

*This document provides a translation of correspondence received from Gorwel*

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Mr John Griffiths MS  
Chair, Local Government and Housing Committee  
Welsh Parliament

29 November 2023

Dear Mr Griffiths,

**RE: Submission of evidence on concerns regarding Housing Support Grant for 2024/25**

I am writing to you in my capacity as Chief Officer of Gorwel, the business unit within the Grŵp Cynefin housing association, which provides support services to people who are homeless or who at risk of losing their homes, and people who are experiencing domestic abuse. We work across Anglesey, Gwynedd and Denbighshire.

Clearly, we both understand the challenges facing the Welsh Government when making funding decisions, but what I would like to highlight is what is happening on the ground at the moment, as it very different from what has been seen previously.

As I'm sure you are aware, the current cost-of-living crisis is having a devastating impact on many people in our communities. We are seeing more and more people who have not previously needed support from organisations such as ours, and who are facing a future they could not have imagined, with no idea how to face what lies ahead. We are passionate about the communities in which we work, and we pride ourselves on providing a fully bilingual and inclusive service that does whatever it can to help individuals or families get through the situations that they face.

If the Welsh Government decides to continue to allocate the same level of funding, or else make cuts to the Housing Support Grant for 2024/25, there will be significant implications for Gorwel's budget and services. Without a significant increase in the Housing Support Grant, we will need to consider re-modelling plans, preventing an inflationary increase in colleagues' salaries for 2024/25, disposing of offices and safe spaces for survivors, making colleagues redundant, and returning some existing contracts to commissioners. Along with the actions outlined above, we also need to highlight the concerns set out below, which are affecting Gorwel.

- Of the 13 existing contracts that Gorwel has, only six are financially viable in 2024/25.
- The cost of maintaining service agreements has increased by 11 per cent compared to 2022/23.



Mae Grŵp Cynefin yn gymdeithas dai elusennol a gofrestrwyd o dan y Ddeddf Cymdeithasau Cydweithredol a Budd Cymunedol 2014 (rhif 21194R) a wedi cofrestru gyda Llywodraeth Cymru (rhif LO29)  
Grŵp Cynefin is a charitable housing association incorporated under the Co-operative and Community Benefit Societies Act 2014 (no. 21194R) and registered with the Welsh Assembly Government (no. LO29)

- For the 2023/24 budget, Gorwel has invested £189,315 worth of reserves in maintaining contracts, ensuring that Gorwel colleagues receive inflation adjustments in the wake of the cost-of-living crisis. This is not an option for 2024/25, and neither is it sustainable.
- There has been a significant increase of **77 per cent (which equates to 293 people)** in those receiving domestic abuse support from Gorwel, through the Housing Support Grant, up to the end of quarter 2 of 2023/24, compared with the previous year.
- There has been an increase of **8 per cent (which equates to 276 people)** in those receiving homelessness prevention support from Gorwel, through the Housing Support Grant, up to the end of quarter 2 of 2023/24, compared with the previous year.
- There has been an increase in the complexity of support needs. With less input from statutory services, frontline staff are spending more time responding to cases.
- If it becomes necessary to remodel and cut services, this will increase pressure on statutory services.
- Cuts to frontline domestic abuse services would increase the risk of domestic homicide in communities.
- Due to the instability of funding and the lack of wage inflation, the recruitment and retention of experienced staff with expertise in this area is extremely challenging.
- Staff in specialist services related to the Housing Support Grant are paid less for the same work as staff in the statutory sector.
- Because staff turnover is high, additional resources are needed to train new staff. Eighteen members of frontline staff terminated their employment at Gorwel in 2022/23. Ten members of Gorwel's frontline staff have terminated their employment up to quarter 2 of 2023/24. They have taken up roles in the statutory sector, which offers more favourable wages and employment conditions.

The frustration is that we know from studies that have been commissioned that the services that we provide ultimately save money. For every £1 invested in Gorwel's domestic abuse services, for example, £3.56 of social value is generated for the individual and the community. Similarly, for every £1 invested in Homelessness Prevention services, the social value generated is £9.

I trust that you, as the Local Government and Housing Committee, will pay close attention to the concerns outlined above and will encourage the Welsh Government to increase the Housing Support Grant.

Sincerely,



Osian Gwyn Elis

Chief Officer, Gorwel

CC Mr Peredur Owen Griffiths MS, Chair of the Finance Committee, Welsh Parliament