



Llamau response to Finance Committee: Call for information Welsh Government draft budget proposals for 2012-13

Background:

Thank you for the opportunity to respond to the draft budget. Llamau is the leading specialist homelessness organisation in South Wales and has been providing holistic and comprehensive packages of support to homeless young people and vulnerable women in South Wales for 25 years. Those who use and need our services often have multiple and complex needs, such as substance misuse, domestic abuse, mental ill health, a background of offending and low educational attainment. We provide a range of services to support them to overcome these barriers to progression and gain the skills they need to live independently within their community and make positive contributions both economically and socially.

“Everyone in Wales should have a roof over their head, warmth, food and security. This, surely, is the minimum aspiration for a developed and civilized country.”

(First Minister, Carwyn Jones, Shelter Cymru Conference June 2011)

Responses to specific questions:

We have responded to the specific questions set out in the letter from the Committee below. If you would like any further information on any of the content or issues raised, please use the contact details at the end of this document and we will be more than happy to supply it.

1. Looking at the indicative budget allocations for 2012-13, do you have any concerns from a strategic, overarching perspective?

Llamau supports the First Minister’s assertion that *“We have a responsibility to defend the interests of all the people of Wales, especially the most vulnerable, whose voice is often the quietest.”* (First Minister, Shelter Cymru Conference June 2011)

In this challenging economic climate with severe pressures on public spending, difficult decisions will need to be made with regard to supporting Wales’ long term economic growth, and as importantly, the development of a just and cohesive society in Wales where we meet our responsibility to defend the rights of the most vulnerable, “whose voice is often the quietest.”

Economically we need to act to encourage economic growth and support those made all the more vulnerable by the current climate to become financially independent. Socially we have a duty and responsibility to invest in supporting the most vulnerable who have been cast aside by the UK Government, through vicious reforms to the Welfare System, changes to Housing Benefit, Public Sector job cuts, VAT rises, coupled with spiraling food and fuel bills, all of which has imposed unacceptable hardship and deprivation on already struggling communities across Wales.

Looking at the budget overall from this perspective we consider that the government has prioritised a range of areas which will help the people of Wales come through the current and anticipated difficult context. In particular, we welcome the protection of funding for social care and preventative services within the Health and Social Care budget. However, we would like to highlight two specific funding areas which are detailed below and which we feel are out of step with the approach being taken by the government in protecting our most vulnerable citizens.

2. Looking at the indicative budget allocations for 2012-13, do you have any concerns about any specific areas?

Within the context outlined above we would raise concerns about the likely impact of two areas of reduced funding under the Housing, Regeneration and Heritage MEG: these are the reductions in funding under the Action within the Housing SPA to *enable people to live independent lives* and the Action to *tackle homelessness*.

- **Enabling people to live independent lives**

The One Wales government adopted a supportive and unique approach to the Supporting People programme, one that was at odds with the UK government. For this it must be commended. Unfortunately, the *Supporting People* programme has come to an end in England and Scotland despite consistent and clear research and evidence supporting its cost effectiveness. As a result of losing the ring fence and its status as a separate grant, English services are being decimated as recent research by a range of organisations has shown, and as a consequence, vulnerable people in England are suffering.

In Wales, in stark contrast to the approach being taken in other parts of the UK, the previous Deputy Minister instigated a review of the programme which is now being taken forward under the leadership of the current Minister. In addition, the Labour manifesto has committed the government to building on the ten-year Homelessness Plan and to continuing to “invest in vulnerable people – whether they are young people leaving care, older people who are becoming frail, or people who are experiencing mental ill-health – to avert homelessness, to have and keep their homes and build the kind of life we all want for ourselves, friends and families.”

We are already seeing and anticipate experiencing increasing demand for services. Research from previous recessions has found, perhaps unsurprisingly, that the human

costs of growing financial hardship are increases in family breakdown, drug and alcohol problems, mental ill-health, domestic abuse and homelessness. There is strong evidence that the increases in demand for services helping people overcome these issues will be exacerbated by the UK welfare reform changes.

Clearly there are socio-economic and demographic reasons why it is hugely important that additional funding is made available for this particular area of expenditure. Wherever possible for both economic and ethical reasons we need to prioritise services that help people find and remain in their home and this is exactly what this SPA achieves. For many people this type of prevention can lead to full independence which not only has a positive effect on demand and costs but actually enables people to be economically active so making a positive contribution to the community and the local economy.

In addition, the review commissioned by the last Deputy Minister has highlighted the uneven distribution of services across Wales. The current Minister has indicated that he feels that we need to move quickly on addressing this, but to do so would require additional funding if we are not to destabilise areas of Wales which would lose funding from the re-distribution. This needs to be addressed within WG budgets for at least the coming five year period.

We believe that the services this SPA funds are crucial at all times but particularly when there are more people facing financial hardship and the fallout from it and would finally remind Committee members that the Supporting People programme saves more than it costs – all UK research has concluded this with the most recent research from Carmarthenshire demonstrating a saving of £2.30 for everyone £1 spent.

- **Tackling homelessness**

This funding is used to support services that work with homeless people which aren't funded via the above. In particular these are around outreach work with people sleeping rough and assisting homeless people with advice and support such as Bond Schemes. The UK government has recently announced a Homelessness Transition Fund which will provide £20 million pounds over 3 years to tackle rough sleeping. The fund will be administered by Homeless Link – an umbrella body for homelessness organisations – and will support third sector organisations working with people sleeping rough primarily focusing on ensuring no one should ever need to spend a second night outside.

Organisations in Wales working with people sleeping rough have been increasingly aware of English initiatives such as this and the previous Places of Change which have not been available in Wales. So whilst the Welsh government has a much stronger record in terms of the Supporting People programme, we are being left behind in relation to how we help rough sleepers. We would like to see this addressed in the current and future budget and would be very happy to facilitate a discussion between organisations working with rough sleepers and the Welsh government to ensure we are

doing everything we can now and in the future to meet the needs of this massively excluded client group.

Again, we are aware of increasing demand as a result of the human costs of the economic and public spending situation. So again, there are strong financial and ethical reasons why we need to make sure that we are able to meet growing demand now and in the future. Rough sleepers place particular strains on primary health care services and with the right support can move on to become independent and contribute positively to the community and economy. We would suggest that how we fund and support people sleeping rough in Wales reflects on our ethos and culture and at the moment, our investment in this area does not reflect well or mirror our commitment to other vulnerable people.

3. What expectations do you have of the 2012-13 draft budget proposals? What spending commitments and priorities would you like to see in the 2012-13 draft budget proposals?

Without prioritising the funding outlined above, we would anticipate increased homelessness and deprivation across Wales, resulting in whole generations feeling as though they have no stake in their own communities; their own futures. This will be disastrous socially and place unbearable burdens on already overstretched social care, health and community safety budgets which will inevitably see increased demands placed upon them as a result.

4. The new Welsh Government has not yet published a programme of government. However, the Welsh Government has emphasised that it is seeking to deliver an outcomes-based approach, with the First Minister declaring that "delivery will be the watchword of the next Welsh Labour government."2 What- if any- outcomes do you believe the Welsh Government should be trying to achieve with its 2012-13 draft budget?

Llamau recently took part in the pilot of the Welsh Government's Outcomes Framework which becomes mandatory for all organisations in April 2012 and already have procedures for this information to be recorded as required by Welsh Government. It is our opinion that the Welsh Government should prioritise evidenced delivery of such agreed outcomes for all vulnerable groups and should work closely with expert providers, such as ourselves and other leading organisations in Wales with similar extensive experience of vulnerable client groups, to develop appropriate and relevant outcomes which, more than simply providing a method through which to evaluate the work of funded organisations, should provide a framework through which vulnerable people can truly be supported to make lasting changes to their lives and become more economically and socially active within their communities, bringing prosperity and social cohesiveness to Wales. The Welsh Government should then actively support those organisations able to not only evidence outcomes, but also the impact their support has on individuals, and consequently whole communities across Wales.

5. Can you suggest any elements that should be in the 2012-13 draft budget proposals to support more effective collaborative working?

Many in the housing sector have argued for the need for specific grant funding that can only be accessed by joint bids across statutory and third sector organisations. We feel this “carrot” has considerable merit and would suggest that this would help support more collaborative working.

Conclusion:

Thank you again for the opportunity to respond to the draft budget. Further information: If you would like any further information on any or the issues raised please contact Llamau’s Chief Executive, Frances Beecher on francesbeecher@llamau.org.uk