

# Welsh Government Draft Budget 2024-25

February 2024

## 1. Background

- 1.** This report sets out the Equality and Social Justice Committee's views and recommendations regarding the Welsh Government's Draft Budget 2024-25 (the Draft Budget). It is not an exhaustive commentary on every area within the Committee's remit; it focuses on key policy and process issues that were part of our Budget scrutiny.
- 2.** It is intended to inform the Senedd's debate on the Draft Budget, scheduled for 6 February 2024 along with reports of other Senedd committees.

## Approach to scrutiny

- 3.** We received a response from the Minister for Social Justice on our priority areas for budget scrutiny on 16 December 2023.
- 4.** We held an evidence session with the Minister for Social Justice and Chief Whip, Jane Hutt MS (the Minister) and the Deputy Minister for Social Partnership, Hannah Blythyn MS (the Deputy Minister) on 22 January 2024.
- 5.** We exchanged correspondence with the Minister for Social Justice on several areas of follow-up, copies of which can be found on the [Draft Budget 2024-25 webpage](#).



## 2. Overview of the Draft Budget 2024-25

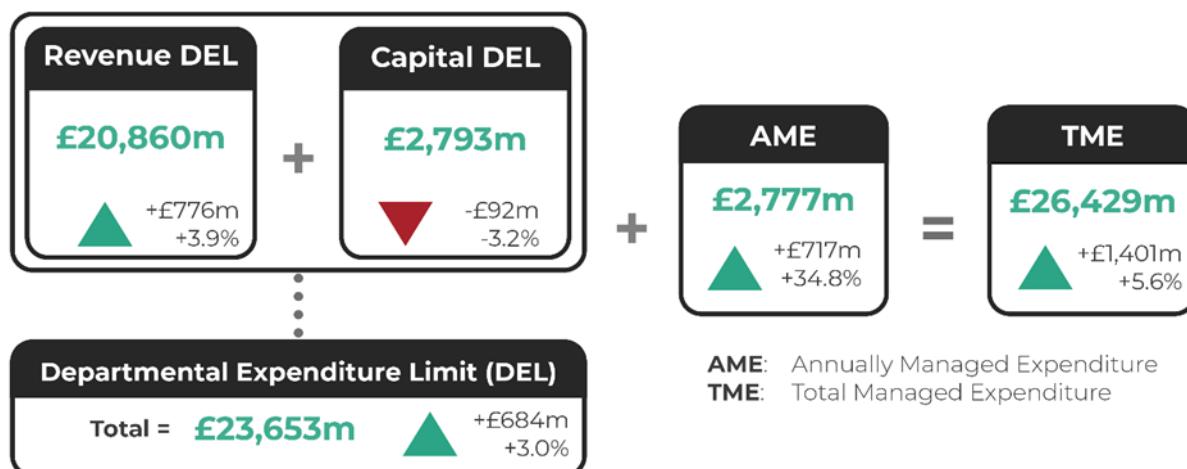
**6.** The Welsh Government's Draft Budget for 2024-25 (resource and capital combined) is approximately £23.7 billion, just over half of which is allocated to Health and Social Services.<sup>1</sup>

**7.** According to the Welsh Government the Draft Budget was "developed amidst the toughest financial situation Wales has faced since the start of devolution". They also stated that:

- Wales' settlement from the UK Government "is insufficient to respond to the extreme pressures public services, businesses and people are facing"; and
- inflation means Wales' overall budget is worth £1.3 billion less than when it was set in 2021.<sup>2</sup>

**8.** Figures 1 and 2 provide an overview of the headline Budget; and Draft Budget allocations broken down by spending department and how these have changed from the Final Budget 2023-24 respectively.

**Figure 1 - Overview of headline amounts in Draft Budget 2024-25**



<sup>1</sup> Welsh Government, [Draft Budget 2024 to 2025](#), 19 Dec 2023

<sup>2</sup> Welsh Government, [A Budget to Protect the Services which Matter Most to You](#), 19 Dec 2023

**Figure 2 - Headline allocations by spending department and changes from 2023-24 Final Budget to 2024-25 Draft Budget<sup>3</sup>**

	Total revenue and capital allocation	Change 2023-24 Final Budget (restated) to 2024-25 Draft Budget
 <b>Health and Social Services</b>	£11,690m	£929m 8.6% 
 <b>Finance and Local Government*</b>	£5,092m	-£33m -0.6% 
 <b>Climate Change</b>	£2,848m	-£84m -2.9% 
 <b>Education and the Welsh Language**</b>	£2,586m	-£56m -2.1% 
 <b>Economy</b>	£541m	-£4m -0.8% 
 <b>Rural Affairs</b>	£420m	-£29m -6.4% 
 <b>Central Services and Administration</b>	£333m	-£27m -7.4% 
 <b>Social Justice</b>	£142m	-£12m -7.6% 

## Spending on Social Justice

**9.** The social justice budget faces the deepest cuts of any spending area in 2024-25, alongside rural affairs, climate change, central services and administration. £12 million or 7.6 per cent will be cut when compared with the 2023-24 Final Budget. The Minister for Social Justice described “stark and painful choices” faced by ministers and explained that spending plans have been “radically reshaped to focus funding on the core public services which matter most to people.”<sup>4</sup>

**10.** The allocation for the Draft Budget 2024-25 for the Social Justice main expenditure group (MEG) (revenue and capital) is £142 million, compared to £154 million for 2023-24 ( see Table 1).

<sup>3</sup>\* Excludes around £1.1 billion non-domestic rates income. \*\* Includes allocation of £514 million of non-fiscal revenue due to student loans. Figures are rounded. Refer to the [Welsh Government Draft Budget 2024-25](#) for exact figures.

<sup>4</sup> Minister’s written evidence

**Table 1 - Total allocations to the social justice MEG<sup>5</sup>**

	<b>£ million</b>
<b>Draft Budget 2024-25</b>	142
<b>Draft Budget 2024-25 (in 2023-24 prices)</b>	140
<b>2023-24 Final Budget</b>	154

11. This represents a reduction of £11.6 million compared with the Final Budget 2023-24 or 7.6% (see Table 2).

**Table 2 - Change in social justice MEG from 2023-24 to 2024-25 in nominal and real terms**

<b>Nominal/Cash</b>	<b>Real terms</b>
<b>-£11.6 million</b>	<b>-£14 million</b>
-7.6%	-9.1%

## Our View

### Overall allocations

We accept that the Welsh Government has to make difficult decisions especially when faced with a challenging fiscal settlement. In order to prioritise additional funding for the NHS and local government, it follows that cuts to other parts of the budget would be unavoidable. Nevertheless, against the backdrop of economic hardship for many, the impact of cuts to social justice are likely to be felt by some of the most vulnerable.

At 7.6%, social justice faces the deepest cuts of any spending area in 2024-25. Due to their cross-cutting nature, several areas of spending that advance equality and social justice objectives appear in other departmental expenditure groups. Spending on homelessness prevention (in the finance and local government portfolio), the Warm Homes Programme (in the climate change portfolio) and promoting Healthy Start vouchers (in the health and social services portfolio) are just some examples. Given that the financial squeeze is distributed unevenly across portfolios, it is more important than ever that Ministers coordinate spending activities effectively. This should include placing a greater emphasis on monitoring outcomes (rather than outputs) to ensure

<sup>5</sup> Senedd Research, Interactive diagram to explore the 2024-25 Welsh Government Draft Budget ([senedd.wales](http://senedd.wales))

that they deliver key government objectives including in relation to equality and social justice.

**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.

## Summary of changes by Budget Expenditure Line (BEL)

**12.** Within the Social Justice MEG, spending is categorised into sub-groups known as Budget Expenditure Lines (BELs). A summary of changes to key BELs is provided in Table 3.<sup>6</sup>

**13.** The Minister explained that “substantial savings from this small portfolio” had been guided by several principles including protecting frontline services and avoiding decisions that widen inequalities.<sup>7</sup> Paragraphs 11 to 46 of the Minister’s evidence paper set out the rationale behind changes to revenue funding for each BEL.<sup>8</sup>

**Table 3 - Summary of changes to BELs in the Draft Budget 2024-25 compared with the 2023-24 Final Budget**

BEL	What initiatives are included within this BEL?	Change on 2023-24 Final Budget in nominal/cash terms	Percentage change on 2023-24 Final Budget
<b>Supporting Communities</b>	Financial and digital inclusion, basic income, international sustainable development, community bank and social partnership.	-£2.4 million	-5.7%

<sup>6</sup> The figures provided below, and included in Annex A of the Minister’s paper compare the Draft Budget 2024-25 with the previous years’ allocation (the Final budget 2023-24).

<sup>7</sup> Equality and Social Justice Committee, [Welsh Government's evidence paper and Annexe A](#)

<sup>8</sup> Equality and Social Justice Committee, [Welsh Government's evidence paper and Annexe A](#)<sup>8</sup>

BEL	What initiatives are included within this BEL?	Change on 2023-24 Final Budget in nominal/cash terms	Percentage change on 2023-24 Final Budget
<b>Community Support and Safety</b>	Funding for Police Community Support Officers (PCSOs).	-£7.5 million	-34%
<b>Equality, Inclusion and Human Rights</b>	Cohesive communities, equalities, poverty and children's evidence and support. Previously included gender equality charity, Chwarae Teg.	-£1.2 million	-12%
<b>Advocacy Services</b>	Funding for advice services.	Unchanged	-1.6% (real terms)
<b>Violence against Women, Domestic Abuse and Sexual Violence (VAWDASV)</b>	Covers funding for VAWDASV.	Unchanged.	-1.6% (real terms)
<b>Support for Voluntary Sector</b>	Support for volunteering and the Voluntary Sector.	+£8.5 million	+11%
<b>Community Facilities</b>	The community facilities programme.	+£6.5 million	+9%
<b>Fire and Rescue Services Resilience</b>	Fire and Rescue Services – communications systems, and community fire safety.	-£1.6 million	-21% (in real terms)
<b>Gypsy Traveller Sites</b>	Capital to improve or increase Gypsy Traveller sites.	+£0.21 million	+8%
<b>Commissioners</b>	Costs of the offices of Older People; Children's; and Future Generations Commissioners and Wales Public Appointments.	-£0.1 million	-6.6%
<b>Female Offending and Youth Justice Blueprints</b>	The female offending and youth justice Blueprints.	+£0.2 million	+16%

### 3. Equality considerations and the Draft Budget process

**14.** The Strategic Integrated Impact Assessment (SIIA) notes:

- Households with children, women, disabled people and people from some Black, Asian and minority ethnic backgrounds are disproportionately affected by low wages and part time work, and the impact of the cost of living crisis. These groups are therefore at greatest risk if the budget impacts on services that they rely on such as those aimed at tackling poverty.
- People on low incomes are particularly affected by food price increases; lower income groups will continue to struggle with the impact of higher food prices on their living standards even as the rate of increase falls.
- Children and young people face compounded effects from the Covid-19 pandemic.

**15.** The Minister outlined the role of the three evidence data units in shaping the SIIA and described their role as “critically important”.<sup>9</sup>

#### Gender equality and gender budgeting

**16.** Persistent gender inequality has meant women in Wales have been hit harder by cost of living pressures according to the Wales Women’s Budget Group of the Women’s Equality Network (WEN Wales). They called on the Welsh Government to take further action to address gender inequality and implement the recommendations of the Gender Equality Review ‘Deeds Not Words’ which they say “remains regrettably slow”.<sup>10</sup>

**17.** To support the aim of gender budgeting, the Welsh Government has conducted three pilots in recent years. WEN Wales welcomed these but said it remains unclear how the learning from the pilots will inform wider policy

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<sup>9</sup> Equality and Social Justice Committee, Record of Proceedings, 22 January 2024

<sup>10</sup> Finance Committee, written evidence, Women’s Budget Group and Women’s Equality Network

making. They told us that more information is needed regarding progress and evaluation and would like to see gender budgeting mainstreamed in future.<sup>11</sup>

**18.** The Minister said that gender equality was “an absolute priority” and highlighted protection of funding for VAWDASV and childcare as evidence of this.<sup>12</sup>

**19.** According to the Deputy Minister, learning from the gender budgeting pilots had “very much shaped” the Budget and the Government were looking at ways to “further embed gender-budgeting approaches to both budget and tax processes” as part of a wider review of the SIIA to be undertaken this year.<sup>13</sup>

**20.** Sioned Williams MS asked how the impact on women of two specific examples - cuts to personal learning accounts and the period dignity grant - could be reconciled with this approach. The Deputy Minister explained that the Draft Budget allocation for period dignity was based on current projected spend in 2023-24 and savings that could be made by adopting a more strategic approach in future. The issue of personal learning accounts was not addressed.<sup>14</sup>

## **Support for disabled people**

**21.** Life is more expensive for disabled people and their families. This is in part due to the higher costs incurred for essential goods and services such as heating, insurance, specialist equipment, accessible transport, specialist food and therapies.

**22.** Disability Wales highlighted these higher costs faced by disabled people. Research by Scope shows that households with at least one disabled adult or child need an additional £975 a month to have the same standard of living as non-disabled households.<sup>15</sup> Alongside the Expert Group on the Cost of Living Crisis, Disability Wales called on the Welsh Government to include specific financial support for disabled people in the Draft Budget. This was raised with the Minister by Sarah Murphy MS, and the Minister responded:

*“It’s pretty clear, isn’t it, why it hasn’t happened. We’ve got a £1.3 billion cut to our budget. My budget is £139 million [...] The money isn’t there.”<sup>16</sup>*

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<sup>11</sup> Finance Committee, written evidence, [Women’s Budget Group and Women’s Equality Network](#)

<sup>12</sup> Equality and Social Justice Committee, [Record of Proceedings](#), 22 January 2024

<sup>13</sup> Equality and Social Justice Committee, [Record of Proceedings](#), 22 January 2024

<sup>14</sup> Equality and Social Justice Committee, [Record of Proceedings](#), 22 January 2024

<sup>15</sup> Scope, [Disability Price Tag](#), December 2023

<sup>16</sup> Equality and Social Justice Committee, [Record of Proceedings](#), 22 January 2024

## Our view

### Evidence base for spending decisions

Clearly, setting the 2024-25 Draft Budget has involved difficult decisions by Ministers. However there is a mismatch between the evidence base underpinning these decisions with some of the rhetoric and the detail of the evidence presented to us. For example, the Women's Equality Network highlighted a lack of clarity on how learning from the gender budgeting pilots has been applied. Similarly, in terms of impact on other protected characteristics we are not convinced that the SIIA demonstrates the level of detail and rigour that is being claimed by the Welsh Government. We recognise that this is work in progress and support the Government's ambitions for more accurate data. However, the Welsh Government should consider whether being more upfront about the balance between hard evidence and the political choices involved in some spending decisions at times would be more plausible and transparent.

**Conclusion 1.** We are frustrated at the slow pace of progress in mainstreaming gender budgeting processes. We note that these concerns are not new and that our predecessor Committee expressed similar concerns in 2019-20. We expect to see gender budgeting mainstreamed as part of the process for formulating 2025-26 budget spending plans at least 6 months out from publication of the Draft Budget 2025-26. This should include providing clear examples that demonstrate the impact of gender budgeting on spending decisions in budget documentation and other evidence provided to Senedd Committees on the Draft Budget 2025-26.

**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.

**Conclusion 2.** We welcome the commitments the Minister gave to discuss the work of all three Units in more detail at a future meeting.

## 4. Tackling poverty

### Poverty and the rising cost of living

**23.** In September the Wales Expert Group on the Cost of Living Crisis published its report to the Welsh Government which made 29 recommendations.<sup>17</sup> The Welsh Government published its response after our scrutiny session on 23 January 2024.<sup>18</sup> Prior to publication of the full response, the Minister told us:

*"There are some [recommendations], for example the work on the Welsh Benefits Charter and the refreshed Child Poverty Strategy, which we are able to proceed with, and which will help to direct and inform the way we align our programmes across government and get the most out of our individual anti-poverty actions.*

*There are a number of recommendations however, which, owing to the current budgetary pressures, we have not been able to take forward in the way that we would have wanted, and which will only be realised if significant additional funding becomes available."<sup>19</sup>*

**24.** When asked by the Senedd's Finance Committee whether the Expert Group's report had influenced allocations in the Draft Budget, one of its members, Dr Victoria Winckler of the Bevan Foundation, said: "If it has, it's hard to see".<sup>20</sup>

**25.** In relation to tackling poverty and the Welsh Government's response to cost of living pressures, the Minister highlighted the protection of funding for the Discretionary Assistance Fund (DAF), the Single Advice Fund (SAF) and the Basic Income Pilot as key priorities. Responding to concerns that demand for the DAF was about to exceed the maximum budget in this 2023-24 financial year, the Minister told us that as a demand-led budget: it "will continue to meet that demand".<sup>21</sup>

**26.** The Minister also highlighted other areas of spending including budget allocations for tackling food poverty through improving cookery skills,

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<sup>17</sup> Wales Expert Group on the Cost of Living, [Report to the Welsh Government](#), 26 Sept 2023

<sup>18</sup> Welsh Government Written Statement, Response to the Report by the Expert Group on Cost of Living, 23 January 2024

<sup>19</sup> Equality and Social Justice Committee, [Welsh Government's evidence paper and Annex A](#)

<sup>20</sup> Finance Committee, [Record of Proceedings](#), 10 January 2024

<sup>21</sup> Equality and Social Justice Committee, [Record of Proceedings](#), 22 January 2024

emergency fuel support and spending within the wider Budget on homelessness prevention.<sup>22</sup>

## Child poverty

**27.** The Minister told us that spending allocations for tackling child poverty had been reduced “by reprioritising or deferring activity, rather than cutting or ending programmes” and that programmes identified within the Child Poverty Strategy would still be delivered but at a lower scale.<sup>23</sup> She also highlighted spending in other ministerial portfolios which would alleviate child poverty such as the School Essentials grant, Pupil Deprivation Grant, and universal free school meals:

“we’ve done everything that we can to protect, not just in my budget, but across the Welsh Government.”<sup>24</sup>

## The Welsh Benefits Charter

**28.** The Welsh Benefits Charter was launched on 22 January 2024 and the Minister highlighted its important role for alleviating poverty and the Child Poverty Strategy in particular.<sup>25</sup>

**29.** To increase the take-up of benefits, the Minister and her officials highlighted the cross-governmental working that was taking place to ensure that “Every Contact Counts” and cited Welsh Government funding for Dangos training for frontline staff and a new national network of advice networks.<sup>26</sup>

## Preventative spending

**30.** The Welsh Government emphasised that the Draft Budget had been shaped by the principles of the Wellbeing of Future Generations Act including the principle of prevention. However, the Future Generations Commissioner in his evidence to the Finance Committee largely disputed this claim stating that “the process of embedding prevention into the budget process has not yet materialised” and that the Draft Budget documents showed only a “generic commitment to a preventative approach”.<sup>27</sup>

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<sup>22</sup> Equality and Social Justice Committee, Welsh Government's evidence paper and Annexe A

<sup>23</sup> Equality and Social Justice Committee, Welsh Government's evidence paper and Annexe A

<sup>24</sup> Equality and Social Justice Committee, Record of Proceedings, 22 January 2024

<sup>25</sup> Equality and Social Justice Committee, Record of Proceedings, 22 January 2024

<sup>26</sup> Equality and Social Justice Committee, Record of Proceedings, 22 January 2024

<sup>27</sup> Finance Committee, Letter from the Future Generations Commissioner, 10 January 2024

**31.** Cwmpas wrote to highlight the impact of a 50% reduction in funding for Digital Communities Wales which includes programmes to combat digital exclusion.<sup>28</sup> They noted that marginalised groups are more likely to be digitally excluded and that recent trends such as the rising cost of living, risked widening the digital inclusion gap even further. Tackling digital exclusion are key to objective 1 of the Child Poverty Strategy and Mission 2 of the Digital Strategy for Wales.<sup>29</sup>

## **Our view**

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### **Tackling poverty**

We note that the Minister has protected several spending allocations which include measures designed to tackle poverty and address the cost of living crisis. These include spending on the DAF, the SAF, and the Basic Income Pilot. Given the difficult economic circumstances that many people face, it is particularly welcome that the Minister confirmed that demand placed on the DAF will be met.

More qualified protections have been given to spending areas such as delivery of the Child Poverty Strategy. According to the Minister, activities relating to this have been “reprioritised” or scaled back; without more detail it is difficult for us to understand what that means in practical terms. We are particularly keen to understand the nature of the changes being made and think the Welsh Government should provide full details of what spending before and after budget reprioritisation looks like.

**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.

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<sup>28</sup> Equality and Social Justice Committee, [Correspondence from CWMPAS to the Chair regarding the Draft Budget 2024/2025](#), 31 January 2024

<sup>29</sup> Welsh Government, [Child Poverty Strategy for Wales 2024](#), 23 January 2024; [Digital Strategy for Wales](#), 23 March 2021

## **Welsh Benefits Charter**

We warmly welcome the adoption of the Welsh Benefits Charter by the Partnership Council for Wales and hope that the work of the Steering Group will maintain momentum as the focus shifts to delivery. The statistics on awareness and take-up of Welsh benefits such as the Schools Essentials Grant (19 per cent), help with health costs (17 per cent) and even the Council Tax Reduction Scheme (58 per cent) are a sobering reminder of why this work is so vital.<sup>30</sup> They also underline our expectation that rapid progress should be possible given the very low base in some instances. We welcome the Welsh Government's commitment to provide us with regular monitoring updates and ask that these include figures broken down by local authority area so that progress can be monitored effectively.

## **Preventative spending**

Despite a rhetorical commitment to prevention, previous experience suggests that preventative spending measures are being diluted in this Draft Budget. Cuts to the budget for digital inclusion are one example of this as ensuring that disadvantaged groups have the ability to access digital information and services constitute a preventative, invest to save approach. Furthermore, we note the comments of the Future Generations Commissioner who identifies several ways in which a more preventative approach could be adopted. Our scrutiny of the 2023-24 Draft Budget, recommendation 10, called on the Welsh Government to commission independent, expert research advice to improve how we measure the effectiveness and impact of preventative spending measures. This was rejected. In light of the Future Generations Commissioner's comments and the need to maximise the value of every pound spent, we urge the Welsh Government to reconsider.

**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.

**Conclusion 3.** We would also welcome more detail from the Welsh Government on what a 50% reduction in spending on Digital Communities Wales will mean for digital inclusion particularly in terms of programme delivery and outcomes

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<sup>30</sup> Figures are for respondent's awareness of each benefit and are from the Bevan Foundation, *Making the Case for a Welsh Benefits System – people's experiences*, January 2024

including for objective 1 of the Child Poverty Strategy and Mission 2 of the Digital Strategy for Wales. This information should be provided ahead of the debate on the Final Budget scheduled for 5 March 2024.

## 5. Equality, inclusion and human rights

**32.** The budget for equality, inclusion and human rights faces a reduction of £1.2 million in the Draft Budget (when compared with 2023-24) and a £3.2 million reduction overall compared with the Indicative Budget.

**33.** Stakeholders including the Wales Council for Voluntary Action (WCVA) and WEN Wales expressed concerns regarding the consequences for equality focused voluntary organisations. WEN Wales also highlighted the cuts faced in the current 2023-24 financial year and called for clarity on which programmes would be affected by these spending changes.<sup>31</sup>

**34.** The Minister confirmed that despite these cuts, the Welsh Government was confident it would still meet its Programme for Government commitments, including those “associated with the Anti-racist Wales Action Plan, LGBTQ+ Action Plan, and Disability Rights Task Force work”.<sup>32</sup>

### Gypsy, Roma, Traveller sites

**35.** Funding for Gypsy Traveller sites will be increased by 8% or £0.21 million when compared with the Final Budget 2023-24, which means a total allocation of £3.4 million in the Draft Budget for 2024-25.

**36.** In 2022-23 it emerged that no grant funding had been disbursed. For the current 2023-24 financial year, the Minister confirmed that no grant funding had been disbursed or is expected to be disbursed for a second year in a row. The Minister outlined her hopes for the next financial year:

*“the key thing is that we've got this allocation for the next financial year. And as I've been meeting authorities—and some of those authorities have been the ones, from north to south, with perhaps the most challenging issues in terms of those accommodation assessments—I am urging them to get their proposals ready for access to this sites grant for the next financial year, and have protected that capital budget.”<sup>33</sup>*

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<sup>31</sup> WCVA, Draft budget 2024/25 – statement from WCVA, 19 December 2023

<sup>32</sup> Equality and Social Justice Committee, Welsh Government's evidence paper and Annex A

<sup>33</sup> Equality and Social Justice Committee, Record of Proceedings, 22 January 2024

## Our view

### Equality, inclusion and human rights

We note that the funding for equality, inclusion and human rights faces some of the largest reductions of any spending area. We welcome assurances that the Welsh Government will still meet all its Programme for Government commitments, however, the impact on the broader sector is likely to be considerable. It is vital that the Welsh Government provides more clarity and certainty on what these budget reductions will mean for the sector particularly in terms of programme delivery.

**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.

### GRT sites

We are shocked to learn that for a second year in a row a total of £0 has been disbursed to local authorities to provide gypsy traveller sites. We do not doubt the Minister's personal commitment to this issue, but serious questions need to be asked to establish why for over two years, not a single local authority has successfully submitted an application resulting in a grant award. This failure is unacceptable and we expect a full account of the reasons for this and how these will be addressed. We share this view with the Local Government and Housing Committee and therefore submit a joint recommendation for the second time on this topic.

**Recommendation 6.** The Equality and Social Justice Committee and the Local Government and Housing Committee jointly recommend that 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 no funding 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.

## 6. Other areas

**37.** The Welcome Ticket provides concessionary bus travel for refugees in Wales and was introduced in response to the war in Ukraine.<sup>34</sup> In December 2023 the Welsh Government indicated that they were considering next steps for the scheme and the Welsh Refugee Council called for its extension beyond March 2024.<sup>35</sup>

### Our view

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Welcome Tickets have played an important role in Wales' collective response to people fleeing war and crisis abroad. It would be disappointing for this scheme to come to an abrupt end in March 2024.

**Conclusion 4.** We would welcome more detail from the Welsh Government about arrangements for a successor to this scheme ahead of the debate on the Final Budget scheduled for 5 March 2024.

## Police Community Support Officers (PCSOs)

**38.** The budget for PCSOs is included in the Community Support and Safety BEL, which has been cut by £7.4 million in the Draft Budget 2024-25 (this equates to a cash reduction of -34%). The Minister told us that the saving is based on a reduction of Welsh Government funded PCSOs from 510 at the end of 2023-24 to 300 by the end of 2024-25.<sup>36</sup>

### Our view

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Welsh Government funding in non-devolved policy areas is increasingly hard to justify in the context of difficult spending decisions. Even after the cut in the Draft Budget, the Welsh Government's investment in PCSOs will remain substantial at £15.5 million.

The Minister indicated that she will work with policing partners on the implications of the Welsh Government's reduced investment. It is important that such work considers the impact on community safety particularly tackling hate

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<sup>34</sup> Welsh Government, [Wales Free Bus Travel Scheme for refugees 'Welcome Ticket': terms and conditions](#), May 2022

<sup>35</sup> Senedd Cymru, [Written Question 89921](#), Written evidence, Welsh Refugee Council and Welsh Refugee Coalition

<sup>36</sup> Equality and Social Justice Committee, [Welsh Government's evidence paper and Annex A](#)

crime. We therefore urge a jointly-funded evaluation of the impact of funding from previous years to enable the targeting of remaining funding going forward and would welcome a copy of the evaluation when available.

**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.