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Y Gweinidog Llywodraeth Leol a Busnes y Llywodraeth
Minister for Local Government and Government Business



Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref: LF/LG/0800/14

Jocelyn Davies AM
Chair, Finance Committee
National Assembly for Wales
Cardiff, CF99 1NA

29 August 2014

Dear Jocelyn,

**GENDER-BASED VIOLENCE, DOMESTIC ABUSE AND SEXUAL VIOLENCE (WALES)
BILL – FINANCE COMMITTEE – REQUEST FOR FURTHER INFORMATION**

Thank you for your letter of 29 July 2014, requesting further clarification on the financial implications of the Gender-based Violence, Domestic Abuse and Sexual Violence (Wales) Bill ("the Bill"), which the Finance Committee is currently scrutinising. My views in reply to each point you have raised are provided at Annex A.

My vision for this Bill is in the future victims of gender based violence, domestic abuse and sexual violence will no longer be negotiating difficult care pathways and will be able to access a service which can help them. A victim will also be able to receive services from a skilled, aware workforce, who will respond effectively and engage specialist support quickly. I also want a victim to access services which are of the same quality, no matter where delivered and these services will form part of a collaborative partnership of professionals who can cater to all of a victim's needs.

I trust this additional information will assist Members in their scrutiny of the Bill, however, please do not hesitate to contact me should you have any further queries or require any further information on any aspect.

I am also sending a copy of this letter to Christine Chapman AM, Chair of the Communities, Equality and Local Government Committee.

Regards,

A handwritten signature in black ink that reads "Lesley Griffiths". The signature is written in a cursive style with a large, sweeping flourish at the end of the name.

Lesley Griffiths AC / AM

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Annex A

Point 1 - Additional funding in the Welsh Government budget

Given that the additional costs to the Welsh Government for each year from 2015-16 to 2017-18 range between £0.4 million and £0.5 million, it would be helpful to have clarity on whether the additional funding allocated is sufficient to meet the requirements of the legislation, particularly given that the implementation of the Act is anticipated to lead to a further increase in the number of clients accessing public and specialist services, and possible additional costs in excess of those included in the RIA.

For 2014-15, I increased the budget to £4 million, an increase of £0.33 million. I have also made available £500,000 this year in capital funding to build the necessary infrastructure and support service providers. Whilst still subject to the current draft budget process, I hope to at least maintain, if not increase, the budget again for the next financial year.

The cost of delivering the National Training Framework and the Healthy Relationship programme are already accounted for within the existing budget and are not, therefore, additional costs. The cost of the Ministerial Adviser will amount to an additional cost of £92,500 in 2015-16 and thereafter £81,000 per annum, as set out in the RIA (page 47). I am seeking additional resources to cover this.

More generally, I am very aware an increase in referrals is probable as a result of the . Legislation. An increase in referrals and interventions may lead to increased demand and, therefore, a cost to Public Services. However, this increased cost is far outweighed by the decrease in the human and emotional costs of the issues and the decrease in the cost of lost economic output.¹ The development and increased utilisation of Public Services has also been credited in part, with contributing to a decrease in the amount of domestic violence.

Previous research would indicate improved work within the Public Service should provide a reduction in the total cost of domestic violence over a relatively short period of time, which will outweigh the costs of increased disclosures. Walby's² 2009 update (from 2004 research), showed the total cost of domestic violence alone had fallen by £23 billion to around £16 billion per year. This decrease had been partly achieved by the development and increased utilisation of Public Services. She concluded investment in Public Services to reduce domestic violence is cost effective.

I am reviewing the current funding structure to identify the most appropriate model going forward from the second half of 2015-16. The absolute priority for me is ensuring resources are directed in the most appropriate way, to ensure effective services are supported and available to those who need them, when and where they need them.

¹ It is also likely this decrease is an under-estimate as it refers only to domestic violence and not other forms of gender-based violence such as sexual violence, Forced Marriage or Female Genital Mutilation.

² Walby, S., *The Cost of Domestic Violence: Up-date 2009*.

Point 2 - Costs associated with Local Government reorganisation

It would be beneficial to know whether newly merged local authorities would be required to produce new strategies, and what assessment of the potential costs of this before 2017-18 has been made.

As the Committee will be aware, at the point of publishing the Bill and RIA (as part of the Explanatory Memorandum), we had not published the 'Reforming Local Government' White Paper. The White Paper is currently subject to a 12 week consultation ending on 1 October and will result in a Bill to provide the powers necessary to enable mergers to take place in a coherent and planned way, for introduction into the Assembly early next year.

It is, therefore, premature to produce potential costs for a Local Authority structure which does not yet exist. The costs within the RIA have been, and could only be, based on the current 22 Local Authorities. However, as highlighted in your letter, the total cost of the development of Local Strategies may well be less if, as is likely, there are fewer individual authorities incurring costs and this would likely provide a longer term saving.

The RIA also provided an estimated cost of £8,300, split between the Local Authority and the Local Health Board, for the development of a local Strategy. These costs are unlikely to change whatever the structure of Local Authorities in Wales.

As set out in the White Paper, subsequent legislation to merge and reform Authorities is not planned for introduction before May 2016. However, I intend in the autumn of 2015, to publish, for consultation, a draft Bill explaining how the mergers will work, including provisions to enable the wider reform which I have already outlined.

I recognise further consideration will need to be given to the requirement on Local Authorities and Local Health Boards to publish their first local strategies no later than one year after the date on which the first Local Government elections are held after commencement.

Point 3 - Statutory guidance

It would be useful to understand whether the Welsh Government is able to update the Committee on the areas it intends to issue guidance on, and whether there will be any additional costs associated with this.

The guidance power provided by section 12 of the Bill is deliberately broad. Guidance may be issued in relation to any function exercised by a relevant authority which could contribute to the pursuit of the purpose of the Act.

As I explained in my evidence to the Communities, Equalities and Local Government Committee on 17 July, given the broad nature of the power it is not possible, or advisable, to list what guidance may or may not be required over the coming years. The Bill has been drafted to ensure future Governments can respond appropriately and pro-actively to emerging need, legislative changes and practice, through appropriate issuing of guidance.

Rather than limiting the potential guidance by trying to list matters exhaustively on the face of the Bill, the approach I have taken creates greater scope for flexibility and the opportunity to respond to the needs of victims of gender-based violence, domestic abuse and sexual violence, with well thought out policy, detailed implementation guidance, workable principles and clear outcomes.

I provided the Communities, Equalities and Local Government Committee with three examples of the types of guidance we propose to issue under section 12, namely multi agency collaboration, the National Training Framework and Ask and Act. These are early drafts to assist with consideration of the Bill. The usual engagement and consultation process will continue to be undertaken before any guidance would be issued under section 12.

The immediate plans for additional guidance are on effective commissioning of specialist services and on information sharing. My officials are planning this work now and engaging expert stakeholders. I hope to have drafts available for consultation in early 2015. Thereafter, and if the need is identified, guidance could, for example, be published on awareness raising, to drive much needed cultural change on these issues and the whole school approach, to ensure our young people understand the importance of healthy relationships.

Any additional piece of guidance will require resourcing to some degree. Much of the guidance provided to the Committee was drafted by the Welsh Government, with input from identified experts. Further resource will be targeted at the creation of the commissioning and information sharing guidance, including specialist subject and legal expertise. I expect the costs of the commissioning guidance to be a one off cost of approximately £7,000. I expect the information sharing guidance to require more intensive multi agency and expert input and, as such, the costs will potentially be higher. These costs will be met from my existing budget.

Point 4 - Opportunity costs of National Training Framework and Ask and Act

In order to assess the value for money of this part of the Bill, it would be helpful to ascertain whether any assessment has been made in these areas, and whether the Welsh Government believes that the benefits of this training outweigh the opportunity costs.

The opportunity costs relate to the time commitment of the professionals to complete the relevant level of the National Training Framework (page 39 of RIA). This includes level 2 which is the provision of Ask and Act training (as summarised on page 42 of the RIA).

I am convinced the benefits of this training outweigh the opportunity costs. Expectations of the cost-effectiveness of the model include additional savings associated with reduced costs to the criminal justice system, the economy and in relation to the additional quality of life for those affected by such violence and abuse.

Population-based estimates applied to the Walby report,(referred to above), suggest domestic violence alone costs Wales £303.5m annually – £202.6m in service costs and £100.9m to lost economic output. These figures do not include any element of the human and emotional costs, which the research estimates at an additional £522.9m for Wales. This provides a total figure of £826.4m. Additionally, these figures do not include other forms of gender-based violence and sexual violence which also produce significant human, emotional and financial costs to society. Based on the substantial financial costs of domestic abuse to the economy, Walby argues the additional investment in Public Services to reduce domestic violence to be cost effective.

The estimated additional costs of this Bill are between £1.1m and £2m per annum (as outlined on page 62 of the RIA) during the next four financial years (2015-16 to 2018-19). This is a fraction of the overall costs of gender-based violence, domestic abuse and sexual violence to the country. Whilst it has not been possible to quantify fully the benefits associated with these proposals (there is a dearth of Welsh specific data on the costs of these issues, with the majority of this work related to England and Wales combined), it

follows there would only need to be a relatively small impact on the number and/or severity of such violent and abusive incidents for the benefits of the proposals to outweigh the additional costs.

To put these figures in some context, it is possible to combine Walby's cost data with some Welsh prevalence data to provide some estimates of the costs of specific behaviours to areas of the Welsh public service. I have provided a few examples here, similar extrapolation is possible in relation to many other forms of gender based violence, domestic abuse and sexual violence:

- Taking the 140,000 victims we believe to be suffering domestic abuse each year in Wales, and assuming the lowest estimates of domestic abuse police reporting (23%) and the CPS' charge rate of 65% (reported on 2012-2013), and only applying the costs of prosecuting the lowest level assault charge (section 39 Criminal Justice Act 1988), Walby's estimated costs work indicates this alone costs Wales around £4.5 million per annum.
- Another example relates to sexual violence incidents: 940 acute referrals for rape were accepted into SARCs last year. These are likely to have cost the hospital and ambulance services in Wales £640,000.
- In terms of housing, in Wales last year 22% of accepted homelessness applications (based on vulnerability) were due to domestic abuse. Walby's data, based on just the cost to Local Authority housing teams, indicates the costs of this to be in the region of £5.5 million.
- The cost of a domestic homicide is estimated by the Home Office at over one million pounds: a total of £1,097,330 for each death. According to ACPO Cymru there were 4 domestic homicides in Wales in 2013, which equates to £4.3 million.³

It is not possible to know what proportion of these costs relate to the same people, nor do these estimates include estimates of civil legal or child protection costs or the costs to our mental health and drug and alcohol services. However, I am sure you will agree, these few examples of direct costs to specific services indicate only a small reduction would cover the total costs of the Bill. Indeed, the prevention of two deaths caused by such abuse and violence would also equate to the maximum annual cost of the Bill. Further, the human costs in terms of reducing the significant number of people suffering these issues or being repetitively abused cannot be over-estimated.

The lack of a comprehensive and consistent framework of training in the gender-based violence, domestic abuse and sexual violence field has led to professionals accessing the numerous and varied training courses on offer in many parts of Wales, based on individual interest in this work, rather than any leadership direction to up-skill staff. There is no national, consistent coverage of training on these subjects, the structure of the courses is disparate and the content and quality is variable.

³ These figures assume the lowest level of reporting and the lowest possible offence for which cost data is available. They are estimates which use the Welsh specific data available through the recently published Review of Services (UCLAN) and Stats Wales. The Rape data is sourced, with thanks, from acute referral data provided by Ynys Saf and New Pathways. It is important to note female victims who have suffered severe domestic abuse suffer a mean average of 18 incidents and male victims of domestic abuse an average of 6. (Walby 2004 –based on BCS stats)

This variance of courses on offer, results in difficulty in ascertaining, on a national basis, the current average time commitment of relevant professionals to professional development in respect of gender-based violence, domestic abuse and sexual violence. However, a proportion of the relevant staff will already be committing time to professional development in this area and therefore incurring some of the opportunity costs.

There is currently no mechanism through which these local courses are formally aligned or quality assured nor are they always linked to national or local infrastructure. The creation of the National Training Framework will not only standardise and quality assure the training on these specialist subjects on offer in Wales but will also set this training in the context of national policy supporting the Bill.

Professionals will be able to act quickly and efficiently through simple, accessible care pathways. The outcome of means the time spent completing the training will be offset by the efficiency in which victims will be identified, offered support and referred. The improved consistency of working practice, which will have clear requirements related to the support victims require, will improve local and national performance.

Of course, the benefits of the training are not just financial. A strong and consistent response across a range of agencies is required to improve the perception of those who experience gender-based violence, domestic abuse and sexual violence of the effectiveness of services. This has been made clear in evaluations of multi agency processes (Robinson 2005) and through the service user feedback heard through the 10,000 Safer Lives project. A consistent service offered across the public service, with aligned messaging and care pathways will increase the confidence of clients to engage.

Point 5 - Subordinate legislation

It therefore seems likely that costs associated with the five powers to make subordinate legislation contained within the Bill will be covered by this area; however it would be useful if you could confirm this.

I can confirm the cost of administration associated with the use of the subordinate legislation powers within the Bill (and set out in the Policy Intent statements) will be covered by the Welsh Government within the provided costs of supporting the implementation of the National Strategy within the RIA.

