

Agenda – Finance Committee

Meeting Venue: Hybrid – Committee room 4 Ty Hywel and video conference via Zoom	For further information contact: Owain Roberts Committee Clerk 0300 200 6388 SeneddFinance@senedd.wales
Meeting date: 29 February 2024	
Meeting time: 09.30	

Registration

(09.00–0915)

Private pre-meeting

(09.15–09.30)

1 Introductions, apologies, substitutions and declarations of interest

(09.30)

2 Paper(s) to note

(09.30)

(Pages 1 – 4)

Minutes of the meeting held on 7 February.

2.1 PTN 1 – Letter from the Counsel General and Minister for the Constitution: Senedd Cymru (Members and Elections) Bill – 21 February 2024

(Pages 5 – 6)

2.2 PTN 2 – Letter from the Chair of the Legislation, Justice and Constitution Committee: Legislative Consent Memorandum on the Renters (Reform) Bill – 23 February 2024

(Page 7)

2.3 PTN 3 – Letter from Sam Rowlands MS: Residential Outdoor Education (Wales) Bill – 19 February 2024

(Pages 8 – 12)



- 2.4 PTN 4 – Letter from the Counsel General and Minister for the Constitution:
Inter-Institutional Relations Agreement: Inter-Ministerial Standing Committee
– 26 February 2024**

(Pages 13 – 14)

**3 Scrutiny of the Welsh Government Second Supplementary Budget
2023–24**

(09.30–10.30)

(Pages 15 – 38)

Rebecca Evans MS, Minister for Finance and Local Government

Andrew Jeffreys, Director Treasury

Emma Watkins, Deputy Director, Budget and Government Business

Sharon Bounds, Deputy Director, Financial Controls

Supporting documents:

[Welsh Government Second Supplementary Budget 2023–24](#)

Research Service Brief

- 4 Motion under Standing Order 17.42 (ix) to resolve to exclude the
public from the remainder of this meeting and the meeting on 6
March**

(10.30)

- 5 Scrutiny of the Welsh Government Second Supplementary Budget
2023–24: Consideration of evidence**

(10.30–10.45)

Concise Minutes – Finance Committee

Meeting Venue: Hybrid – Committee room 4, Senedd and video conference via Zoom

This meeting can be viewed on [Senedd TV](#) at:

<http://senedd.tv/en/13700>

Meeting date: Wednesday, 7 February 2024

Meeting time: 10.15 – 12.23

Hybrid

Attendance

Category	Names
Members of the Senedd:	Peredur Owen Griffiths MS (Chair) Peter Fox MS Mike Hedges MS Rhianon Passmore MS
Witnesses:	Jeremy Miles MS, Minister for Education and the Welsh Language Emyr Harries, Welsh Government Lloyd Hopkin, Welsh Government Rebecca Evans MS, Minister for Finance and Local Government Simon Tew, Welsh Government Ben Crudge, Welsh Government
Committee Staff:	Owain Roberts (Clerk) Leanne Hatcher (Second Clerk) Cerian Jones (Second Clerk)



	Mike Lewis (Deputy Clerk) Rhiannon Williams (Deputy Clerk) Owen Holzinger (Researcher)
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1 Introductions, apologies and substitutions

- 1.1 The Chair welcomed Members to the meeting.
- 1.2 There were no apologies, substitutions or declarations of interest.

2 Papers to note

2.1 The papers were noted.

2.1 PTN 1 –Public Services Ombudsman for Wales response to the Committee's report on the Annual scrutiny Public Services Ombudsman for Wales – 26 January 2024

2.2 PTN 2 – Welsh Government response to the Committee's report on the Financial Implications of the Senedd Cymru (Members and Elections) Bill – 26 January 2024

2.2.1 The Committee agreed to write back to the Counsel General and Minister for the Constitution asking for further information in response to the Committee's recommendations on costs relating to the Senedd Commission arising from the Bill.

- 2.3 **PTN 3 – Letter from the Minister for Finance and Local Government: The Non-Domestic Rating (Miscellaneous And Consequential Amendments To Secondary Legislation) (Wales) Regulations 2024 – 17 January 2024**
- 2.4 **PTN 4– Letter from Audit Wales: Response to the Finance Committee Annual Scrutiny of the Wales Audit Office – 1 February 2024**
- 2.5 **PTN 5– Elections and Elected Bodies (Wales) Bill: Welsh Government response – 1 February 2024**

3 Financial Implications of the Residential Outdoor Education (Wales) Bill: Evidence session

3.1 The Committee took evidence on the Residential Outdoor Education (Wales) Bill from Jeremy Miles MS, Minister for Education and Welsh Language; Emyr Harries, Deputy Director for Education Business and Governance; and Lloyd Hopkin, Deputy Director for Curriculum.

3.2 The Minister for Education and Welsh Language agreed to provide a note on inspection arrangements for residential outdoor activity centres and related costs.

4 Financial Implications of the Local Government Finance (Wales) Bill: Evidence session

4.1 The Committee took evidence on the Local Finance Government Finance (Wales) Bill from Rebecca Evans MS, Minister for Finance and Local Government; Ben Crudge, Head of Local Tax Policy; and Simon Tew, Bill Manager.

5 Motion under Standing Order 17.42 (ix) to resolve to exclude the public from the remainder of this meeting

5.1 The motion was agreed.

6 Financial implications of Senedd Bills: Consideration of evidence

6.1 The Committee considered the evidence received.

Mick Antoniw AS/MS
Y Cwnsler Cyffredinol a Gweinidog y Cyfansoddiad
Counsel General and Minister for the Constitution



Llywodraeth Cymru
Welsh Government

Peredur Owen Griffiths MS
Chair
Finance Committee

21 February 2024

Dear Peredur

Senedd Cymru (Members and Elections) Bill

Thank you for your letter regarding the Welsh Government's response to the Finance Committee's recommendations on the financial implications of the Senedd Cymru (Members and Elections) Bill. I am happy to confirm work is underway with the Senedd Commission and I will provide a further update to the Committee ahead of Stage 2.

I am copying this letter to the Llywydd and the Senedd Commissioner with responsibility for Budget and Governance.

Yours sincerely,



Mick Antoniw AS/MS
Y Cwnsler Cyffredinol a Gweinidog y Cyfansoddiad
Counsel General and Minister for the Constitution

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Pwyllgor Cyllid / Finance
Committee
FIN(6)-05-24 -PTN1

CF99 1SN

Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

**Y Pwyllgor Deddfwriaeth,
Cyfiawnder a'r Cyfansoddiad**

**Legislation, Justice and
Constitution Committee**

Welsh Parliament
Cardiff Bay, Cardiff, CF99 1SN
SeneddLJC@senedd.wales
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0300 200 6565

Peredur Owen Griffiths MS
Chair, Finance Committee

23 February 2024

Dear Peredur,

Legislative Consent Memorandum on the Renters (Reform) Bill

You will have seen that we have copied you into correspondence regarding the Welsh Government's Legislative Consent Memorandum on the Renters (Reform) Bill.

We decided to do so following our consideration of the Memorandum at our meeting on Monday 19 February. We noted that the Memorandum makes the following observation:

"No financial implications have been identified to date should these provisions apply in Wales."

Given that the Renters (Reform) Bill seeks to amend two Senedd Acts (the *Renting Homes (Fees etc) (Wales) Act 2019* and the *Renting Homes (Wales) Act 2016*), we thought it appropriate to draw this matter to your attention.

Yours sincerely,



Huw Irranca-Davies
Chair

Jayne Bryant, MS
Chair of the Children, Young People and Education Committee
Senedd Cymru,
Cardiff Bay,
CF99 1SN

19 February 2024

Dear Jayne,

Residential Outdoor Education (Wales) Bill

I would like to take the opportunity to thank you and other members of the Committee for the time you have taken to consider the detail of the Residential Outdoor Education (Wales) Bill.

I am writing to follow up on one of the points I made during my evidence session on 1 February, relating to my expectations of the Bill's impact on child and adolescent mental health services.

My initial response to the specific question asked, highlighted that the Explanatory Memorandum to the Bill references where the Bill can provide opportunities to support young people with mental health. I said that I would follow up with a note, which is set out in the Annex to this letter. I would be happy to provide any further information that the Committee might find helpful.

I am copying this letter to the Chair of the Legislation, Justice and Constitution Committee, and the Chair of Finance Committee.

Yours Sincerely,



Sam Rowlands MS
Member of the Welsh Parliament for North Wales

Annex: Note of how the Residential Outdoor Education (Wales) Bill can support young people with mental health

The positive impact of the Bill on children's mental health has been highlighted throughout the scrutiny of the Bill in both oral and written evidence, by me as Member in Charge of the Bill, and by other stakeholders.

The information contained in this note highlights what is already set out in the Explanatory Memorandum for the Bill. It does not seek to pull out information that has been presented in evidence to the Committee.

Consideration of research

Research shows that children living in low income households are more likely to experience mental health issues, and that problems are increasing amongst children and young people.¹ Welsh Government policy seeks to address this challenge by focusing on developing children and young people's emotional resilience and the skills to look after their own mental health.² The Welsh Government has consulted on a new mental health strategy, a core proposal being that people take action to promote their own wellbeing and that of the wider community.³ (Para 52 of the Explanatory Memorandum).

A recent systematic literature review of the benefits of 'outdoor sports' for society concluded that they were linked to multiple outcomes representing a cost-effective investment.⁴ Benefits include physical and mental health and wellbeing, active citizenship and contribution to bonding capital in families and communities. There is also strong evidence of intrapersonal development relating to physical, mental, cognitive, behavioural and social aspects of self, educational benefits, including improved self-motivation and willingness to face and overcome challenges.

During the Covid-19 pandemic and subsequent return to school after lockdown, Welsh Government guidance documents contained specific mention of outdoor learning and the health and well-being benefits it brings. The most recent Active Lives survey results⁵ demonstrate that whilst younger children are more active in team sports, as people get older they can remain active through activities such as walking, cycling, running and swimming. Although this survey refers to respondents in England as there is no comparative data available for Wales, it is reasonable to suggest that the findings would not be significantly different in Wales. Recent research presented through the British Education Research Association⁶ suggests

¹ Public Health Wales, [New analysis reveals trends in children and young people's mental health care in Wales](#) (July 2022)

² Senedd Research, [Children and young people: is there a mental health crisis?](#) (May 2022)

³ Welsh Government, [Mental health strategy](#)

⁴ Eigenschenk, B. et al. (2019) '[Benefits of Outdoor Sports for Society. A Systematic Literature Review and Reflections on Evidence.](#)', International Journal Of Environmental Research And Public Health, 16(6), p. 937.

⁵ Sport England, [Active Lives Adult Survey November 2020-21 Report](#) (April 2022)

⁶ British Educational Research Association, [Ageing in nature: Outdoor learning as lifelong learning](#) (June 2021)

significant connections between older people's health, activity levels and the experiences they had as young people in engaging in outdoor education. (Paras 79 & 80 of the EM)

Mental health benefits from the Bill

In 2021-22, mental health alone accounted for 10.9% of total NHS expenditure in Wales (approximately £962 million).⁷ Further, mental health annually is estimated to cost the Welsh economy £4.8 billion⁸ and, although directly unquantifiable, outdoor education residentials have significant potential to be much more than one-off experiences and can initiate lifelong participation in outdoor activity, with its attendant health and wellbeing benefits⁹, potentially reducing the impact on the NHS.

In turn this will have long-term impacts on the health and well-being of the population as they leave school and have a greater opportunity to become healthy adults (also in line with one of the four purposes of the Curriculum for Wales). The mental health and well-being benefits of outdoor education residential programmes could reduce the demands on child and adolescent mental health services in the near future and could also reduce demands on the wider NHS and health care services in the longer term.

Children's mental health has featured prominently on the policy and scrutiny agenda in recent years. The Programme for Government includes commitments to prioritise investment in mental health, prioritise service redesign to improve prevention, tackle stigma and promote a no wrong door approach to mental health support. This includes the NEST framework¹⁰ which aims to ensure a whole system approach for developing mental health, well-being and support services for babies, children, young people, parents, carers and their wider families across Wales.

In 2018, a Senedd Committee published "Mind over Matter", a report of its inquiry into the emotional and mental health of children and young people¹¹ and carried out follow-up scrutiny in 2020.¹² Subsequently, the Minister for Education and Welsh Language and Deputy Minister for Mental Health and Wellbeing have joint Ministerial oversight for a Whole School Approach to Wellbeing. The Welsh Government has issued statutory guidance to schools, pupil referral units and local authorities on embedding a whole-school approach to emotional and mental

⁷ Welsh Government: [NHS expenditure programme budgets: April 2021 to March 2022](#)

⁸ Mental Health Foundation report: [The economic case for investing in the prevention of mental health conditions in the UK](#)

⁹ Takako Takano (2010) [A 20-year retrospective study of the impact of expeditions on Japanese participants](#), Journal of Adventure Education and Outdoor Learning, 10:2, 77-94

¹⁰ Welsh Government, [NEST framework \(mental health and wellbeing\): introduction](#)

¹¹ Senedd Cymru, Children, Young People and Education Committee: [The Emotional and Mental Health of Children and Young People \("Mind over Matter"\)](#) (2018)

¹² Senedd Cymru, Fifth Senedd's Children, Young People and Education Committee: [The Emotional and Mental Health of Children and Young People \("Mind over Matter"\) – Follow-up](#) (2020)

wellbeing.¹³ There is ongoing Senedd interest in and scrutiny of this policy area, including most recently from the Welsh Youth Parliament¹⁴ as concerns persist about children’s mental health and their timely access to services¹⁵, not least due to the impact of the COVID-19 pandemic. The Bill has the potential to contribute substantially to tackling this agenda. (Paras 92 to 95 of the EM).

Mental health problems account for £962 million of total NHS Wales expenditure.¹⁶ A central tenet of the Welsh Government’s Nurturing, Empowering, Safe and Trusted (NEST) framework is mental health wellbeing across education.¹⁷

Contact with nature through educational activities is positively associated with better mental health outcomes¹⁸ in children and teenagers. The most consistent relationships reported between mental health outcomes and learning in natural environments were with resilience, stress and overall mental health.¹⁹ Improvements in emotional well-being, self-esteem and depression have also been recorded. Contact with nature has been highlighted as an effective preventative action for common mental health problems.

Learning in natural environments has been associated²⁰ with building social capital, fostering pride, belonging, and community involvement. Immersive nature experiences²¹, including outdoor residential experiences and other education outside of classrooms have been linked to improved self-esteem and increased self-efficacy compared to controls. A study using data from Denmark has shown that flourishing mental health was associated with approx. \$1.2 billion (equivalent to £848 million) in potential lower expenses for health and social costs.²² (Paras 222 to 224 of the EM).

Consultation responses

The Explanatory Memorandum also builds on the responses received through the extensive consultation undertaken on the policy objectives of the Bill.

The consultations undertaken highlighted many benefits of an outdoor education residential, such as the personal attributes that can be acquired and developed, improved physical and mental health and well-being and general holistic personal

¹³ Welsh Government, [Framework on embedding a whole-school approach to emotional and mental wellbeing](#) (2021)

¹⁴ Welsh Youth Parliament, [Our mental health and well-being](#)

¹⁵ The [Children’s Commissioner for Wales](#) has made the mental health of children and young people and pursuing the ‘[No Wrong Door](#)’ model a policy priority for 2023-26.

¹⁶ [NHS expenditure programme budgets: April 2021 to March 2022](#)

¹⁷ [NEST \(mental health and wellbeing\): summary report](#)

¹⁸ [Davis et al, 2021.](#)

¹⁹ [Tillman et al, 2018](#)

²⁰ [Council for Learning Outside the Classroom, Evidence Note, 2022](#)

²¹ [Mygind et al, 2019](#)

²² [Santini et al, 2021](#)

development. Children identified bonding with friends and having fun as the main benefits, followed by the chance to experience being away from home, learning new skills, learning about the environment and nature, and being outdoors. (Para 363 of the EM).

Participating in residential outdoor education has benefits for children's mental health and well-being. This was highlighted specifically as a main benefit by around 40% of respondents to the general consultation and by around 8% of respondents to the children and young people's consultation. (Para 368 of the EM).

Mick Antoniw AS/MS
Y Cwnsler Cyffredinol a Gweinidog y Cyfansoddiad
Counsel General and Minister for the Constitution



Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref: CG/PO/54/2024

Huw Irranca-Davies MS
Chair
Legislation, Justice and Constitution Committee
Senedd Cymru

26 February 2024

Inter-Institutional Relations Agreement: Inter-Ministerial Standing Committee

I am writing in accordance with the inter-institutional relations agreement to notify you that the sixth meeting of the Inter-Ministerial Standing Committee (IMSC), which was due to place on 20 February 2024, has been postponed.

I will notify you once a new date has been confirmed.

I have copied this letter to the Llywydd, and to the Chairs of the Finance Committee, the Economy, Trade and Rural Affairs Committee, the Equality and Social Justice Committee, and the Culture, Communications, Welsh Language, Sport, and International Relations Committee.



Mick Antoniw AS/MS

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

Pwyllgor Cyllid / Finance
Committee
FIN(6)-06-24 PTN 2

gohebu yn Gymraeg yn arwain at oedi.

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