

**WGDB25-26(6) 56 Clinks,**

---

Senedd Cymru | Welsh Parliament

Y Pwyllgor Cyllid | Finance Committee

Cyllideb Ddrafft Llywodraeth Cymru 2025-26 | Welsh Government Draft Budget 2025-26

Ymateb gan Clinks, | Evidence from Clinks,

---

**1. What, in your opinion, has been the impact of the Welsh Government's 2024-2025 Budget?**

Please outline your reasons for your answer to question 1 (we would be grateful if you could keep your answer to around 500 words).

**2. How financially prepared is your organisation for the 2025-26 financial year, how will inflation impact on your ability to deliver planned objectives, and how robust is your ability to plan for future years?**

Please outline your reasons for your answer to question 2 (we would be grateful if you could keep your answer to around 500 words).

**3. What action should the Welsh Government take to:**

- help households cope with inflation and cost of living issues;
- address the needs of people living in urban, post-industrial and rural communities, including building affordable housing and in supporting economies within those communities?

(We would be grateful if you could keep your answer to around 500 words).

**4. Have Welsh Government business support policies been effective, given the economic outlook for 2025-26?**

(We would be grateful if you could keep your answer to around 500 words).

**5. Are Welsh Government plans to build a greener economy clear and sufficiently ambitious? Do you think there is enough investment being targeted at tackling the climate change and nature emergency? Are there any potential skill gaps that need to be addressed to achieve these plans?**

(We would be grateful if you could keep your answer to around 500 words).

**6. Is the Welsh Government using the financial mechanisms available to it around borrowing and taxation effectively?**

---

(We would be grateful if you could keep your answer to around 500 words).

**7. The Committee would like to focus on a number of other specific areas in the scrutiny of the Budget. Do you have any specific comments on any of the areas identified below?**

**Is enough being done to tackle the rising costs of living and support those people living in relative income poverty?**

(We would be grateful if you could keep your answer to around 500 words).

**How could the budget further address gender inequality in areas such as healthcare, skills and employment?**

(We would be grateful if you could keep your answer to around 500 words).

**Is the Welsh Government's approach to preventative spending represented in resource allocations (Preventative spending = spending which focuses on preventing problems and eases future demand on services by intervening early).**

(We would be grateful if you could keep your answer to around 500 words).

**How should the Welsh Government explain its funding decisions, including how its spending contributes to addressing policy issues?**

(We would be grateful if you could keep your answer to around 500 words).

**How can the documentation provided by the Welsh Government alongside its Draft Budget be improved?**

(We would be grateful if you could keep your answer to around 500 words).

**How should the Welsh Government prioritise its resources to tackle NHS waiting lists for planned and non-urgent NHS treatments. Do you think the Welsh Government has a robust plan to address this issue?**

(We would be grateful if you could keep your answer to around 500 words).

**Is the Welsh Government providing adequate support to the public sector to enable it to be innovative and forward looking through things like workforce planning.**

(We would be grateful if you could keep your answer to around 500 words).

**Has there been adequate investment from the Welsh Government in basic public sector infrastructure.**

(We would be grateful if you could keep your answer to around 500 words).

**How should the Budget support young people?**

---

(We would be grateful if you could keep your answer to around 500 words).

**How is evidence and data driving Welsh Government priority-setting and budget allocations, and is this approach clear?**

---

(We would be grateful if you could keep your answer to around 500 words).

**Is the support provided by the Welsh Government for third sector organisations, which face increased demand for services as a consequence of the cost of living crisis and the pandemic, sufficient?**

---

(We would be grateful if you could keep your answer to around 500 words).

Clinks is delighted to again be able to provide evidence to the Committee as part of its consultation into the Welsh Government Draft Budget. The landscape of the voluntary sector working in criminal justice in Wales remains similar to that of the previous two years.

As we noted in our response last year, our State of the Sector research into how the voluntary sector in criminal justice is faring found many organisations were struggling and delivering services within very tight financial constraints. The most recent edition of our research (published in March 2024, and from which we shared some forthcoming findings with the Committee last year) found the Welsh Government is a crucial funder of voluntary organisations working in criminal justice in Wales. Our survey found 22% of organisations operating in Wales reported applying for a grant from the Welsh Government, and 20% of Welsh respondents said government/statutory grants were their organisation's largest source of income. This finding was particularly notable, because criminal justice is not a devolved policy area. Consequently, there will be organisations working across many different areas who provide crucial support to people in contact with the criminal justice system in Wales.

Our 2023 State of the Sector research saw organisations continuing to report a significant rise in the urgency, level, and complexity of service user need, with 63% also reporting an increase in their number of service users. This highlights the important support and services that voluntary organisations are providing to people in contact with the criminal justice system across Wales.

Moreover, our research found that 78% of respondents said their costs increased, with 47% saying they increased significantly. The latest measures announced by the UK Government in its budget, particularly the increase to employers National Insurance Contributions (NICs), will have a significant impact on the resources that voluntary organisations in Wales will have at their disposal to provide support. This will be particularly important for organisations supporting the delivery of public services through statutory funding. As such, it is essential that Welsh Government

---

ensures, in its budget, that it accounts for the increased costs facing voluntary organisations in the funding it provides to the sector. This includes making sure that contracts and grants rise based on both inflation and the other increased costs that are being borne by the sector.

The focus groups we held as part of State of the Sector 2023 saw participants describe cutting or reducing services as a result of financial pressures. Others also said they were prioritising services with more reliable or sustainable funding. With organisations already reporting making these changes well before the announcements made in the UK Government's budget, further reductions in services and more plans being led by money rather than need, are all but a certainty, unless greater resource is made available as part of the Welsh Government's 2025-26 Budget.

At the same time, in Wales, we have seen more services brought into the public sector, such as the Dechrau Newydd criminal justice substance use service which has seen its service de-commissioned and that money being used for the in-house Checkpoint service delivered by North Wales Police. Whilst this is not a change to the devolved funding available to the voluntary sector in Wales, this reduction in overall funding available to the sector has the potential to impact its ability to deliver services across Wales.

With existing funding covering less, and fewer opportunities for voluntary organisations to access money from public sector commissioners, investment by the Welsh Government into the sector now is crucial to ensuring a vibrant, independent, and resilient sector continues to operate effectively in Wales, helping people to transform their lives.

**What are the key opportunities for the Welsh Government to invest in supporting an economy and public services that better deliver against the well-being goals in the Well-being of Future Generations (Wales) Act 2015?**

---

(We would be grateful if you could keep your answer to around 500 words).

---