

FIN(4) DB 09

Inquiry into - Welsh Government Draft Budget Proposals 2013-2014

Response from Diverse Cymru

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Organisation Background

Diverse Cymru is an innovative new organisation in the Welsh Third Sector, created in recognition of the realities faced by people experiencing inequality in Wales. Diverse Cymru promotes equality for all. We believe that we can work together to challenge discrimination in all its forms and create an equitable future for the people of Wales.

Diverse Cymru aims to make a real difference to people's lives through delivering services that reduce inequality and increase independence; supporting people to speak for themselves and to connect with decision makers; creating opportunities for participation and development; raising awareness of equality issues; and inspiring people to take action against inequality.

Our current services include direct payments, self directed and independent living support, befriending and advocacy. We produce information resources, run a service user involvement project and co-ordinate volunteer placements. We facilitate forums and groups that work on various issues, from improving disability access to equality impact assessments. We provide consultancy services and deliver a range of training courses on equality related topics.

We would be delighted to assist with equality assessment of budget decisions and allocations, and with engaging service users in future. We are happy for our response to this consultation to be published.

Context of this response

As a Welsh equality charity our responses relate to the potential impacts of budget allocations on the protected characteristic groups of age, sexual orientation, gender, race, disability, religion or belief, and transgender.

Consultation response

Question 2: Looking at the indicative budget allocations for 2013-14, do you have any concerns about any specific areas?

We would like to ask the reasons why it is felt that the Annually Managed Expenditure (AME) budget for NHS impairments and provisions can be reduced by 55.7%. We are concerned that at face value, this could be interpreted as a barrier to disabled people being able to access aids, adaptations and support that they require to live independent lives and could lead to disabled people becoming unable to work or pursue education, skills and training. However we recognise that such a reduction could be based on new funding mechanisms, procurement arrangements and/or inclusion within other budget lines. Therefore we would urge the finance committee to investigate the reasons for such a large and disproportionate reduction in this allocation and to request details of the alternative arrangements that disabled people will be able to access, in addition to the rationale for this reduction.

Question 3: What expectations do you have of the 2013-14 draft budget proposals? What spending commitments and priorities would you like to see reflected in the 2013-14 draft budget proposals?

The impact of reductions in funding from the UK Government towards programmes to address levels of poverty and disadvantage faced by protected characteristic groups and the disproportionate impact of welfare reform on many of these groups, in particular on disabled people, should be taken into account when deciding spending commitments for 2013-14.

There is a need, which the Welsh Government has recognised, to ensure that budget proposals in Wales attempt to mitigate these negative and disproportionate impacts wherever possible, in order to avoid increased levels of poverty, unemployment, reliance on social care and potential homelessness amongst protected characteristic groups.

To this end a full Equality Impact Assessment of the budget, revenue, capital and AME expenditure, should not only address the cumulative impacts of changes to different budgets across the Main Expenditure Groups (MEGs), but also the impact of the UK Government cuts and welfare reform on each protected characteristic group and how such impacts can be mitigated, rather than exacerbated by the Welsh Government, within expenditure limits.

Question 4: The new Welsh Government has published its Programme for Government. We will be using this document to guide our scrutiny of the 2013-14 draft budget. What changes would you propose to ensure that the budget delivers the objectives set out in the Programme for Government?

We are concerned that new programmes do not appear to have been budgeted for. We recognise the financial constraints that the Welsh Government is facing, due to the nature of the settlement from the UK Government and the current economic circumstances in Wales and the UK. However we are concerned that positive initiatives, such as the Mental Health Measure and Together for Mental Health may be limited in their implementation and effectiveness as indicative allocations for 2013-14 based on the 2012-13 budget show no increase in the budget for supporting mental health policies and legislation, despite major changes in policy direction. Similarly we welcome increases to the social services budgets, especially given the move towards personalised care and budgets and towards prevention of escalation of need by providing early intervention and support for low-level needs where possible.

We are further concerned that the reductions in the supporting communities and people revenue and capital budgets, in particular reductions to both the financial inclusion and third sector budgets, could disproportionately impact disabled people, who are not only already facing poverty, housing difficulties, poorer educational attainment and barriers to obtaining and retaining employment, but will also be disproportionately impacted by the UK Government's welfare reforms, with a compound effect of changes from DLA to Personal Independence Payment (PIP); housing benefit reforms; and universal credit changes. Therefore disabled people are facing a situation where advice, support, advocacy and specifically financial inclusion and income maximisation are essential to avoid homelessness and worsening poverty.

We are also concerned that reductions may be proposed to budgets for equality and human rights, inclusion of refugees and asylum seekers, gypsies and travellers, and match funding within the Central Services MEG. Whilst we recognise these reductions are small, the budgets themselves are small and reductions come after reductions to these areas of funding from UK Government and in support for these groups. Therefore any reductions in Welsh budgets targeted towards supporting protected characteristic groups is particularly concerning at a time of increased need for services, poverty and welfare benefit changes on these groups and should be considered in the light of the need to mitigate the impacts of UK Government spending cuts on protected characteristic (equality) groups.

However, in contrast to the above concerns, which could have a disproportionately negative effect on disabled people and other protected characteristic groups, we welcome the increase in budgets relating to economic and social wellbeing and reducing inequality within the education and skills MEG. As mentioned in the Programme of Government, there is a need to address education and skills attainment gaps for protected characteristic groups, especially for some BME groups and disabled learners, in order to address one of the key barriers to accessing employment and breaking the cycle of poverty.

We also welcome the increase in the budget for enabling people to live independent lives within the Housing, Regeneration and Heritage MEG. As mentioned above a lack of suitable housing for disabled people, especially with regard to smaller accessible accommodation where many disabled people on benefits will have to move, due to the UK Government's changes to Housing Benefit. This will lead to many disabled people not receiving sufficient housing benefit to cover their accommodation costs, yet being unable to move to a smaller property, due to a lack of accessible properties. Therefore the increase to this budget could assist in mitigating the severe impacts of welfare reforms on disabled people in Wales.