



UK Government Spending Round

2020/21

Background

Chancellor Sajid Javid MP yesterday delivered the UK Government's Spending Round statement for 2020/21. The departmental budgets set during this Spending Round will apply for the next year only, due to the uncertainty over Brexit.

For what will be the first year of spending outside of the European Union, the Chancellor said that the review will signal a new economic era with the biggest increase in day-to-day spending in 15 years.

As part of Community Housing Cymru's commitment to our members, we have worked to collate and summarise the key statements from the UK Government's Spending Review with relevance to the housing sector in Wales.



Key Statement for Wales

An extra £600m funding will be allocated to the Welsh Government's devolved budget. This increased funding comes as a result of the extra expenditure on areas such as education (£2.6bn) and the NHS (£6.2bn) in England.

Summary of Announcements

- The UK Government has stated that preparing for Brexit is the top priority, allocating an overall budget of £6.3bn. This includes £2.1bn this August in readiness for departments and devolved nations to increase readiness for a no deal scenario in critical areas (for example, access to medicines and border control staff).
- A total of £241m has been committed to the Towns Fund to support the regeneration of high streets, town centres and local economies in 2020/21.
- Day-to-day spending will increase by £13.8bn (4.1%), with the main priorities being: Education, the NHS and the Police.
- Ahead of the budget next year, the Government will review the fiscal framework alongside an updated economic and fiscal forecast and set out a new economic plan. The Chancellor said that the first priority of the new economic plan will be rebuilding national infrastructure, where previous Governments have under-invested in the past.
- The Local Government settlement contains an additional £1.5bn for adult and children's social care in 2020/21. The UK Government is committed to putting forward separate proposals for more sustainable and fairer adult social care in due course (England only).
- The criminal justice system will receive £55m to support the work of 20,000 additional police officers.
- £40m additional funding will be made available for Discretionary Housing Payments to tackle affordability pressures in the private rented sector in England and Wales.



- An additional £54m is to be allocated to help reduce homelessness and rough sleeping, alongside £23m to fund a range of other measures including support for the migration to Universal Credit and additional outreach activities (England only).
- An additional £30m will aim to accelerate progress on developing decarbonisation schemes that will help to move the UK towards its Net Zero greenhouse gas emissions target by 2050. Further detail will be set out in the National Infrastructure Strategy this autumn.

The full spending round documents can be found [here](#)