at a disadvantage. However small sites are obviously generally less economic to larger house builders (with their required profit margins), but if self build opportunities were encouraged and more widely communicated by local authorities then self builders and self build groups may greatly aid the viability, and hence the exploitation, of small sites. RICS Wales would like to see the new Wales Planning Act next year contain a provision to encourage Local Authorities to facilitate self build opportunities and small scale projects generally.

3. Further information on land banking and its impact on smaller building companies; Examples of off-site contributions.

It is felt financial contributions requested by utilities can often be disproportionate in relation to the project in question.

4 Other comments:

We would like to bring to the Committees attention the following RICS report <http://www.rics.org/Global/RICS%20Housing%20Commission%20Report%20-%20June%202013.pdf> It is an extensive RICS Housing Commission report that while UK wide in our view holds significant value for Wales as well.

Communities, Equality and Local Government Committee

CELG(4)-27-13 Paper 4 to note

Action Point from CELG(4)-24-13: 26 September 2013

At the Communities, Equality and Local Government Committee meeting on 26 September, the Committee received evidence from Council of Mortgage Lenders, as part of its inquiry into barriers to home building in Wales. They agreed to provide the following information:

On the point about **mortgage affordability**, here is data from our September press release showing mortgage payments as a proportion of income:

First-time buyers, lending and affordability

	Number of loans	Value of loans £m	Average loan to value	Average income multiple	Proportion of income spent on interest payments	Proportion of income spent on capital and interest payments
July 2013	25,300	3,500	82%	3.31	11.8%	19.2%
Change from June 2013	5.4%	6.1%	80%	3.33	12.1%	19.3%
Change from July 2012	40.6%	45.8%	81%	3.24	13.7%	20.0%

Home movers, lending and affordability

	Number of loans	Value of loans £m	Average loan to value	Average income multiple	Proportion of income spent on interest payments	Proportion of income spent on capital and interest payments
July 2013	32,000	5,600	70%	2.92	8.8%	18.3%
Change from June 2013	11.9%	16.7%	70%	2.91	9.0%	18.2%
Change from July 2012	9.2%	12.0%	69%	2.89	10.2%	19.3%

On the point about **lending to the social housing sector**, definitive data for Wales is available in the [2012 global accounts](#) published by Community Housing Cymru. They show the following in the Private Finance Summary (Appendix A1):

Name of Lender	2012 Amount of Loan Facility £m	2012 Loan Drawn Down £m	2012 Undrawn Facility £m	2011 Undrawn Facility £m	2010 Undrawn Facility £m
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Bank of Ireland	5.1	5.1	-	0.2	0.2
Barclays Bank Plc	572.8	292.9	279.9	310.9	175.3
Cooperative	43.0	43.0	-	4.7	4.2
Dexia	99.7	99.5	0.2	0.2	0.2
European Investment Bank	62.5	20.0	42.5	47.5	47.5
Fresh PLC	3.2	3.2	-	-	-
Handelsbanken	7.0	6.6	0.4	0.4	0.4
HBOS (Halifax) Plc	131.2	100.1	31.1	42.1	26.3
Housing Securities	28.8	28.8	-	-	-
Lloyds TSB	256.6	167.7	88.9	112.7	136.6
Nationwide	442.4	344.4	98.0	122.5	84.8
Orchardbrook	29.1	29.1	-	0.2	0.3
Principality	195.2	170.0	25.2	39.0	30.9
RBS Group (inc Nat West)	507.9	282.8	225.1	252.2	146.2
Santander	220.8	133.3	87.5	68.3	26.1
Tai Cymru	8.3	8.3	-	-	-
The Housing Finance Corporation	156.6	141.5	15.1	15.0	0.2
Yorkshire Building Society	15.0	1.0	14.0	15.0	15.0
Other	6.1	1.0	5.1	-	-
Total	2,791.3	1,878.3	913.0	1,030.9	694.2

On the point about **student loans**, I can confirm that we have not undertaken any specific research on this but that if we do in future, we will ensure the Committee is made aware of it, as Paul Smees said.