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HOME MATTERS

Welsh Government Budget 2027-28

Member campaign pack









INTRODUCTION

Why are we running this campaign?

Over the last few years, we have been successful in securing increases in funding for homelessness and housing support services, particularly for the Housing Support Grant. In 2020, it stood at £126m and it now stands at £211m.

However, this funding was £139m in 2012, and has only just regained pace with inflation, rather than increased in real terms. It certainly hasn't increased enough to keep up with the growing demand and complexity facing services. Given the evidence we have collected from our members, it's clear that a further increase in funding is needed - and this campaign is calling for a 16% increase in the Welsh Government's budget for 2027/28.

What have we done so far?

During September we gathered data from homelessness and housing support services in Wales to evidence the financial pressures on support providers, the increase in demand and complexity facing services, and the likely impact of different budget scenarios. We analysed the data and provided a briefing for the Housing Minister and her officials to inform their internal budget discussions, which was gratefully received. We have also produced a report (available in English and Welsh) for Members of the Senedd, and we will be delivering a presentation to the next Senedd Cross Party Group on Housing.

Welsh budget timeline

17TH NOV	19TH JAN	16TH FEB	23RD FEB
DRAFT BUDGET PUBLISHED	DRAFT BUDGET DEBATE	FINAL BUDGET PUBLISHED	FINAL BUDGET DEBATE

Welsh Budget 2027/28: What we know so far

Over the last few months we have been told by Welsh Ministers and officials that this is likely to be a very difficult budget. We understand that all Welsh Government departments have been asked to find savings of up to 5%. This is partly due to the expectations that Wales will receive a below-inflation funding allocation for 2027/28, and partly due to the funding commitments made by Plaid Cymru in their election manifesto.

On 28th October, the Chancellor delivered his Autumn Statement, outlining the UK Government's headline budget decisions for 2027/28. In response, the Welsh Government's Cabinet Minister for Finance published a written statement and she has also published the following comment:

> "We will need to make tough choices, prioritise wisely, and drive further efficiency across the public sector, so that we can sustain investment in the areas that matter most to people in Wales."

As a result, it is vital that we exert as much pressure as possible on Members of the Senedd and the Welsh Government in advance of the 2027/28 budget.

WHAT CAN YOU DO TO HELP?

We know from experience of winning previous campaigns that Members of the Senedd are more likely to throw their weight behind an issue if they hear from people and services within their constituency. That is why your voices are so powerful and could be critical as we seek to influence the budget. This campaign pack will give you the tools to do this – but if you need any further support then get in touch with us.

Why is this year different?

May's Senedd election delivered 96 Members of the Senedd (MSs) - compared to 60 previously. In addition, a substantial proportion of the previous term's MSs either retired or lost their seats.

This means that around 70% of current MSs are new to the Senedd - and are likely to have very little knowledge of homelessness and housing support services, or how they are funded. It also means that some of the MSs who have previously championed our sector are no longer there to make the case for investment in services.

As a result, it is more important than ever that you make contact with your MSs and educate them about the importance and impact of your services on people and communities, the pressures facing your organisation, staff and people using your services, and the importance of increasing funding in 2027/28.

Actions for member organisations

Urgent: Email your Members of the Senedd

Encourage your staff and people using services to email all of their Members of the Senedd (MSs) to share our Home Matters report and highlight the need to increase the Housing Support Grant and/or Homelessness Prevention Grant. Everyone in Wales has six Members of the Senedd - and your services probably cover multiple constituencies.

➔ Find out who your MSs are here.

Invite Members of the Senedd to visit your services

Invite your local and regional MSs to visit your projects. This is an opportunity for them to meet staff and people who use your services, to learn about how these services have transformed people's lives - and to hear why funding must be increased.

Spread the word on social media

Most Members of the Senedd are on X and Facebook - encourage your staff and people using services to support the campaign on social media.

- Share the campaign graphics (available here)
- Share photos of your organisation and politicians supporting the campaign

Speak to your local newspaper or radio station

Local newspapers and radio stations are a great platform to highlight the positive impact of homelessness and housing related support services on people's lives - and the importance of increasing funding. Contact local journalists and see if they want to cover this issue. **Please let us know if you're going to appear in the media so we can ensure you have the latest information and key messages about the budget.**

KEY MESSAGES

Everyone should have the right to a safe and secure home. We are calling for a 16% increase to the Homelessness Support and Prevention budget in the Welsh Government's final budget for 2027/28.

This funding is critical to ending homelessness

The Housing Support Grant and Homelessness Prevention Grant fund the vast majority of homelessness and housing related support services in Wales, including tenancy support, supported accommodation, housing advice, Housing First, domestic abuse refuges, youth homelessness projects and much more. It is absolutely critical to preventing and alleviating homelessness in Wales.

Key to reducing pressure on other public services

- Research by Cardiff Metropolitan University has found that every £1 invested in Housing Support Grant services delivers a net saving of £1.40 to other public services, by reducing pressure on health, social services and criminal justice.
- Based on the current £211m budget, this translates to a gross annual saving of £512m to public services in Wales.

Services are not receiving sufficient funding

- Services commissioned through the HSG and HPG are supposed to be fully funded.
- However, 83% of providers are running these services at a deficit.
- 57% of respondents said their organisation's reserves are being used to subsidise these services, which is entirely unsustainable..

Services are facing increased demand and complexity

- 10,500 people are in temporary accommodation
- 68% of support providers report increased demand for their services since last year.
- 83% of support providers report increased complexity of support needs since last year.

Frontline workers deserve fair pay and support

- 90% of support providers are paying the RLW
- But only 35% receive enough funding to cover the cost of the RLW.
- 63% of frontline workers have been worried about paying their rent / mortgage in the last year.
- 72% have been worried about paying their utility bills.

A cash-flat budget would have the following impact on support providers:

- 70% would likely need to reduce service capacity
- 70% would likely need to freeze recruitment
- 65% would likely not bid for new or re-tendered contracts
- 51% would likely need to make staff redundant
- 38% would likely need to hand back an existing contract
- 8.1% reduction in the workforce - around 243-324 people losing their jobs

TOP TIPS: TALKING TO YOUR MSs

Here are a few simple pointers to bear in mind when approaching your local and regional Members of the Senedd:

Try to meet them in person

While emails are great at communicating information, the most powerful representations are made in person. Try to encourage Members of the Senedd to visit your services and meet people using your services to understand first hand experiences. This is likely to have a lasting impact and influence the representations they make in the Senedd. You could also visit their office or advice surgeries.

Make it personal to your services and experiences:

Communicating our key messages is important. However, sharing information about services and the experiences of people within their constituency will have a much greater impact on Members of the Senedd and increase the likelihood of them speaking up.

Be clear about what you're asking them to do:

Your MSs will be lobbied by lots of organisations - so it's important we are clear about what we want them to do. We want them to call for an increase in funding. They can do this by:

- Writing to the Welsh Government Cabinet Secretary for Finance to call for an increase in funding
- Speaking to their party's finance spokesperson
- Making a speech or asking questions in the Senedd
- Highlighting this issue in Senedd Committees
- Sharing their support on social media

Be helpful and authoritative:

Be a good source of information - MSs have to deal with a wide range of issues, so they appreciate any supporting information that helps them to make effective representations on behalf of their constituents. You are the experts in homelessness and housing support services, and they will really value your insight and any real life examples you have.

Be persistent:

MSs are busy people and may not be able to accept your invitations due to prior diary commitments. Don't give up - invite them to something else or try something new. Make it clear that you are keen to meet them.

Develop positive relationships with their staff:

Staff members can be very influential and often prepare briefings and advice for their Member of the Senedd. It's worth developing good relations with staff and taking the time to explain the issues to them.