

Jane Hutt AS/MS
Y Gweinidog Cyfiawnder Cymdeithasol
Minister for Social Justice

Hannah Blythyn AS/MS
Y Dirprwy Weinidog Partneriaeth Gymdeithasol
Deputy Minister for Social Partnership



Llywodraeth Cymru
Welsh Government

Jenny Rathbone MS
Chair of the Equality and Social Justice Committee
Welsh Parliament
Cardiff Bay
Cardiff
CF99 1SN

17 February 2022

Dear Jenny,

Following our appearance at Committee on 24 January where the 2022-23 draft budget was scrutinised, you requested some follow up information, which we are pleased to provide.

Firstly, you asked how Welsh Government intends to monitor progress in implementing the real living wage for social care workers. Following advice from the Social Care Fair Work Forum on the implementation of the Real Living Wage, the Welsh Government was pleased to announce funding for this commitment as part of the Draft Budget in December. The uplift is aimed at registered workers in care home and domiciliary care (in adults and children's services), as well as Personal Assistants paid through a Direct Payment.

The commitment is both complex in design, implementation and costing. The Welsh Government are proceeding now to work with stakeholders to develop guidance for implementation. We recognise that close monitoring is needed at implementation and so work has started to develop a dynamic evaluation. The proposed evaluation will consider things like the effectiveness of the roll out of the Real Living Wage, its success in delivering the uplift to the pockets of workers and consideration of the cost estimates of the intervention with a view to assuring future budget planning. Likely first steps will include commissioning an evaluability assessment to inform the timing of the evaluation, ensure the results will be reliable and credible, and provide consideration of the initial costings and data collected. This would then be followed by a period of transitional work with partners and other relevant organisations to get full implementation right. Throughout this process, the evaluation will be co-produced with key stakeholders and will have close involvement of the Real Living Wage Implementation Steering Group.

Canolfan Cyswllt Cyntaf / First Point of Contact Centre:
0300 0604400

Bae Caerdydd • Cardiff Bay
Caerdydd • Cardiff
CF99 1SN

Gohebiaeth.Jane.Hutt@llyw.cymru
Correspondence.Jane.Hutt@gov.wales

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.

You also asked about potential underspends within the Gypsy Capital budget in this financial year. We've made commitments this year of £2.3m against our budget of £3.5m with a further £0.3m in the pipeline that we expect to approve before the year end. We therefore expect a final outturn against this budget of £2.6m by the year end. Due to the anticipated underspend against this budget we have been able to reallocate the remaining budget to other priorities within the MEG so that our overall capital budgets within the Social Justice MEG are expected to be fully spent by the year end.

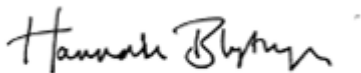
Following your request to see a copy of the letter sent to the DWP on benefits uplift, we also attach a copy of this letter. We hope that you find this information useful.

Yours sincerely

A handwritten signature in black ink that reads "Jane Hutt". The signature is written in a cursive style with a long horizontal line above the first few letters.

Jane Hutt AS/MS

Y Gweinidog Cyfiawnder Cymdeithasol
Minister for Social Justice

A handwritten signature in black ink that reads "Hannah Blythyn". The signature is written in a cursive style.

Hannah Blythyn

Y Dirprwy Weinidog Partneriaeth Gymdeithasol
Deputy Minister for Social Partnership

Jane Hutt AS/MS
Y Gweinidog Cyfiawnder Cymdeithasol
Minister for Social Justice



Llywodraeth Cymru
Welsh Government

Eich cyf/Your ref
Ein cyf/Our ref

The Rt Hon Thérèse Coffey MP
SOS Department of Work and Pensions,
Caxton House
Tothill Street
LONDON
SW1H 9DA

secretaryofstate@dwp.gov.uk

14 January 2022

Dear Thérèse,

I am writing to you to call upon you to consider taking urgent action in light of the cost of living crisis that is erupting across the UK. This winter millions of people are facing an untenable combination of increases to the costs of food and energy, rising inflation and an imminent hike in National Insurance contributions.

Against this backdrop, and despite opposition from over 50 Tory MPs, including six former DWP secretaries of state, your government chose to cut off a crucial lifeline for many when the UK Government ended the £20pw uplift for those claiming Universal Credit and Working Tax Credit. This shameful decision has left thousands of families across Wales heading towards a financial cliff edge. I urge the UK Government to reverse its decision, which resulted in biggest overnight cut to a social security payment rate since the modern welfare state began and reinstate the £20pw Universal Credit and Working Tax Credit uplift payment and extend the payment to people claiming a legacy benefit.

A report by the Institute of Financial Studies published on the 12 January noted "in April, welfare benefit payments including jobseekers' allowance and disability benefits are due to rise by 3.1% - in line with the inflation rate recorded last September." However, we know the cost of living has surged since then and the consumer price rise measure is expected to hit 6% by the spring, largely thanks to soaring energy bills.

I therefore call upon you to uprate welfare benefit payments this April by 6%. The Institute of Financial Studies calculate this would cost an extra £3bn, but it would save our lowest income households from facing a £290 real terms year-on-year fall in benefit income, helping to slightly ease the cost of crisis living they are facing.

Canolfan Cyswllt Cyntaf / First Point of Contact Centre:
0300 0604400

Bae Caerdydd • Cardiff Bay
Caerdydd • Cardiff
CF99 1SN

Gohebiaeth.Jane.Hutt@llyw.cymru
Correspondence.Jane.Hutt@gov.wales

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.

In previous letters I have outlined how in Wales we do all we can to put money into the pockets of the most vulnerable families and we are delivering excellent results with our welfare benefit take-up projects. However, maximising the take-up of welfare benefits must be a priority for all those involved, not just the Welsh Government. In November 2020, a joint letter, signed by Ministers from Wales, Scotland and Northern Ireland, called upon you and your Department to lead the development of a UK wide welfare benefit take-up strategy. I make this call once again given it is more critical than ever that people understand and are helped to access all the financial support that is available to them.

Yours,

A handwritten signature in black ink, appearing to read 'Jane', with a horizontal line above the first letter.

Jane Hutt AS/MS

Y Gweinidog Cyfiawnder Cymdeithasol
Minister for Social Justice

Copied to:

Internal:

Rebecca Evans MS, Minister for Finance and Local Government

External:

Shona Robinson MSP, Minister for Social Justice Housing and Local Government
Deidre Hargey MLA, Minister for Communities