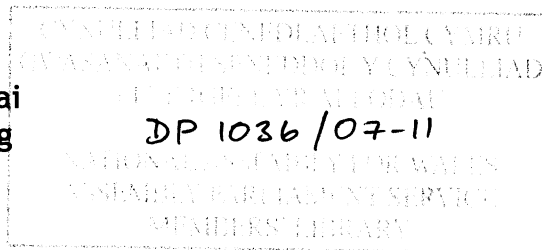


Jocelyn Davies AC/AM
Y Dirprwy Weinidog dros Dai
Deputy Minister for Housing



Llywodraeth Cynulliad Cymru
Welsh Assembly Government

Our ref: MB/JAD/0123/07

Mike German AM
National Assembly for Wales
Cardiff Bay
Cardiff
CF99 1NA

November 2007

Dear

SOCIAL HOUSING GRANT BUDGET

The First Minister has asked me to respond to your question in plenary on the 6th November concerning the draft budget figure for social housing grant.

The One Wales agreement pledged to increase the number of affordable homes by 6,500 over the period of this Government and also committed to develop not for profit nursing homes as well as providing support for first time buyers. One Wales did not, however, make any financial commitments.

I am delighted that the draft budget shows a forward indication of £322.2m for the next three years, as well as an additional £18m for not for profit nursing homes. This brings the total available to £437.6m for the four years including the current year.

I believe the allocation will, together with close work and co-operation with my Ministerial colleagues, deliver on our commitments on affordable homes.

Yours Sincerely

Jocelyn Davies AM

To: Deputy Minister for Housing [JAD/0123/07]
From: Linda Whittaker CC: PS Deputy Minister for Housing
Ext 01685 729209 PS Minister for Environment,
Sustainability and Housing
PS First Minister
Date: 20 Nov 2007

SOCIAL HOUSING GRANT BUDGET

Issue

To respond to Mike German on behalf of the First Minister to a question asked in plenary on 6th November 2007.

Background

The question asked by Mike German is stated below:

Michael German: In your Government's pledges, you stated that you were going to spend £450 million on social housing over the lifespan of this Assembly, yet according to your draft budget yesterday, taken alongside the spending in the current year, the total is just under £400 million. That is a shortfall of £50 million, and it comes at a time when social housing spend in England is racing well ahead, with perhaps an increase by a third over the same period. Is this a target that you are aiming for or a target that you intend to keep?

The reference to £450m relates to the Labour Manifesto commitment and is therefore not referred to in the draft response.

The draft letter relates only to the current position and does not refer to the English experience or targets made prior to the formation of this Government.

Timing

In the normal course of business.

Recommendation

That you give consideration to the draft letter attached and respond to Mike German.
