

## **Cymorth Cymru response to Finance Committee:**

### **Call for information – Welsh Government draft budget proposals for 2012-13**

Cymorth Cymru is the representative body for providers of housing-related support, homelessness and supported living services in Wales and as such has three overarching objectives:

- To improve the links between policy and practice by ensuring those working in frontline service delivery understand and contribute positively to the wider policy context; and those working in policy development understand and take into account the experiences and knowledge of those working on the ground.
- To ensure that Cymorth members maximise their contribution to the lives of citizens and the communities in which they live by building their capacity and professionalism.
- To increase public understanding and support for the work of our members in helping people build the lives they aspire to within the community.

#### **Background:**

Thank you for the opportunity to respond to the draft budget. Cymorth Cymru is the representative body for providers of housing-related support, homelessness and supported living services and as such our input reflects our interest in ensuring the most vulnerable and disenfranchised within our communities are able to access the services they need to overcome personal challenges and live as independently as possible within the community.

#### **1. 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.

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

We understand that in a challenging economic and public spending climate that difficult decisions need to be made about how to invest to get the best outcomes for Wales long term. From our perspective there are two key areas to invest in for economic reasons:

- those that will encourage economic growth
- those that will support the growing number of people made vulnerable by the current economic climate so that they can become financially independent

In addition to the above economic reasons for investment, there is a moral duty on a civilised society to invest in supporting its most vulnerable citizens whether there is a positive economic outcome from this or not. For example, ensuring those who are unable to work due to age or disability can have a quality of life is something that a country in the developed world should expect for its most vulnerable citizens.

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.

## **1.2 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**

It is important to recognise the considerable support and unique approach the previous One Wales government adopted in relation to the funding stream which takes forward this objective. The *Supporting People* programme has come to an end in England and Scotland despite consistent research supporting its cost effectiveness. As a result of losing the ring fence and its status as a separate grant, services are being decimated in England as recent research by a range of organisations has shown. 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 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. We are also aware that the population of Wales is ageing and the need for services to help older people remain in their homes or move to more suitable accommodation within the community rather than into long term medical settings is growing alongside increasing demand for services that meet the needs of people with learning disabilities including autism. Again, it is important that community based services are provided within home rather than medical or institutional settings wherever possible as this increases independence and quality of life – as well as being more cost-effective in many cases.

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. We welcome the protection of funding for social care but the services funded under this SPA are working with similarly vulnerable citizens, often in partnership with social services and often preventing them needing more intensive and intrusive interventions. 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 to the above reasons, 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, additional funding is needed 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**

The funding under this heading 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. Some of our members working with rough sleepers are reporting huge and increasing demand for services – in one hostel an increase of over 40% on the previous year. 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.

### **1.3 What expectations do you have of the 2012-13 draft budget proposals?**

Without prioritising the funding outlined above, we would anticipate more homelessness and more strain on social care, health and community safety budgets.

### **1.4 What spending commitments and priorities would you like to see in the 2012-13 draft budget proposals?**

Please see answers 2.1 and 2.2

### **1.5 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.”<sup>2</sup> What- if any- outcomes do you believe the Welsh Government should be trying to achieve with its 2012-13 draft budget?**

Please see answer to 2.1. We would also point out that the housing-related support sector through the WG commissioned review is taking forward the outcomes agenda and we are more than happy to share our learning with other providers beginning this journey.

### **1.6 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.

## **2. Conclusion:**

Thank you again for the opportunity to respond to the draft budget. Naturally as the representative body for housing-related support, homelessness and supported living services our key focus in responding is ensuring our members are funded adequately to maximise their contribution to tackling homelessness and ensuring vulnerable people can build the life they aspire to. The sector

achieves this for over 50,000 people in Wales a year and yet there are still many more – and growing numbers due to the financial situation we find ourselves in – who we could also help. We would reiterate that the sector has been praised by independent experts for what it achieves – but we can and want to do more.

### **3. Further information:**

If you would like any further information on any or the issues raised please contact Nicola or Joy – [nicolaevans@cymorthcymru.org.uk](mailto:nicolaevans@cymorthcymru.org.uk) or [joykent@cymorthcymru.org.uk](mailto:joykent@cymorthcymru.org.uk). Tel: 029 2055 3687.