

TPAS Cymru Response to Finance Committee:

Call for Information – Welsh Government Draft Budget Proposals 2012 -13

TPAS Cymru works to improve the lives of social housing tenants in both housing and community matters, by promoting effective participation of tenants with their landlords and with other partners in issues that affect them. TPAS Cymru also works to lobby for an adequate supply of decent affordable housing for rent and purchase available, to ensure that people are able to live in the communities that they choose.

This response is based on:

- TPAS Cymru's extensive experience of developing and supporting groups and working in local communities.
- Working to improve partnerships between tenants and residents and their landlords and other partners.
- Working to ensure that the provision of affordable socially rented housing is maintained and enhanced in communities that people choose to live.

Background

TPAS Cymru would like to thank the Finance Committee for this opportunity to respond to the draft budget.

We have responded to the specific questions set out in the letter from the Finance 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 response, 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?

After examining the indicative budget allocations for 2012/ 13, TPAS Cymru welcomes the restructuring that the Welsh Government has completed in relation to the departmental Main Expenditure Groups (MEGs) following the Welsh Government elections earlier in 2011.

Overall it is clear that the indicative budget proposals for 2012/13 reflect the priorities of the Welsh Government, set out in the Welsh Labour Manifesto and the legislative programme announced in July 2012, with the largest proportion of the budget allocated to health, social care and communities.

TPAS Cymru understands the challenging economic times that the Welsh Government faces, and that difficult budget allocation decisions need to be made by the Welsh Government.

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

The tables of information in the Supplementary Budget 2011-12 (explanatory note) have outlined the MEG allocations and the restated indicative allocations for 2012/3. This was useful in establishing an overview of the specific MEG allocations.

Our concerns relate specifically to the Housing, Regeneration and Heritage Budget allocation.

- ***Achieving Quality Housing***

One of the key commitments of the Welsh Government is to ensure that there is a supply of quality and affordable housing to rent and buy within Wales. The quality of social housing to rent has a direct impact on those households within this sector, as poor housing can have an impact on communities, health and educational aspirations of this population. Although the quality of housing is being improved in Wales as a result of the commitment to reach the Welsh Housing Quality standard, many social homes still need to be upgraded to reach a decent standard, especially in relation to heating and energy efficiency. With rising costs of fuel, many households within Wales experience fuel poverty which has impacts on other areas of the Welsh Government including health.

- ***Increasing the supply and choice of housing***

We are concerned that there is a proposed reduction to this budget especially during this economic climate when more members of the population will require access to decent and affordable social housing in Wales, and the more vulnerable members of our society become increasingly exposed as a result of other UK wide government changes in support such as the proposed changes to the welfare benefits system. The previous Deputy Minister for Housing, within the One Wales Government supported the additional development of new socially rented homes and we hope that the new Welsh Government will carry on this commitment.

There is a clear economic and regeneration argument for the investment in the social housing stock during this time in that it will support economic growth in Wales, in terms of skills and employment opportunities, as well as leading to the physical, social and economic regeneration of some of the most deprived areas in Wales.

As well as the economic and regeneration reasons for investment in social housing, there is also a great interest from within the housing sector for a new model of social housing in the cooperative / mutual provision of social housing. The Minister for Housing, Regeneration and Heritage has expressed an interest in taking this cooperative model for social housing forward in his recent speech to the Bevan Foundation¹. The provision of housing in this Cooperative/ Mutual model would mean that there is an additional stream for quality affordable housing at a lower cost to the

¹ Minister for Housing, Regeneration and Housing, Address to the Bevan Foundation, 12th July 2011, Future Inn, Cardiff

taxpayer, however in order to take this forward there needs to be funding from the Welsh Government for this development.

- ***Developing Housing Policy, legislation and regulation***

We are concerned to see a reduction in the budget allocations to this Action, when taking account of the ambitions for the Housing Bill which the Welsh Government has outlined. A significant amount of work will have to be put into this legislation if it is to meet the triple aims of tackling homelessness, improving standards and availability of housing and improving tenants' rights / housing services.

- ***Enabling people to live independent lives***

Although this is not the main area in which TPAS Cymru works, we recognise that helping people to live independently in their homes and communities contributes to the cohesiveness and sustainability of communities across Wales. With support for vulnerable people being reduced within the housing, regeneration and heritage budget, it is likely that this will have a negative impact on other social care and health budgets, with more claims for support from these budget headings. Our colleagues within Cymorth Cymru will be able to supplement this information further.

- ***Tackling homelessness***

Although this is not within the remit of TPAS Cymru, we are aware of anecdotal evidence that homelessness figures are on the increase, as a result of the current UK wide economic and public spending situation. We would like to see more resources put into preventative work to enable people to stay in their own homes and communities. Our colleagues within Shelter Cymru would be able to provide further information on this area.

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

Without prioritising the elements as outlined above we feel that there will be a detriment to those people living in social rented accommodation in Wales and in particular if vulnerable members of the community are not protected that there will be a strain on other Welsh Government budgets such as health and social care.

The increasing demand for quality affordable housing within Wales, coupled with the decreasing availability of this affordable housing supply has already affected families in Wales severely. If funding for affordable housing in the Welsh Government is reduced, the effect will become more evident, and will therefore lead to the negation of the Welsh Government's commitment to reducing disadvantage and improving prospects for employment, education and regeneration within Wales.

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”. What if any outcomes do you believe the Welsh Government should be trying to achieve with its 2012/13 draft budget?

In any financial circumstances, but particularly the current difficult financial climate, the first priority for Welsh Government should be prevention of social, environmental or economic problems. The outcomes for the programme of government should focus on reduction of problems through prevention rather than treatment. TPAS Cymru believes that the second priority for the programme of government should be to harness increasing proportion of public spending to regeneration and local employment outcomes.

TPAS Cymru welcomes the focus on delivery which the Welsh Government has indicated that it will be pursuing in this Government term. Many within the housing sector are already working within the “Outcomes Agenda”. TPAS Cymru has contributed significantly to the Delivery Outcomes Framework for the New Regulatory Framework for Housing Associations and also inclusion of outcomes assessments in the assessment of Local Tenant Participation Strategies and we are more than happy to share our learning with other providers and other sectors that have less experience of working to an outcome agenda.

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

Many organisations in the housing and social care sector (both statutory and third sector organisations) already work in collaboration or jointly to deliver housing services. We would like to see the good practice from these joint and collaborative working arrangements to be highlighted as best practice to other areas of the Welsh Government.

Joined up and collaborative working within the Welsh Government is essential if savings are to be made and value for money is ensured. We contend that the Welsh Government needs to implement a “whole government” approach to policy, initiative and strategy development. Currently we are concerned that new policies, initiatives and strategies are only circulated between departments once the new development has been fully planned. We feel that this is too late, and that the Welsh Government should have mechanisms in place to coordinate the involvement of other departments during the initial ideas stage, so that overlap of new initiatives and developments is picked up. This can lead to synergies between departments, and will eliminate duplication across the Welsh Government and prevent money and resources being wasted.

Further Information

If you would like any further information on the response, or any further issues raised, please contact:

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TPAS Cymru is happy for this consultation response to be published publicly.

TPAS Cymru will publish the consultation document and the TPAS Cymru consultation response on its website www.tpascymru.org.uk