

Jane Hutt MS
Minister for Social Justice
Welsh Government

1 November 2022

Dear Jane,

Scrutiny of the Welsh Government's Draft Budget 2023-24

In advance of our scrutiny session on the Draft Budget 2023-24 in January 2023, I would be grateful if you would provide information in the following areas.

General information

Overview

Last year, there was an increased budget for all Welsh Government departments, with £110m allocated to the Social Justice MEG – revenue. The Draft Budget for 2022-23 gave an indicative allocation for 2023-2024 of £122m. Are you now able to maintain this commitment to increase the spending allocation in the Social Justice MEG in the Draft Budget 2023-24 in the light of what may be announced by the UK Government on 17 November? Please can you provide:

- A breakdown of the 2023-24 Social Justice Main Expenditure Group (MEG) allocations by Spending Programme Area, Action and Budget Expenditure Line (BEL).
- Commentary on each of the Actions within the MEG, including an analysis and explanation of changes between the First Supplementary Budget 2022-23, the Draft Budget 2023-24 and the First Supplementary Budget.
- Evidence on how equality and social justice is driving Welsh Government overall priority-setting and budget allocations.
- Details of how spending allocations have been re-prioritised, or transferred from other departmental budgets (MEGs), to ensure the Welsh Government delivers its priority “to shield the most vulnerable” in light of the cost of living crisis as set out in its response to the UK Government’s mini-budget.



Strategic Integrated Impact Assessments (SIIA)

In last year's Draft Budget 2022-23 report, we called on you to publish an updated Strategic Integrated Impact Assessment before the Senedd debate on the Final Budget (**Recommendation 1**). Although you accepted this recommendation, you did not provide an updated SIIA; instead directing us to all Ministers' written evidence to Senedd scrutiny committees.

- Have you reviewed your approach to assessing impacts of draft budget decisions on different groups as part of the draft Budget process for 2023-24?
- In what ways has the SIIA been improved?

Equality, Race and Disability Data Units

We welcomed the establishing of Equality, Race and Disability Evidence Units in our previous Draft Budget 2022-23 report, recognising the need for strengthened evidence to address inequality (**Recommendation 2**). The Evidence Units have published a set of joint priorities 2022-27 without any reference to budgetary planning. Please can you provide:

- Specific details of how the work of the units has helped to inform spending decisions in the Draft Budget 2023-24?

Gender Equality Review

The Programme for Government includes a number of commitments relating to gender equality and in last year's Draft Budget, you set out spending in a number of areas designed to advance the Gender Equality plan.

- Can you confirm whether the Gender Equality Plan has been updated following completion of the work you commissioned the Wales COVID-19 Evidence Centre to undertake on the impact of the pandemic on women?
- In your response to our call for further detail on how you were funding implementation of the Gender Equality Review (**Recommendation 3**), you referred to the priorities of the Strengthening and Advancing Equality and Human Rights group, which are: Violence Against Women, Domestic Abuse and Sexual Violence, Care and Women's health.
- Please provide details of the impact any spending allocations have had in these priority areas, as well as an explanation of whether there are continued funding allocations to progress these priorities in the Draft Budget for 2023-24?

Tackling poverty and reducing inequality

Inflation and the cost of living

In last year's Draft Budget report, we highlighted our concerns about inflation and the impact the rising cost of living could have on different people. We recommended that the Welsh Government reprioritise funding when



necessary to support the most vulnerable (**Recommendation 4**). Can you set out the approach taken by Ministers to review spending allocations designed to help tackling poverty including:

- details of specific allocations to support households with cost of living pressures in the 2023-24 Draft Budget;
- whether any in-year transfers have taken place to increase recurrent allocations designed to tackle poverty, such as increases in the allocation to the Discretionary Assistance Fund and Single Advice Fund;
- details of how spending allocations have been re-prioritised in the draft Budget 2023-24 in order to protect the most vulnerable households from financial hardship; and
- the evidence the Welsh Government has used to understand the impact of these decisions on groups facing inequalities due to protected characteristics and/or socio-economic status.

Debt

Following the publication of our [report](#) on debt in November 2021, please can you provide an update on how the current economic situation is impacting on the implementation of our recommendations. Specifically:

- details of any specific spending allocations to prevent and alleviate debt in the Draft Budget 2023-24; and
- details of how cost of living pressures, particularly those impacting households on the lowest incomes have influenced spending decisions.

Fuel poverty

Our [report on fuel poverty and the Warm Homes Programme](#) was published in May. Please can you provide an update on how the current economic situation is impacting on the implementation of our recommendations.

- Please provide details of specific allocations to tackle rising levels of fuel poverty, and of how you are working with the Minister for Climate Change on the next iteration of the Warm Homes Programme?

Preventative spend

We recommended in our draft Budget report 2022-23 (**Recommendation 6**) that you should commission independent, expert research advice to improve how we measure the effectiveness and impact of preventative spending measures. We said this work should draw on international examples and best practice and should conclude before the Budget process for 2023-24 begins. You accepted this recommendation, stating that “an update of delivery of the Budget Improvement Plan will be published alongside the 2023-24 Draft Budget”. Please can you:

- confirm how the research and advice has informed decisions on preventative spending measures in the draft Budget 2023-24;
- commit to publishing the research findings; and
- outline how budget allocations have been shaped by the Well-being of Future Generations Act.

I would be grateful for your response by 14 December 2022.

Yours sincerely,

A handwritten signature in black ink on a light yellow background. The signature reads "Jenny Rathbone" in a cursive, flowing script.

Jenny Rathbone MS

Chair of the Equality and Social Justice Committee

Croesewir gohebiaeth yn Gymraeg neu Saesneg

We welcome correspondence in Welsh or English