

Hannah Blythyn AS/MS
Y Dirprwy Weinidog Tai a Llywodraeth Leol
Deputy Minister for Housing and Local Government



Llywodraeth Cymru
Welsh Government

John Griffiths MS
Chair
Equality, Local Government and Communities Committee
Senedd Cymru
Cardiff
CF99 1NA

27 January 2021

Dear John,

Following my appearance at the Equality, Local Government and Communities Committee on 21 January to discuss the 2021-22 Draft Budget, I agreed to provide an update on decision-making for the Discretionary Assistance Fund (DAF) and forecasted demand on the fund.

The Discretionary Assistance Fund (DAF) is a demand driven fund, and as such requires daily monitoring of both demand and expenditure.

In March of 2019 there were 12,457 claims on the fund. One year later and the first month of Covid-19 recording saw March 2020 applications reaching 24,365, rising to a peak of 35,250 in October 2020.

In February 2020, immediately prior to the onset of the pandemic monthly expenditure on the fund was £1.05m. This reached just below £2.5m in November 2020 before a slight reduction in December (there is a known seasonal effect over Christmas and New Year).

Forecast expenditure on the fund for 2020-21 is likely to exceed £27m against an original budget of approximately £12.7m. The Welsh Government has made available an additional £13.9m for the DAF in response to the Covid-19 crisis.

Demand during 2021-22 is difficult to forecast with any degree of confidence, with no way of knowing at what point, if at all, demand will begin to level or decline.

In terms of the considerations for further support, a range of options beyond the end of March 2020 (when current Covid-19 rules flexibilities are set to end) are currently being developed aimed at mitigating the ongoing impact of the current pandemic, whilst at the same time addressing underlying causes of poverty, improving financial resilience, and reducing dependence on the fund.

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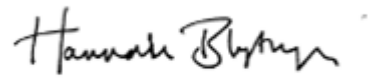
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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

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

Yours sincerely,

A handwritten signature in black ink, reading "Hannah Blythyn". The signature is written in a cursive style with a small flourish at the end.

Hannah Blythyn AS/MS

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