

# Written response by the Welsh Government to the report of the Equality and Social Justice Committee on the 2024-25 Draft Budget

## Recommendation 1.

The Welsh Government should strengthen mechanisms for coordinating spending activities across ministerial portfolios. These mechanisms must include better, more effective monitoring of outcomes to ensure that they deliver on objectives including equality and social justice objectives. Details of how outcomes are being monitored across government should be published regularly with an update provided to the Senedd at 6 months and at the end of the financial year.

## Response: Accept in Principle

We already outline substantive information throughout the financial year through our Draft, Final and Supplementary Budget publications. We report the monitoring and delivery of outcomes through the Programme for Government report. In addition, throughout the year we publish a range of information through our website on the monitoring and outcomes of policy areas. We are happy to consider improvements through our work on the Budget Improvement Plan recognising that such changes must be proportionate and should also be considered through any changes to the Budget Protocol.

## **Recommendation 2.**

It remains unclear to us from the evidence presented either in the budget documentation or the session with the Minister what role data or the work of the evidence data Units have had in shaping budget decisions. We recommend that the Welsh Government considers how it can improve this aspect of the budget documentation as part of its review of the Strategic Integrated Impact Assessment and that this work is concluded in time for publication of the Draft Budget for 2025-26.

### **Response: Accept**

We are happy to consider how we can better reflect the role the Equality, Race and Disability Evidence Units play in shaping budget decisions are part of our review of the Strategic Integrated Impact Assessment. In terms of the timescales of the review, which is currently in a formative stage, we intend to conclude the review by December 2024. While we would intend to take on board improvements where possible for the 2025-26 Budget, we anticipate substantive changes being taken on board for the 2026-27 Budget. This is on the basis the review will be considering the process by which the SIIA is undertaken alongside its presentation so implementation of process reforms coming out of the review will not be possible for the 2025-26 Budget.

The purpose of the Equality, Race and Disability Evidence Units is to improve the availability, quality, granularity and accessibility of equalities evidence to enable decision makers across Wales to develop better informed policies and measure their impact. This will in the longer term provide better evidence to inform the budgetary SIIA process as well as all policy decisions and monitoring and evaluation.

### **Recommendation 3.**

The Welsh Government should publish full details of the changes it intends to make to unprotected spending programmes associated with delivery of the Child Poverty Strategy as a result of its reprioritisation exercise. This should include comparative details of the planned spending before and after the reprioritisation exercise. This should be published as soon as possible and no later than one week before the debate on the Final Budget scheduled for 5 March 2024.

### **Response: Accept in Principle**

The Child Poverty Strategy sets the priorities and objectives for tackling child poverty, with activity to deliver against them taking place across the whole of government. The spending priorities and intended changes to spending programmes across government are set out in the draft budget documentation published on 19 December.

#### **Recommendation 4.**

The Welsh Government should commission independent, expert research advice to improve how we measure the effectiveness and impact of preventative spending measures, the findings from which should be shared with the Committee by the end of September 2024.

#### **Response: Reject**

In line with Welsh Government's finance and budgetary procedures and arrangements we remain committed to embedding prevention within our Budget processes. However, through our engagement with other Governments, it is clear that there is no simple single approach that can be applied to our budget process.

As part of the work with the Budget Improvement Impact Advisory Group (BIAG) we are already working with sub-group looking at embedding prevention into our processes, using biodiversity as an area to pilot ideas. Subject to the findings from this work, a whole budget approach to preventative activity will be explored, testing practicalities, and identifying the conditions needed to do this effectively across the whole organisation.

We will continue to explore as part of the work of our Budget Improvement Plan and remain open to considering the role of independent expert advice when this work has been undertaken. We will provide an update on this work when we publish an update of our Budget Improvement Plan alongside the 2025-26 Draft Budget.

## **Recommendation 5.**

The Welsh Government should provide clarity and certainty on the implications of reductions to the equality, inclusion and human rights BEL for the sector including details of the likely impact on programme delivery. This information should be provided ahead of the debate on the Final Budget scheduled for 5 March 2024.

### **Response: Accept**

The most significant impact in the Equality, Inclusion and Human Rights BEL for 2024-25 are in the reductions in the Period Dignity Grant, rationalisation of research and analysis workstreams, and reductions in the discretionary funding available for Equality and Inclusion Grants.

For the Period Dignity Grant, a planned uplift was removed, and the budget line was reduced by a further £300k. Although most of the funding for this grant goes on procuring products, a recent review of the grant has indicated some areas of potential cost savings in procurement, and there had been small underspend in the previously recorded financial year. We are therefore expecting to be able to continue to sustain previous levels of provision through streamlining our approach. In addition, an associated communications campaign will not go ahead.

Some funding has been released by using more cost-effective approaches to research and analysis, such as undertaking some work in-house, although no planned activities have had to be cut.

For the Equality and Inclusion grant funding, the overall availability of flexible funding for the third sector has been reduced, although the level of core funding awards provided to key third sector partners has been sustained. The flexible grant funding is allocated through in-year grant awards, so no existing grant awards have been cut. We are revising our competitive grants process and we expect to spend the allocated funding but as the overall budget for these grants has been reduced, there will be fewer and / or smaller awards than originally envisaged and we may not be able to respond as flexibly to emerging priorities.

## Recommendation 6.

The Welsh Government should give a full account of the reasons for the unacceptable situation whereby the Gypsy and Traveller Site Capital Grant has resulted in £0 being awarded to local authorities for the whole of the 2022-23 and 2023-24 financial years. This account should set out the reasons for this failure and how the Welsh Government intends to address them. We expect this to be available ahead of the debate on the Final Budget scheduled for 5 March 2024.

### Response: Accept

The capital funding of £3.69m and £3.19m was available to local authorities in 2022-23 and 2023-24 respectively. There were no applications for capital funding in 2022-23. There were then no applications for funding from local authorities until late in 2023, by which time the funding had been offered up as part of the in-year cost saving exercise. The capital funding was offered up because the lead time for capital projects meant it was highly unlikely to be spent in 2023-24. However, funding of £3.44m is available in 2024-25 and local authorities will be strongly encouraged to submit applications alongside the current Gypsy and Traveller Accommodation Assessments (GTAA) process being completed.

Some local authorities have indicated that they have not applied for the capital grant because they are awaiting the outcome of the latest GTAA from Welsh Government. However, any local authority's existing GTAA remains approved and valid until it is superseded by a local authority's subsequent approved GTAA and the duty to meet the needs identified remains with the local authority. Local authorities could therefore have applied for the funding.

With what I understand is a strengthened team working on Gypsy, Roma and Traveller equality in recent months, significant progress has been made on GTAAs and other areas of work. I will shortly start to write to local authorities in relation to the outcome of the outstanding GTAA assessments. In addition, the Gypsy and Traveller Site Capital Grant guidance is being revised and will be circulated in March. I have been meeting with local authority Cabinet members responsible for Gypsies, Roma and Traveller people and communities emphasising the need to respond to Gypsy, Roma and Traveller communities' needs and making progress against meeting their duties under the Housing Act (Wales) 2014, including delivering on needs identified in approved GTAAs.

In relation to improving the provision of transit accommodation for Gypsy Roma and Traveller communities across Wales, my officials met with all local authorities in January to discuss the issue and consider whether regional transit sites might be appropriate in some cases. Further discussions with local authorities, Welsh Local Government Association (WLGA), Corporate Joint Committees (CJCs) and Public Services Boards (PSBs) are planned. We will be supporting local authorities by strengthening the evidence base for transit provision by gathering a comprehensive understanding of patterns of travel by Gypsy, Roma and Traveller people, and key

cultural and/or religious festival locations and dates, and seasonal movement due to employment opportunities.

I am undertaking a series of meetings with local authorities to discuss their current position in relation to meeting their obligations to ensure suitable accommodation is provided for Gypsy, Roma and Traveller families. I meet WLGA cabinet equality leads regularly, most recently focussing on Gypsy, Roma and Traveller related matters on 7 December 2023. I have also met with Gypsy Roma Traveller families and advocacy groups to discuss specific concerns.

**Recommendation 7.**

The Welsh Government should work with policing partners to assess the impact of reduced investment on community safety particularly tackling hate crime and undertake an evaluation of the role of Welsh Government funded PCSOs in previous years in relation to these, by September 2024. A copy of the evaluation should be provided to this Committee when available.

**Response: Accept**

We have discussed this recommendation with Policing in Wales, and will look to deliver a light touch review of the impact of Welsh Government's investment in PCSOs which will include consideration of their impact on tackling hate crime. This should be possible within current resources and within the September 2024 timescale specified by the Committee, and we will share the work with the Committee once completed.