

Agenda – Finance Committee

Meeting Venue:	For further information contact:
Committee Room 2 – Senedd	Bethan Davies
Meeting date: Thursday, 28 January 2016	Committee Clerk 0300 200 6565
Meeting time: 09.00	SeneddFinance@Assembly.Wales

At its meeting of 20 January 2016, in accordance with Standing Order 17.42, the Committee resolved to meet in private for item 1 of this meeting.

1 Welsh Government Draft Budget 2016–17: Consideration of draft report

(09.00 – 09.30)

(Pages 1 – 41)

Paper 1 – Draft report

Paper 2 – Letter from Chair, Enterprise and Business Committee to Chair of Finance Committee (in relation to education) – 18 January 2016

Paper 3 – Letter from Chair, Enterprise and Business Committee to Chair of Finance Committee (in relation to transport) – 18 January 2016

Paper 4 – Letter from Chair, Children and Young Persons Committee to Minister for Education and Skills – 19 January 2016

Paper 5 – Letter from Chair, Health and Social Care Committee to Minister for Health and Social Services and Deputy Minister for Health – 19 January 2016

Paper 6 – Letter from Chair, Communities, Equality and Local Government Committee to Minister for Public Services – 22 January 2016

Paper 7 – Letter from Chair, Communities, Equality and Local Government Committee to First Minister – 22 January 2016

Break

(09.30 – 09.40)



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2 Introductions, apologies and substitutions

(09.40)

3 Papers to note

(09.40)

(Pages 42 – 47)

Letter to Chair of Finance Committee from Minister for Finance and Government Business

(Page 49)

4 Tax Collection and Management (Wales) Bill: Stage 2 scrutiny

(09.40 – 15.00)

(Pages 50 – 82)

In accordance with Standing Order 26.21 the Committee will dispose of amendments to the Bill in the following order:

Sections: 2 – 34, 36 – 79, 35, 81 – 114, 80, 116 – 154, 115, 155 – 161, 162 – 168, 170 – 182, 169, 183 – 185, 186 – 193; Schedule; Section 1; Long Title.

In attendance:

Jane Hutt AM – Minister for Finance and Government Business

Sean Bradley – Senior Lawyer, Welsh Government

Richard Clarke – Tax Administration Project Manager, Welsh Government

Supporting documents:

Paper 8 – Marshalled List of Amendments

Paper 9 – Groupings of Amendments

Paper 10 – Purpose and Effect of Amendments tabled by Welsh Government – 18 January 2016

[Tax Collection and Management \(Wales\) Bill, as introduced](#) (PDF, 488KB)

[Explanatory Memorandum](#) (PDF, 1MB)

Cynulliad Cenedlaethol Cymru
Y Pwyllgor Menter a Busnes

National Assembly for Wales
Enterprise and Business Committee

Jocelyn Davies AM
Chair
Finance Committee
National Assembly for Wales

18 January 2016

Dear Jocelyn,

Draft Budget Scrutiny 2016-17

On 14 January 2016, The Enterprise and Business Committee took evidence from Julie James, Deputy Minister for Skills and Technology, and officials from the Department of Education, both on her own portfolio, and that of the Minister for Education and Skills.

The committee wished to highlight three areas of concerns arising from our scrutiny of the education and skills parts of our remit.

Impact of reductions to budgets for the Higher Education Funding Council for Wales (HEFCW) Revenue and Running Costs budgets

The Committee was most concerned by the proposed changes to the funding for the higher education sector, and will be seeking further opportunities to scrutinise:

- the £20m reduction to the HEFCW revenue; and
- the £0.277m (-10%) reduction to HEFCW's running costs.

The size of these cuts brings in to question whether the funding council will be able deliver its objectives.

In respect of the proposed reductions to the higher education revenue budget, the committee found it difficult to assess the potential impact of cuts without some indication of the priorities that the Minister will set out in his annual remit letter



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to HEFCW. We were told that HEFCW will discuss the situation on Friday 22 January, and the committee will be seeking further information in due course.

The Committee understands the independent role of the Funding Council but the Welsh Government must have undertaken some impact/risk assessment before proposing such a significant reduction to HEFCW's funding for the sector. Therefore the Committee would have expected the Deputy Minister to be able to give a clearer indication, of Welsh Government priorities. (Prioritisation)

The Committee will be asking the Minister to provide an update on the priorities he wishes HEFCW to address.

The evidence from the sector warns that there is a critical risk that funding cuts will disproportionately affect the provision for those on part-time courses, research and expensive subjects.

The Committee welcomes the Deputy Minister's response about prioritisation for part-time provision. Although we note that the First Minister gave reassurances to CELG that the Coleg Cymraeg Cenedlaethol was a priority the previous day. Given the reduction in size of the overall pot, it seems unlikely that HEFCW can fully protected multiple priorities.

The evidence from the HE sector highlights particular concerns from an equalities perspective, that reductions to part-time HE provision will have a detrimental effect on female and older learners.

The Committee also noted concerns (affordability) about the impact that cuts will have on funding for:

- Research (QR) and any potential damage to the Welsh HE sector's ability to complete for external research funding; and
- Funding for expensive subjects (medicine, dentistry and Conservatoire courses) and the potential impact on STEM courses generally.
- Risk that reductions in funding will reduce the standing of Welsh HEIs in league tables, making it harder to attract students and their accompanying tuition fees.

The Committee are also concerned about the impact of the reductions (10%) to HEFCW's running costs. We understand that the *Higher Education (Wales) Act 2015* established a new governance framework for HEFCW to implement. However the recommendations of Professor Sir Ian Diamond's review (due to be published later this year) and the next Welsh Government's response to these recommendations have the potential to be very far reaching, and could change HEFCW's role and remit once again.



Career Wales

The Committee notes with concern the further reduction to the funding for Careers Wales. We remain anxious that reliance on digital delivery means that independent careers advice may not reach young people who are disadvantaged or not in education, employment or training (NEET). (Prioritisation)

Apprenticeships

The Committee welcomes additional funding for apprenticeships (both from reserves and as a result of the budget agreement with the Welsh Liberal Democrats). We also welcome the Deputy Minister's assurances that there will be sufficient funding to ensure that new starters and those already in apprenticeships will be able to complete their programmes. (Prioritisation)

The Committee acknowledged and shared the Deputy Minister's concern that the lack of clarity to date around the UK Government's proposals for an apprenticeship levy have delayed the Welsh Government developing its own plans for apprentices and trainees.

Kind Regards,



William Graham AM

Chair



Jocelyn Davies AM
Chair
Finance Committee
National Assembly for Wales

18 January 2016

Dear Jocelyn,

Draft Budget 2016-17

The Enterprise and Business Committee met on 14 January to scrutinise the Minister for Economy, Science and Transport (EST) on the draft budget proposals.

Our principal concern relates to the budget process.

The changes in the way that Welsh Government calculates the previous year's baseline have had a particularly major impact on the EST budget. For example the capital budget has reduced by 27.5% compared to supplementary budget 2015-16, while it has increased by 30.3% by comparison with the revised baseline.

Both figures are valid - but the change of style has not been helpful to effective scrutiny.

While the Minister provided a reconciliation table, and promised to provide a range of additional information in response to specific requests for examples, the overall presentation made it very difficult to have high levels of confidence in the affordability and value for money of the EST budget. Uncertainty over timescales for Metro, City Deal and the Minister's intentions for Business Rates (which she will announce later this year) also cloud the picture.



The committee noted two issues around responsibility and accountability for further scrutiny. We were told that the Welsh Government's commitment to the Cardiff City Deal was the responsibility of the Minister for Finance, rather than the Minister for EST. However, it seems likely that any Welsh Government contribution will come through funding – e.g. METRO project – that is provided by EST. This is a subject we will return to once the finer details of the City Deal are agreed and signed.

Similarly, when asked about the projects included in phase 2 of the Metro the Minister said that this would be a matter for the First Minister. The reason for this is unclear since Metro is a transport programme.

Kind Regards,

A handwritten signature in black ink that reads "William Graham". The signature is written in a cursive style with a large, sweeping initial 'W'.

William Graham AM

Chair



Cynulliad Cenedlaethol Cymru
Y Pwyllgor Plant, Pobl Ifanc ac Addysg

National Assembly for Wales
Children, Young People and Education Committee

Huw Lewis AM
Minister for Education and Skills
Welsh Government
Cardiff Bay

19 January 2016

Draft Budget 2016-17

Dear Minister

Thank you for attending the Children, Young People and Education Committee's meeting on 13 January to discuss the draft Budget and for your comprehensive paper.

Prioritisation and aligning objectives with spending

Your priorities are clearly set out in your submission and you emphasised them during your appearance before the Committee. However, the Committee is concerned that there is a lack of transparency about how decisions relating to funding allocations are made. As a consequence, it is difficult to ascertain whether the Welsh Government is approaching budget setting in a strategic way.

For example, over recent years, the Further Education (FE) sector's funding has been cut significantly whereas the Higher Education (HE) sector has been protected. This year, the FE sector has been largely protected, while the HE sector faces significant cuts. Welsh Government could have achieved the same level of reductions in a number of ways, for example, through more gradual reductions across both sectors over several years. The rationale for the Government's chosen approach has not been fully explained and this lack of transparency means that it is often unclear whether the Government is prioritising in a strategic way or simply managing shortfalls from year to year. The Committee is also concerned that the apparent absence of a strategic approach, as demonstrated in



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the example above, could have a significant impact on whole sectors' abilities to plan for the future.

In relation to the absence of indicative budget allocations for future years, the Committee notes the reasons given by Welsh Government. However, given the precarious financial circumstances of many organisations, such uncertainty will make it particularly difficult for organisations to plan for the future and, if necessary, prepare for funding reductions.

The Committee firmly believes that Welsh Government budgets must be outcome-focused and should be underpinned by robust monitoring systems. The Minister referred to examples of independent evaluations of Welsh Government policies, including the Pupil Deprivation Grant and work being undertaken by Estyn. However, the Committee believes that embedding monitoring in the implementation of policies is vital. External evaluations of policies are useful and are welcomed, but they should be in addition to robust internal monitoring undertaken by the Welsh Government.

The Committee is also concerned that Welsh Government's financial planning for policy implementation is not sufficiently robust. For example, during last year's budget process, you said you anticipated that changes to teachers' continuing professional development could be met within existing resources. However, for the 2016-17 draft Budget, an additional £5.65 million increase has been allocated for the New Deal.

The Committee notes that your paper includes projected outturns for 2015-16. The projected outturn, as at period 8, is for a £94 million (5.9%) underspend in Resource DEL in 2015-16. We would be grateful for further information on this issue, including the reasons for the projected underspend, details of actions being taken to address this, and an explanation as to what would happen to any unspent funds.

Targeting funds at deprivation and/or low achievement

The Committee notes that Welsh Government has again this year sought to prioritise budgets that focus on breaking the link between deprivation and attainment. The main funding levers are the Pupil Deprivation Grant (PDG) and Schools Challenge Cymru (SCC) initiatives.



PDG

The Committee recognises that it is difficult to attribute specific outcomes to the PDG as it is one of a number of interventions in this policy area. However, we remain concerned that Welsh Government cannot fully assess the value for money of this programme and, consequently, is unable to ensure that eligible pupils are getting the best outcomes from the significant funding allocated to the programme.

The Committee welcomes the initiative to ensure that details of PDG expenditure by each school will be publicly available and believes that the additional external scrutiny this will provide could lead to improved value for money and impact. However, there remains concern that the purpose of the PDG and, indeed, how it can be used to best effect, is not fully understood in schools. This was emphasised by the external evaluation of the PDG, which concluded:

“A clearer message on whether the PDG is aimed to help close the attainment gap or to help all pupils fulfil their potential – and, as such, whether the PDG should be focused on the entire eFSM cohort, or just those whose attainment is poor – may be of value.”

In relation to the use of a pupil’s eligibility for free school meals to determine allocation of PDG, the Committee remains concerned about the impact the introduction of Universal Credit by the UK Government will have. We note the Minister’s comments about discussions between officials, but urge Welsh Government to continue to liaise with the UK Government to understand when the new system will be introduced and what the implications will be. We also note that Welsh Government has undertaken modelling of alternative mechanisms for determining PDG eligibility and call on the Welsh Government to publish further information as soon as is appropriate.

The Committee notes the different level of PDG for children in the Reception year (age 4 at start of school year). In England, such children attract the ‘school’ rate of £1,320, whereas in Wales they are covered by the Early Years PDG, which pays schools £300 per eligible child. We note the Minister’s comments that there are other differences, such as the higher rate of PDG for secondary school pupils in Wales in comparison to England. However, we believe that there is considerable



potential for targeted interventions to have a positive effect for pupils in Reception year. The Committee believes that Welsh Government has still not given a satisfactory explanation about how the sum of £300 was reached and, furthermore, Welsh Government should explain its rationale for including Reception year in the Early Years PDG, given its stated emphasis on early intervention.

Schools Challenge Cymru

The Committee notes your commitment that the Schools Challenge Cymru programme will continue into a third academic year in 2016/17. We welcome your statement that the responsible Minister will need to pause and assess progress at the end of that year before committing more funds. The Committee believes this is a prudent approach. However, given that you have pointed to international evidence suggesting that sustainable system level reform requires a minimum of at least five years and schools are therefore “very much at the early stages of their improvement journey”, the Committee is concerned there is a risk that insufficient funding allocations will be available to realise the full impact of the programme and which will mean that the full value of the investment will not be realised.

“Tripartite Programme of Reform”

Curriculum review

The Committee notes your statement that certain projects have been ‘tapered down’ for 2016–17 to enable the redirection of £2 million towards the curriculum review, with particular reference to the work of Sport Wales and Techniquest in relation to PE subjects and STEM respectively. You have explained that these are areas the Welsh Government is seeking to embed into the new curriculum. The Committee is, however, concerned that this may create gaps in provision during the transition to the new curriculum. Welsh Government should ensure that no pupils are disadvantaged during the transitional period due to these funding reductions and explain the actions that are being taken to mitigate their impact.

The Committee notes your comments in [Plenary on 30 June 2015](#) about the future level of investment required for the new curriculum:



“[...] £3 million is a down payment, really, for this year, in terms of getting our work off the ground. He's quite right that investment of that order, or greater, would be necessary in each of the seven or eight years that we're undertaking this work. That's true, and we'll have to take on that budgetary responsibility.”

Further, the Committee notes your comments in Committee that funding of £8 million and £10 million is anticipated to be required for the following two years. These sums are significantly higher than those you referred to in Plenary. The Committee recognises that the implementation of a new curriculum will require funding, but questions whether the assumptions being made and the projections of financial requirements are sufficiently robust. The Welsh Government should set out its best estimate of future costs and explain what they are for, in particular, given that funding may need to be redirected from other projects to resource the transition.

Continuous Professional Development for teachers (the New Deal)

An additional £5.65 million has been allocated in the 2016–17 draft Budget for the New Deal. However, during scrutiny of last year's draft Budget, in reference to teachers' CPD, you said that “a cultural shift” was needed which “does not in itself require additional funding” but relies on “more effective use being made of existing funding”.

The Committee would be grateful for an explanation as to why your thinking on this issue has changed during the last year. It is apparent that the assessment of the intervention needed and the financial resource required to support it, was incorrect and that significant additional funding is required.

In relation to the Education Workforce Council, the Committee notes your commitment to cover any shortfall between the Council's income from registration fees and the amount it requires to carry out its core functions.

You told Committee you do not anticipate a shortfall but that if there is one, this would require a “re-profiling of the CPD support”.

The Committee seeks reassurances from you that you have conducted a rigorous assessment of the potential impact of this commitment and that any redirection of



funding will have a minimal impact on other projects funded from the Teaching Development and Support BEL.

Initial Teacher Training

The Committee notes that there is no specific budget allocation in 2016–17 for Initial Teacher Training. In your paper, you say “most of the reform agenda set out by Professor Furlong affects the quality of delivery of programmes and so can be met from the existing funding provision.”

The reference to “most” of the reform agenda being delivered from existing funding provision suggests that some of the agenda will require investment. The Committee seeks reassurance from you that the assumptions and financial projections relating to these reforms are robust, given that similar statements were made in relation to the New Deal, which has now required significant investment in the next Budget.

Education Improvement Grant

The Committee notes that 2016–17 is the second year of the Education Improvement Grant (EIG) which was introduced in 2015–16 as a means of rationalising a number of previous ring-fenced grants to local authorities into a single grant. The grants merged into the new EIG in 2015–16 were:

- 14–19 Learning Pathways grant;
- Foundation Phase grant;
- Minority Ethnic Achievement grant;
- Gypsy Traveller grant;
- Welsh in Education grant; and
- School Effectiveness grant.

The EIG has been reduced by £7.5 million before the transfer in of £1 million for the Literacy and Numeracy programmes. Since 2014–15, the allocation has reduced by £19.1 million to £135 million in the 2016–17 draft Budget.

During discussions on last year’s budget, you reassured the Committee that “the objectives of the original grants will be given appropriate consideration under the new simplified grant system”. You added that the focus on flexibility “does not



mean that we will not hold schools, local authorities and consortia to account on the agreed objectives and performance measures of the grant”. However, it is clear to the Committee that Welsh Government cannot ensure that the objectives of the original grants are being delivered. We would be grateful for more information on the monitoring arrangements for the total grant, with focussed information on the objectives of each grant that was merged into the EIG.

In reference to Gypsy and Traveller children, the Committee notes the comments in the Education and Skills Integrated Impact Assessment that:

“There is a decrease in the overall quantum of this grant which could reduce the positive impact on the protected characteristic of race and those below 16, however there is not expected to be a noticeable impact on any other protected characteristic. There is a strong correlation between socio economic background and attainment, for example Gypsy and Traveller children are three times more likely to receive free school meals than the national average. Therefore impact will be mitigated by the extra funding that is given through the pupil deprivation grant and the overall work to improve literacy and numeracy in schools.”

The Committee is concerned at the suggestion that funding streams which are intended to be additional, such as the PDG, could be used to compensate for the EIG being insufficiently funded to fulfil any of its core purposes.

Welsh language

The ‘Welsh in Education’ BEL has been reduced by £740,000 (after a transfer in for new responsibilities is accounted for) to £18.7 million. The Committee notes that an evaluation of the Welsh-medium education strategy is expected to be published in March 2016. The Committee believes that the timing of this is unfortunate and would be grateful for confirmation of whether the Welsh Government will consider redirecting funding in-year, depending on its response to the evaluation.

Further education

The Committee notes that Welsh Government has protected the post-16 budget by applying flat-cash protection to the ‘Further Education Provision’ BEL which funds allocations to colleges and school sixth forms. It therefore remains at £400 million.



The reductions in funding for FE over recent years has had an impact on the sector that should not be underestimated. As you recognise, the impact on part-time students in particular has been significant:

“As expected the impact of the reduction in funding for part time students is much higher [than for full-time]. The number of part time hours is set to reduce by around 800,000 hours (21.88 per cent) in 2015/16. If the average part time course is around 100 hours per learner, this equates to 8,000 learners, although it’s expected that the majority of part time courses ceased will be the shorter courses and hence this number could rise significantly. Information shared by the chair of ColegauCymru Finance Directors shows that the sector is expecting redundancies of around 850 people as a result of reduced budgets by 2015/16.”

The landscape for part-time learning has completely changed as a result of the reductions in funding over recent years. We would be grateful for further information about the actions you are taking to ensure that the cuts endured by the sector do not have a lasting detrimental effect on learners.

The Committee also notes that the financial contingency fund has been reduced by 10%. The Minister should monitor the impact of this decision and the Committee would be grateful if you could provide it with details about the most recent evaluation of the scheme.

Higher Education

The Committee notes the £20 million reduction to HEFCW programme budgets, which provide funding for the implementation of Welsh Government priorities in the fields of Quality Research, part-time and expensive subjects. Whilst funding for the Coleg Cymraeg Cenedlaethol comes out of a separate BEL, it is also provided via HEFCW and the impact on the Coleg Cymraeg Cenedlaethol is unclear. You have said it is ultimately for HEFCW to determine how it allocates its resources in line with Ministerial priorities.

The Committee believes that it is very difficult to assess the potential impact of cuts without understanding what Welsh Government’s priorities will be. We would have expected you to be able to give a better indication to the Committee and the sector of Welsh Government priorities. We note that you told this Committee you



would be prioritising part-time courses; the First Minister told the Communities, Equalities and Local Government Committee that Coleg Cymraeg Cenedlaethol would be a priority. Clarity is needed as soon as possible to enable the sector to prepare for the future.

The Committee notes what you said about the trend of increasing income to the higher education sector in a time of austerity and the information provided in your paper. This is largely due to tuition fees. The Committee is concerned about provision which relies on grant funding via HEFCW, instead of, or in addition to, tuition fee income. The Committee is therefore concerned that there are risks that the reduction in funding will disproportionately affect certain organisations who specialise in provision of part-time courses, research and expensive subjects such as medicine, dentistry and performing arts. Further, it is likely to have a disproportionate detrimental effect on female and older learners, who access the type of part-time provision likely to be reduced.

The Committee would be grateful for more information on your priorities for HEFCW and on how you believe the impact of these reductions can be mitigated.

Impact Assessments

The Committee notes that Welsh Government has again this year prepared an integrated impact assessment. We would be grateful if you could inform the Committee whether a Welsh language impact assessment has been carried out specifically in relation to Education and Skills and, if not, how the Department's draft Budget sufficiently protects and progresses the Welsh language.

We would also be grateful for further information on how you have given 'due regard' to children's rights during the draft Budget setting process, and how sustainable development impacts and the approach of the *Well-being of Future Generations Act 2015* have been considered in the Education and Skills draft Budget.



Ann Jones AC / AM
Cadeirydd / Chair



Cynulliad Cenedlaethol Cymru
Y Pwyllgor Iechyd a Gofal Cymdeithasol

National Assembly for Wales
Health and Social Care Committee

Mark Drakeford AM
Minister for Health and Social Services

Vaughan Gething AM
Deputy Minister for Health

19 January 2016

Dear Ministers,

Welsh Government Draft Budget 2016-17

Thank you for attending the Health and Social Care (HSC) Committee's meeting on 14 January 2016 to discuss the Welsh Government's Draft Budget for 2016-17.

The annex to this letter highlights the key issues identified by the Committee's scrutiny of the Draft Budget. As with previous years, the issues raised have been labelled in accordance with the four principles of good financial scrutiny: affordability, prioritisation, value for money, and budget process.

The letter will be shared with the Finance Committee to inform its overarching scrutiny of the Draft Budget. It will also be shared with the Children, Young People and Education Committee given the policy areas of common interest that fall within its remit.

The HSC Committee would welcome receipt of the further information requested in the annex as soon as possible in order to inform the Assembly's final debate on the Welsh Government's Draft Budget 2016-17.

Yours sincerely,

Croesewir gohebiaeth yn Gymraeg neu Saesneg | We welcome correspondence in Welsh or English



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David Rees AM

Chair, Health and Social Care Committee

Cc:

Jocelyn Davies AM, Chair of the Finance Committee

Ann Jones AM, Chair of the Children, Young People and Education Committee



Annex

A. Additional revenue allocation for NHS services

(Principles: affordability; prioritisation; value for money)

01. The largest change in the 2016–17 Draft Budget for health care is a £259 million (4.0 per cent) increase in Revenue compared to the First Supplementary Budget 2015–16.¹ This change comprises:

- an additional £200 million to support core NHS delivery;
- an increase of £30m for the Intermediate Care Fund, which has grown from £20 million in 2014–15 to £50 million in 2016–17;
- an additional £30 million for older people and mental health services.

02. The Minister’s written evidence states that the additional £200 million allocated to support core NHS service delivery:

“...demonstrates [the Welsh Government’s] clear commitment to a sustainable NHS in Wales based on the reforms highlighted in the Nuffield report, which also acknowledges the scope for the NHS to continue to achieve efficiency savings in the medium to longer term.”²

03. The Committee notes that the use and distribution of the £30 million for older people and mental health services allocated in the Draft Budget has yet to be determined.³ Furthermore, it notes that the additional £65 million allocated in 2015–16 for primary care, delivery plans, health technology and mental health, which will be made available again in 2016–17 for the same purposes, will not be allocated until the projects initiated in the current financial year have been reviewed.⁴

04. The Committee recognises that the health service in Wales is facing long term funding and sustainability pressures including:

¹ The Welsh Government’s baseline figures for 2015-16 as presented in the Draft Budget are £14.3 million higher than the Supplementary Budget figures

² Welsh Government, [*Written evidence to HSC Committee: scrutiny of Draft Budget 2016-17*](#), 14 January 2016, page 2

³ Ibid, page 3

⁴ Ibid

- an increasingly ageing population leading to increased morbidity;
- growing rates of obesity and related conditions;
- continual developments in technology leading to the introduction of more complex treatments.

05. It further notes the general consensus that service transformation is essential and welcomes the detailed commentary provided on the matter by organisations such as the Nuffield Trust, the Wales Audit Office, the British Medical Association and the Welsh NHS Confederation.

06. The Committee shares the Welsh NHS Confederation’s view that:

- the rise in demand for health, coupled with constrained financial resources, has made delivering healthcare in the current model increasingly difficult;
- there is a need to shift more care closer to people’s homes, whilst also maintaining hospital care;
- while recent funding increases are welcome, finances will continue to be extremely tight, and it is increasingly clear that traditional methods of savings are unlikely to deliver what is needed in the future.⁵

07. Responding last year to the Committee’s scrutiny of the 2015–16 Draft Budget, the Minister for Health and Social Services acknowledged that:

- the majority of the increased funding for healthcare in 2015–16 was required to maintain existing service levels for that financial year;
- continuing to provide services in the same way was not possible, and new and more innovative models of service delivery would be needed.⁶

08. The Committee would welcome further information to demonstrate:

- how the draft budget ensures that service transformation is being delivered in 2016–17;

⁵ Welsh NHS Confederation, *The 2016 Challenge: A vision for NHS Wales*, October 2015

⁶ Welsh Government, *Written response to the HSC Committee’s draft budget scrutiny letter 2015-16*, 4 November 2014, page 1



- how the additional funding allocated for 2016–17 will lead to further service improvement rather than funding inefficiencies or compensating for overspends;
- to what extent the allocations made will be sufficient to deliver key performance targets (e.g. cancer treatment times, waiting times for outpatient appointments, inpatient and day case treatment and access to diagnostic services).

B. Financial planning and the financial position of LHBs in 2015–16

(Principles: affordability; budget process)

09. The NHS Finance (Wales) Act 2014 introduced a new legal financial duty for Health Boards to break even over three financial years rather than each and every year. When introducing the legislation, the Minister noted that its aim was to address the “inflexibility” of the existing regime which, he argued, “distract[ed] efforts at year end by focusing on relatively small saving requirements to meet the year–end target rather than on the medium term financial strategy and Integrated Plan to deliver the forthcoming financial years”.⁷

10. The Committee notes that we are only part–way through the first three year cycle introduced by the NHS Finance (Wales) Act 2014. As such, it acknowledges that it is not yet possible to evaluate fully the impact of the new arrangements. The Committee notes that for 2015–16 seven of the ten NHS Trusts and Health Boards have secured approval of their three year Integrated Medium Term Plan (IMTP), three more than the number approved in 2014–15.⁸

11. The Committee welcomes the progress made in producing and approving IMTPs. Nevertheless, it notes that there are still three organisations (Betsi Cadwaladr and Hywel Dda University Health Boards, and the Welsh Ambulance Service NHS Trust) operating on the basis of a one year plan due to the Minister not receiving the assurances he needs to be able to approve their three year plans.⁹ The Committee notes the Minister’s view that those

⁷ Welsh Government, [Explanatory Memorandum to the National Health Service Finance \(Wales\) Bill](#), 30 September 2013, page 7

⁸ National Assembly for Wales, [Draft Record of Proceedings \[para 8\]](#), 14 January 2016

⁹ Ibid



organisations who have three year plans in place demonstrate higher levels of performance, efficiency and better workforce and service planning.¹⁰ As a consequence, while it recognises fully the need for a robust and thorough approval process for IMTPs, it believes that an injection of pace and resource is needed to secure three year plans for the organisations operating on the basis of a one year plan.

12. The Committee notes the Minister's statement that the health service in Wales, as a whole, has "lived within its means".¹¹ However, it also notes that not every health organisation in Wales will remain within its 2015–16 budget balance at year end. The Committee shares the Minister's particular concerns about Betsi Cadwaladr and Hywel Dda University Health Boards, neither of which are projected to break even. Furthermore, the Committee notes the Minister's ongoing work with Abertawe Bro Morgannwg and Cardiff and Vale University Health Boards to ensure that they achieve financial balance by the end of the 2015–16 financial year.¹²

13. The Committee notes the Minister's statement that he is not prepared to "sustain a fiction" that organisations have managed to live within their means by providing additional funds to those unable to balance their books by the end of the financial year.¹³ The Committee would welcome an update on the financial position of NHS Trusts and Health Boards before the end of the 2015–16 financial year.

C. Reduction in local government funding and its impact

(Principles: affordability; prioritisation; value for money)

14. The draft budget for 2016–17 outlines a reduction in funding for local government. The provisional local government settlement shows a decrease of 1.4 per cent, or 3.1 per cent in real terms. However, the budget narrative

¹⁰ National Assembly for Wales, [Draft Record of Proceedings \[para 9\]](#), 14 January 2016

¹¹ Ibid, [Draft Record of Proceedings \[para 11\]](#), 14 January 2016

¹² Ibid, [Draft Record of Proceedings \[para 38\]](#), 14 January 2016

¹³ Ibid, [Draft Record of Proceedings \[para 21\]](#), 14 January 2016



states that an additional £21 million has been included for social services within the Revenue Support Grant.¹⁴

15. The Committee notes the three ways in which the Minister reported he is seeking to maintain support for local authorities' provision of social care:

- through the Intermediate Care Fund (ICF);
- through the planned use of powers provided by the Social Services and Wellbeing Act 2014 to enable the pooling of local authority and health budgets for residential care;
- through the application of the preventative approach to care enshrined in the Social Services and Well-being (Wales) Act 2014, which aims at shifting investment to support early intervention and preventative services.¹⁵

16. The Committee acknowledges that the consultation on the local government settlement is ongoing, and that difficult choices have to be made in the current economic climate. However, it is concerned about the impact of the proposed reduction in local government funding on the sustainability of social care services. These concerns are reinforced by the WAO's recent reports *[A Picture of Public Services 2015](#)* (December 2015) and *[Supporting the Independence of Older People: Are Councils Doing Enough?](#)* (October 2015) which:

- indicate there may be signs of pressures in adult social care, with a significant reduction in the number of people getting any kind of support from councils;
- identify that here are particular concerns about the sustainability of the residential care home sector in Wales;
- outline that preventative services have experienced a 16.8 per cent cut, with budgets falling from £147.3 million in 2013–14 to £122.5 million in 2014–15.

17. The Committee would welcome further information on how the Minister intends to work across government, and in the broader context of financial constraint, to ensure:

¹⁴ Welsh Government, *[Welsh Government Draft Budget 2016–2017](#)*, page 29

¹⁵ National Assembly for Wales, *[Draft Record of Proceedings \[paras 50 - 52\]](#)*, 14 January 2016



- the reduction in the local government financial settlement will not lead to a decrease in the availability and quality of social care, including preventative and early intervention services;
- implementation of the eligibility criteria under the Social Services and Well-being (Wales) Act 2015 will not have a detrimental impact on service users, nor lead to any inappropriate restrictions in access to social services;
- mechanisms will be put in place to monitor the effectiveness and impact of pooling budgets;
- mitigation of the risk that cuts in local government budgets could impact negatively on hospitals' ability to discharge patients to be cared for in community settings.

D. Resource allocation formula (Townsend) and distribution of additional funding

(Principles: budget process; prioritisation)

18. The Minister told the Committee that the additional £200 million funding for health services in Wales in 2016–17 will be allocated to individual Health Boards based on population shares, and in line with the updated Townsend formula.¹⁶ During the Committee's evidence session it requested an outline of the allocations made to individual Health Boards. This had not been received at the time of writing.

19. The Committee has previously highlighted the need to consider and improve arrangements for financial flows across Health Board boundaries. The Minister wrote to the Committee on 17 July 2015 setting out that, while the Welsh Government had been working with NHS Wales on this issue for some time, principles for the handling of financial flows across Health Board boundaries had not been finalised due to the significant planned service changes that needed to be implemented.¹⁷ The Minister reported in July 2015 that:

¹⁶ National Assembly for Wales, [*Draft Record of Proceedings \[para 140\]*](#), 14 January 2016

¹⁷ Welsh Government, [*Additional information from the HSS Minister following HSC Committee's in year financial scrutiny session in June 2015*](#), 17 July 2015, page 4



- the work on financial flows needed to be reviewed by Health Board Chief Executives and others to reflect the proposed changes resulting from the changing patient flow arrangements that would arise through the South Wales Programme and other reconfiguration plans;
- the work on financial flows was now being led by the NHS Wales Health Collaborative Director Bob Hudson and would be updated and submitted to Health Board Chief Executives in September 2015;
- the new principles for income and financial flows could be considered for application starting in 2016–17.

20. During the Committee’s evidence session on 14 January 2016, Andrew Goodall, Director General for Health and Social Services and Chief Executive of NHS Wales, told the Committee that work on agreeing principles had not yet concluded. He added that he was hopeful that principles of agreement would be reached by the end of the 2015–16 financial year, but that they were unlikely to be in place to influence allocations in the first part of the 2016–17 financial year.¹⁸

21. The Committee is concerned and disappointed that the timescales for delivery of an improved approach to financial flows across Health Board boundaries have not been met. The Committee would therefore welcome a clear action plan for completion of this work to include timescales for the application of the new methodology.

22. Furthermore, the Committee would welcome an outline of the allocations made to individual Health Boards from the additional £200 million provided for health services in Wales in 2016–17.

E. Intermediate Care Fund

(Principles: prioritisation; value for money)

23. The Intermediate Care Fund (ICF) has increased from £20 million in 2014–15 to £50 million in 2016–17.¹⁹ The Committee notes the funding for the coming

¹⁸ National Assembly for Wales, [Draft Record of Proceedings \[paras 120 - 122\]](#), 14 January 2016

¹⁹ Welsh Government, [Written evidence to HSC Committee: scrutiny of Draft Budget 2016-17](#), 14 January 2016, page 1



year will not be allocated until the projects initiated in the current financial year have been reviewed and welcomes the Minister's commitment to targeting investment at projects which demonstrate tangible evidence of value for money.²⁰

24. The Committee commends the opportunities afforded by the ICF to encourage and stimulate the innovation, health and social care integration, and greater collaboration between the statutory and third sector that is essential to deliver much-needed service transformation in health and social care.
25. The Committee would welcome an outline summary of the outcomes of ICF-funded initiatives, with a particular focus on areas of good practice that should be shared and rolled out across Wales.

F. Capital

(Principles: affordability; budget process)

26. The draft budget capital allocation for 2016–17 is £253m, which includes additional funding of £33.4m when compared to the 2015–16 budget allocation. The Minister told the Committee that, in real terms, by 2019–20, the public capital available to the Welsh Government will have been cut by 30 per cent as compared with 2009–10.²¹
27. The Committee believes that availability of capital funding is a key element in securing service transformation, not just in hospital services but also in primary care. It notes that there are potentially significant upcoming capital costs associated with the delivery of planned service change, including:
 - the Specialist Critical Care Centre (SCCC) at Llanfrechfa;
 - new cancer provision at Velindre Hospital;
 - the possible reshaping of major trauma services in South Wales;
 - the development of neonatal services in North Wales;
 - improving and developing the primary care estate.

²⁰ National Assembly for Wales, [Draft Record of Proceedings \[paras 63 - 64\]](#), 14 January 2016

²¹ Ibid, [Draft Record of Proceedings \[para 17\]](#), 14 January 2016



28. The Committee is concerned that the ambitious capital programme required to deliver the service transformation needed to deliver a sustainable NHS in Wales may not be matched by the necessary capital funding. To this end, the Committee would welcome an update on progress achieved in the delivery of the South Wales Programme, which is key to service transformation. A critical element of this is the SCCC and the Committee would welcome an updated timescale for completion and commissioning of the SCCC.
29. Furthermore, the Committee believes that the information published on the capital programme should be accessible, clear and complete. To this end, it would welcome a clear breakdown of planned capital expenditure for 2016–17, including the totals for ongoing capital work, the discretionary capital allocation for LHBs and Trusts and planned new capital investment.

G. Primary care

(Principles: affordability; budget process; value for money)

30. The Minister set out his 2016–17 plans for General Medical Services in his written evidence, including a commitment to continue providing the additional £40m for primary care that was allocated in 2015–16.²² He indicated the three priorities for this funding would be to help achieve service sustainability, improve access to services, and to move services out of hospital into the community. However, the Minister stated that the allocation of funding for 2016–17 would not be determined until the projects initiated in 2015–16 had been reviewed.²³ The Committee welcomes the Minister’s commitment to targeting investment at:

- projects which demonstrate tangible evidence of value for money;
- diversifying and developing the primary care team;
- improving local access to primary care services.

²² Welsh Government, [Written evidence to HSC Committee: scrutiny of Draft Budget 2016-17](#), 14 January 2016, page 6

²³ National Assembly for Wales, [Draft Record of Proceedings \[para 126\]](#), 14 January 2016



31. The Committee's concerns about GP recruitment and retention are well documented in its 2015 work on the [GP workforce in Wales](#). It would welcome an indication of how the Draft Budget has been shaped to ensure:

- there is a sustainable primary care workforce;
- steps are being taken to balance the proportion of GPs and other health professionals in primary care.

H. Preventative services

(Principles: prioritisation; value for money)

32. The Minister's evidence emphasises the importance of investing in preventative services. He states that his plans have used a "whole systems approach"²⁴ which makes a broader assessment of how public health and social services provision interacts with a variety of other support interventions to meet people's needs. He also acknowledges the importance of rebalancing the health system in Wales towards prevention.²⁵

33. The Deputy Minister told the Committee that it is difficult to be precise about the level of spend on prevention. However, he noted that activity ranges from programmes focused on promoting positive lifestyle messages and supporting people to become better informed about their health and wellbeing, through to immunisation and vaccination programmes, and smoking cessation services.²⁶

34. The Committee shares the Welsh NHS Confederation's view, as set out in its publication [The 2016 Challenge: A vision for NHS Wales](#), that "bold decisions are now required to make industrial scale change" in healthcare services and that a shift of resources from treatment to prevention is needed to support people to make better lifestyle choices. To this end, the Committee would welcome further information on plans that are being put in place to deliver the

²⁴ Welsh Government, [Written evidence to HSC Committee: scrutiny of Draft Budget 2016-17](#), 14 January 2016, page 2

²⁵ Ibid, [Written evidence to HSC Committee: scrutiny of Draft Budget 2016-17: Annex C – Health and Social Services Integrated Impact Assessment](#), 14 January 2016, page 2

²⁶ National Assembly for Wales, [Draft Record of Proceedings \[paras 93 - 94\]](#), 14 January 2016



flexibilities needed to facilitate the further development of preventative services called for by the Welsh NHS Confederation.

I. Impact of legislation

(Principle: affordability)

35. The Minister's evidence sets out a number of areas of legislation which will have a financial impact in 2016–17, including:

Legislation	Funding	Action
Human Transplantation (Wales) Act 2013	£0.6m	Delivery of Targeted NHS Services
Social Services & Well-being (Wales) Act 2014	£4.3m	Social Services Strategy
Regulation & Inspection of Social Care (Wales) Bill	£1.5m	Social Services Strategy
Public Health (Wales) Bill	£0.7m	Promote Health Improvement & Healthy Working
NHS Finance (Wales) Act 2014	£0.025m	Delivery of Core NHS Services

36. The Committee would welcome clarification on:

- how the overall costs of implementing legislation has been estimated;
- what work will be done to control, monitor and report on these costs;
- whether the budget will be sufficient to deal with any potential costs relating to legislation which has not been identified in his report (e.g. the Nurse Staffing Levels (Wales) Bill);
- whether the funding identified for the implementation of the Social Services and Well-being (Wales) Act 2014 will be sufficient.

J. Independent Living Fund

(Principle: prioritisation)

37. Further to the [Committee's consideration in January 2015 of arrangements for the transfer of responsibility for the Independent Living Fund \(ILF\)](#) from the UK to the Welsh Government in summer 2015, it welcomes the Minister's



confirmation that £27 million was allocated to Wales via the Comprehensive Spending Review for 2016–17.²⁷ The Committee further welcomes the Minister’s assurance that the £27 million will be put directly into Wales’ new Independent Living Grant. The Committee also notes that the Minister does not intend to change the administrative arrangements for distributing grants via local government in the short term, but that discussions are underway regarding the long term approach to the administration of the ILG.²⁸

38. The Committee would welcome further information about the longer term arrangements for the distribution of the Independent Living Grant once discussions have progressed.

K. Litigation and the risk pool

(Principle: affordability)

39. The [Welsh Government’s consolidated accounts](#) recognise an obligation to pay for certain costs in future years. Welsh Government provisions have increased to £707 million (2014–15) from £605 million (2013–14). In the 2013–14 accounts it was highlighted that almost all of this, £593.8 million, related to the NHS Welsh Risk Pool, which mainly relates to clinical negligence. The figure for the risk pool was not specified in the 2014–15 accounts.

40. The Committee shares the Minister’s view that the cost of litigation is a “source of anxiety”,²⁹ but recognises the Welsh Government is unable to affect the levels of damages paid out to eligible claimants, as the levels are determined by the courts. However, the Committee notes that growth in the costs and damages associated with the claims is not restricted to Wales and has been experienced across the UK. Furthermore, it notes the Minister’s statement that the increase in the number and cost of claims is lower in Wales than in England.³⁰

41. The Minister explained that Health Boards are now required to demonstrate that action has been taken to address the source of any claim before any

²⁷ National Assembly for Wales, [Draft Record of Proceedings \[para 182\]](#), 14 January 2016

²⁸ Ibid

²⁹ Ibid, [Draft Record of Proceedings \[para 147\]](#), 14 January 2016

³⁰ Ibid



reimbursement is secured from the Risk Pool.³¹ The Committee welcomes these measures.

³¹ National Assembly for Wales, [*Draft Record of Proceedings \[para 149\]*](#), 14 January 2016



Cynulliad Cenedlaethol Cymru
Y Pwyllgor Cymunedau, Cydraddoldeb a Llywodraeth Leol

National Assembly for Wales
Communities, Equality and Local Government Committee

Leighton Andrews AM
Minister for Public Services

22 January 2016

Dear Minister

Thank you for attending the Committee on 13 January 2016 to answer questions on the Welsh Government's draft budget proposals for 2016-17 relating to local government.

The Committee would like to draw your attention to the matters set out below, and looks forward to receiving your response, where appropriate, as soon as possible.

Welsh Government's priorities

We note the total allocation for the local government portfolio for 2016-17 is £3.34 billion, which is a reduction of £87.8 million in cash terms compared to the 2015-16 baseline figures. While any reduction in the allocation is undesirable, we acknowledge that, within the context of continuing financial constraints, and in view of the Welsh Government's decision to increase spending in other key areas, such as health, it is only to be expected. Further, we recognise that the reduction is less than originally anticipated, which is, of course, to be welcomed. Overall, we believe that the allocation is reasonable and provides a fair settlement for local government in Wales.

We note that, within the reduced allocation for local government, an additional £21 million and £34.8 million is provided for social services and funding for schools respectively. When questioned on the outcomes you expect this additional



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funding to achieve, you told us that it would be a matter for the Minister for Education and Skills and the Minister for Health and Social Services “to ensure that their priorities are being delivered by local government”. While we accept that the respective Ministers are accountable for the delivery of policies within their portfolios, we expect you, as the Minister with responsibility for these allocations , to account for the decisions you have taken.

Reserves held by local authorities

While we acknowledge that decisions in respect of reserves are a matter for individual authorities, we believe there is a role for the Welsh Government in ensuring that authorities across Wales have sufficiently robust arrangements in place for the establishment, review and discharge of reserves. To this end, we welcome the positive steps you have taken to improve transparency and accountability in respect of reserves held by local authorities, in particular the publication of annual data on useable reserves on the Welsh Government’s website.

Notwithstanding the above, in discussing the use of reserves by authorities, you told us that “some authorities are more efficient in their use of reserves than others”. This suggests that there is room for improvement and that additional steps may be required in this regard. Given the continuing financial pressures facing authorities, it seems reasonable to expect them to critically review the level and nature of their reserves albeit to satisfy themselves and the electorate that they are using them wisely. **We seek clarification on whether you intend to further pursue this issue with authorities.**

Impact of the funding reductions

Notwithstanding our previous comments on the fair settlement for local government, we remain concerned about the potential impact of the funding reductions on unprotected or discretionary services, such as leisure services. These services are not only important to local communities but have a preventative effect and contribute to the wellbeing agenda. Like you, we believe that short-term decisions to close these services will lead to problems in the future.



We expect you to continue to work alongside relevant Cabinet colleagues to provide support to authorities in identifying alternative models for the delivery of services, which we hope will help safeguard against the loss of discretionary services across Wales. To this end, we welcome the publication of the report on co-operative and mutual models in public service delivery and the recent consultation on the Action Plan for alternative models. **We would like you to report back to the Committee on the outcome of the consultation at the first available opportunity.**

Local government reform

We welcome the publication of the draft Local Government (Wales) Bill, which we will be considering in the coming weeks. While progress has been made in taking forward the reform agenda, we understand that the proposed mergers are not due to take place until 2019 with any potential financial benefits realised in the following years. As raised with you previously, we are concerned that the reform process and proposed mergers may disincentivise authorities in seeking ways to improve service delivery, including entering into collaborative arrangements, in the immediate future. We believe there should be a clear expectation on authorities to continue to seek opportunities to improve and collaborate despite the reforms. **We would like further assurances from you that this is the case.**

Youth Justice

We have some reservations about the reduction in revenue funding for youth justice from £5.2 million in 2015–16 to £4.4 million in 2016–2017. While we recognise that some progress has been made in recent years in tackling youth offending, we are concerned about the implications of the reduction in this important area of preventative spend on youth crime rates.

Given your assertion that it is “critical” that those at risk of reoffending receive the necessary support and have access to appropriate services, and that the Welsh Government has recently reported that reoffending rates remain of concern, we were surprised by your decision. While we acknowledge that the overall reduction in local government allocation must be accommodated, we question whether the case for the reduction in funding for youth justice has been made. As such, **we would like further detail about the basis on which you have made this decision and on the outcomes that you expect to be achieved as a result of this funding allocation.**



Further to the above, you told us that you believe the reduction in funding in this area “can be accommodated by there being greater collaboration across local authority areas”. We question whether this, in itself, will be sufficient to mitigate the impact of the reduction and we refer you to our earlier comments on collaboration. **We would welcome further details from you on what this “greater collaboration” will mean in practice. We would also welcome details of how you intend to monitor the effect of the funding reduction.**

On a wider point, we note your view about the need to consider the future funding of the youth justice system in Wales, given that the UK Government has made clear its intention not to devolve youth justice. The future funding arrangements for non-devolved areas will inevitably be a matter that the next Welsh Government will want to consider. If that Government decides to continue to spend in non-devolved areas, it will be crucial to establish a clear policy framework and agreed outcomes for that expenditure.

Equality impact assessments

We note the steps you have taken to remind local authorities of their equality duties in respect of the budget setting process, and to ensure that they are aware of best practice in relation to this. We accept that it is neither reasonable nor practicable for you to consider every assessment undertaken by authorities. However, we believe that there is an overview role for the Welsh Government in monitoring the robustness of these assessments as well as their cumulative impact. **We would welcome your views on this.** We have written in similar terms to the Minister for Finance and Government Business.

Welsh language

We wish to make the same points as outlined above in respect of impact assessments by local authorities of spending decisions on the Welsh language. Furthermore, we have some concerns about the variation across authorities in their approach to these assessments. It is clear from your evidence that you have some doubts as to whether the imminent introduction of Welsh language standards for authorities will improve this position. **We would like you to provide further details about how you believe this variation can be addressed and what your intentions are in this regard.**



On a wider point, we would like to reiterate the need to continue to promote positive attitudes towards the Welsh language across all authorities. We welcome the establishment of the Working Group on Welsh Language and Local Government Administration and Economic Development and look forward to seeing the outcome of its work.

I am copying this letter to Jocelyn Davies AM, Chair of Finance Committee.

Yours sincerely,



Christine Chapman AM

Chair



Cynulliad Cenedlaethol Cymru

Y Pwyllgor Cymunedau, Cydraddoldeb a Llywodraeth Leol

National Assembly for Wales

Communities, Equality and Local Government Committee

Rt.Hon Carwyn Jones AM
First Minister

22 January 2016

Dear First Minister

Welsh Government draft budget proposals, 2016–17

Thank you for attending the Committee on 13 January 2016 to answer questions on the Welsh Government's draft budget proposals for 2016–17 specifically in relation to the Welsh language.

The Committee would like to draw your attention to the matters set out below, and looks forward to receiving your response in due course.

1. Expenditure and prioritisation

Funding for the Welsh language has again been reduced in the Government's draft budget, from £27.2 million in 2015–16 to £25.6 million in 2016–17. This represents, as you will be aware, a reduction of 5.9% (or 7.5% in real terms).

This reduction is more stark when seen in the context of an overall increase in revenue funding for Welsh Government departments in 2016–17; an increase of £121 million when compared with the 2015–16 baseline¹.

The Welsh Government has a clear responsibility both to maintain vitality in, and encourage the growth of, the Welsh language. It is difficult to see how this can be achieved when the Government continues to withdraw vital financial support in this area. As we discussed during our recent meeting, the development of a naturally bilingual society will be greatly impaired if the Government continues to prioritise other policy areas over the Welsh language when making budgetary

¹ Or an increase of £94.3 million compared with the 2015-16 first supplementary budget



decisions. Expenditure on the language should reflect the ambitions in the Programme for Government for a language that is “thriving”. We do not believe that this has been achieved in this draft budget.

Overall, specific funding for Welsh language programmes represents less than 0.18% of the total funding² allocated to Welsh Government departments in 2016–17. We were, therefore, surprised at the depth of the cut, given that this is an area of relatively low expenditure. We are also concerned that this relatively deep cut is likely to have a disproportionately large impact on the future of the language.

We note your decision to allocate £1.2 million to “cushion the impact of reductions on Welsh language funding”.

- i. Could you clarify whether this will be included in the baseline for next year’s draft budget?

More generally, we have a query about some of the figures provided in your paper about the budget for the Welsh language and those provided by the Minister for Education and Skills in his [paper](#) to the Children, Young People and Education Committee. In your paper, you state that the Welsh Language BEL for the 2016–17 draft budget will be £3,913,000; the Minister states that the BEL will be £3,964,000. You also state that the Welsh Language Commissioner BEL will be £3,051,000; the Minister states it will be £3,000,000.

- ii. Could you clarify which is the correct allocation?

Welsh language centres

We note the Government’s decision to reduce the funding for programmes such as Welsh for Adults in order to focus on other measures to strengthen the language in the community, particularly the establishment of ten language centres.

During our meeting, you told us that arrangements are in place for the centres to share good practice, and that you expect each centre to report annually on its progress. You have agreed to share a copy of these reports with us, and we look forward to receiving them.

In advance of this, we are particularly interested in hearing from you about:

² Capital and Revenue Departmental Expenditure Limits



- iii. the specific outcomes that the Welsh Government expects from these centres in order to establish whether the decision to re-prioritise funding was beneficial for the language.

2. Impact Assessments

We remain concerned about the need to better assess the impact of budget decisions on the Welsh language across Ministerial portfolios. We raised this matter with you last year and, in your recent written evidence, you told us that “steps have been taken in the preparation of the [2016–17] draft budget (...) to ensure that the Welsh language is appropriately considered”. You also told us that in reducing the overall budget for the Welsh language, the Government had “sought (...) to ensure that where cuts have been made they do not have an impact on what is being done on the ground”. Further, we note that guidance has been issued to every department about the use of language impact assessments when preparing their draft budgets.

We were, therefore, disappointed that information still has not been provided about the work undertaken across departments to assess the impact of funding decisions on the language, the results of those assessments or how they have influenced the various funding decisions. Neither is this information included in the Strategic Integrated Impact Assessment, which refers only to the £1.2 million additional allocation for the language and the positive impact on the language resulting from the overall increase in schools funding.

In addition, we were very concerned by your statement that “whilst we have individual language assessments in terms of individual policies and programmes, it’s difficult to provide an overall assessment [of the impact of the budget cuts]”.

- i. We seek an undertaking from you that future SIAs will contain the information outlined above, as well as an assessment of the cumulative impact of funding decisions on the Welsh language.
- ii. We also seek an undertaking from you to publish all relevant documents so that they can be subjected to external scrutiny.

3. Bwrw Mlaen

Following our scrutiny of the draft budget last year, we wrote to you about the need to see more detailed information about the evidence used when



reprioritising funding from programmes such as Welsh for Adults. We also asked for more information on the specific outcomes that you expected from this reprioritisation and the Bwrw Mlaen strategy.

We note that Bangor University was commissioned by the Government to research the use of Welsh as a community language and that this was intended to contribute to your understanding of the success of Bwrw Mlaen's implementation. We were disappointed that you did not also task the University with evaluating the effectiveness of Welsh Government funded programmes to facilitate the use of Welsh or assessing the value for money of these programmes.

We note from your evidence that Bwrw Mlaen was a "specific scheme for a specific time" (...) "designed to make sure that there was funding available for [the 10 language centres] placed strategically around Wales." However, given that the Welsh language BEL (which funds Bwrw Mlaen) faces a 25.6% cash reduction in the draft budget:

- i. what steps do you have in place to evaluate the impact of this reduction, particularly as the Bangor University research did not consider the value for money or effectiveness of the Welsh Government's funded programmes in this area?
- ii. do you intend to commission separate research on this matter?

4. Welsh Language Commissioner's budget

As part of the Welsh Government's 2016–17 draft budget, the Welsh Language Commissioner faces a reduction of £339,000 in her budget, equating to 10% in cash terms. Whilst this is significant in itself, it is even more so when viewed in the context of the previous years' reductions; 8% in 2015–16 and 10% in 2014–15.

When she came before the Committee at the end of last year, the Commissioner told us that, having lost almost a quarter of her income over the past four years, "another cut, over the coming years, and in the next year, is going to be (...) disastrous, in terms of the implementation of the Welsh language Measure."

She told us that the next two years will be "incredibly important" as regards the implementation of the Measure and the standards to be introduced under it,



particularly as it will involve around 250 bodies being brought under the new system during that period.

We note the allocation of an additional £150,000 to the Commissioner's office as part of the 2015–16 financial year, and that this is intended to mitigate the 2016–17 budget reductions. Even allowing for this, the overall reductions in the Commissioner's office over the last few years make it difficult to see how the delivery of the important work of her office in relation to standards will not be hampered.

As part of your evidence, you told us that you anticipate the additional £150,000 will be used during the 2015–16 financial year, as it was intended to assist with the extra work to be undertaken on the standards. We discussed this briefly during the meeting, but could you confirm:

- i. whether there is any flexibility here, in light of the Commissioner's statement to us about the importance of the next *two* years in implementing the Measure?
- ii. do you have any plans to make a similar additional allocation to the Commissioner in 2016–17 for this purpose?

5. Education

Welsh medium education strategy

Following last year's budget scrutiny, we wrote to you to express concerns about the impact of funding reductions on the delivery of the Welsh Government's Welsh-medium education strategy.

We note that, in the 2016–17 draft budget, funding for the Welsh in education BEL increases slightly by £82,000, but that this has been achieved by the transfer of £825,000 from the Welsh language BEL. After this has been accounted for, the effect is a £743,000 reduction. In her evidence to the Finance Committee (7 January 2016), the Finance Minister states that the purpose of this transfer is to “develop a more strategic approach to language acquisition for 0–4 age group”. You told us that the transfer was “more or less an administrative difference” and that the Government wanted to ensure that money was allocated to areas where it could be spent more effectively.



Can you provide us with details of:

- i. the rationale for the transfer between BELs and any schemes or initiatives that will be negatively affected
- ii. the specific outcomes that you expect to arise as a result of the transfer into the Welsh in education BEL.
- iii. the impact of the £743,000 reduction in the Welsh in Education BEL, once the transfer in is accounted for.

Twf

You have described the Twf project as a key preventative spend programme, “part of the Welsh Government’s main intervention in the field of language transmission in the family, considered by experts as one of the two most important areas of language planning (...)”.

We were, therefore, surprised to see that a decision had been taken to reduce the budget allocation for the Twf project in 2016–17 by £0.2 million. We note your evidence that the project is being re–contracted at the end of March, and that this will provide an opportunity to make efficiency savings in “back office” operations without impacting negatively on service delivery.

- iv. What arrangements are in place to measure the impact of the budget reduction in this area, in light of your statement that such a reduction will not involve cutting back on the level of service?

Y Coleg Cymraeg Cenedlaethol

We welcome the work undertaken by the Coleg Cymraeg Cenedlaethol (CCC) to broaden the range of higher education subjects that can be studied through the medium of Welsh. We are concerned, however, about the impact of the £20 million reduction in the funding available to HEFCW to allocate to HE institutions, and the potential impact on the CCC and its ability to continue this work.

During our meeting, we heard from your official that the Welsh Government will provide a “strong steer” to HEFCW, via the remit letter, encouraging it to continue prioritising funding for the CCC, but that ultimately this decision will be a matter for HEFCW.



- v. We seek an assurance from you that, included in this steer, will be a strong statement that future funding decisions taken by HEFCW should not impact disproportionately on the Welsh language.

Flying Start

During our meeting, we briefly discussed the adequacy of Welsh-medium Flying Start provision to feed into Welsh-medium schools. It would seem to be more likely that children who access Welsh-medium Flying Start schemes will continue their education through the medium of Welsh, thus contributing to the Welsh Government's aim of a thriving language and a naturally bilingual society.

With this in mind, we would be grateful for details of the specific actions being taken by the Welsh Government to evaluate—

- vi. whether there are sufficient Welsh-medium Flying Start places to satisfy demand, and
- vii. whether the current Welsh-medium Flying Start provision is sufficient to enable the Government to meet its own objectives for Welsh-medium education in later age-groups.

6. Welsh Books Council

During the meeting, we discussed our concerns about the impact on the language of the proposed 10.6% budget reductions for the Welsh Books Council. We welcome the recent [announcement](#) by the Deputy Minister for Culture, Sport and Tourism that funding for the Council will not be reduced in this draft budget.

Yours sincerely



Christine Chapman AM

Chair

cc. **Jocelyn Davies AM**, Chair, Finance Committee; **Ann Jones AM**, Chair, Children, Young People and Education Committee



Agenda Item 3

Concise Minutes – Finance Committee

Meeting Venue:

Committee Room 2 – Senedd

Meeting date: Thursday, 14 January 2016

Meeting time: 09.07 – 14.50

This meeting can be viewed

on [Senedd TV](#) at:

<http://senedd.tv/en/3333>

Attendance

Category	Names
Assembly Members:	Jocelyn Davies AM (Chair) Peter Black AM Christine Chapman AM Mike Hedges AM Alun Ffred Jones AM Ann Jones AM Julie Morgan AM Nick Ramsay AM
Witnesses:	Jon Rae, Welsh Local Government Association (WLGA) Anthony Hunt, Welsh Local Government Association Huw David, Welsh Local Government Association Adam Cairns, Cardiff and Vale University Health Board Steve Moore, Hywel Dda University Health Board Victoria Winckler, Bevan Foundation Michael Trickey, Joseph Rowntree Foundation



	Eleri Butler MBE, Welsh Women's Aid
Committee Staff:	Bethan Davies (Clerk) Gerallt Roberts (Deputy Clerk) Martin Jennings (Researcher) Christian Tipples (Researcher) Gareth David Thomas (Researcher) Joanest Varney-Jackson (Legal Adviser)

Transcript

View the [meeting transcript](#).

1 Introductions, apologies and substitutions

1.1 The Chair welcomed the Members to the meeting.

1.2 No apologies were received.

2 Papers to note

2.1 The papers were noted.

3 Welsh Government Draft Budget 2016–17: Evidence session 2

3.1 The Committee took evidence from: Jon Rae – Director of Resources, Welsh Local Government Association; Councillor Anthony Hunt – Deputy Leader of Torfaen County Borough Council / Deputy Finance and Resources Spokesperson, Welsh Local Government Association; and Councillor Huw David – Deputy Leader of Bridgend County Borough Council / Health and Social Care Spokesperson, Welsh Local Government Association on the Welsh Government Draft Budget for 2016–17.

3.2 Peter Black AM declared a relevant interest under Standing Order 17.24A.

4 Welsh Government Draft Budget 2016–17: Evidence session 3

4.1 The Committee took evidence from: Adam Cairns – Chief Executive, Cardiff and Vale University Health Board; and Steve Moore – Chief Executive, Hywel Dda University Health Board on the Welsh Government Draft Budget for 2016–17.

5 Welsh Government Draft Budget 2016–17: Evidence session 4

5.1 The Committee took evidence from: Dr Victoria Winckler – Director, Bevan Foundation; and Michael Trickey – Wales Adviser, Joseph Rowntree Foundation on the Welsh Government Draft Budget for 2016–17.

5.2 Mike Hedges AM and Christine Chapman AM declared relevant interests under Standing Order 17.24A.

6 Welsh Government Draft Budget 2016–17: Evidence session 5

6.1 The Committee took evidence from Eleri Butler – Chief Executive, Welsh Women’s Aid on the Welsh Government Draft Budget for 2016–17.

7 Motion under Standing Order 17.42 to resolve to exclude the public from the meeting for the following business:

4.1 The motion was agreed.

8 Welsh Government Draft Budget 2016–17: Consideration of evidence

8.1 The Committee considered the evidence received.

9 Tax Collection and Management (Wales) Bill: Order of Consideration

9.1 The Committee agreed to follow the following order of consideration for Stage 2 Amendments to the Tax Collection and Management (Wales) Bill:

Sections
2 – 34
36 – 79
35
81 – 114

80
116 - 154
115
155 - 161
162 - 168
170 - 182
169
183 - 185
186 - 193
1
Long Title

Concise Minutes – Finance Committee

Meeting Venue:

Committee Room 2 – Senedd

Meeting date: Wednesday, 20 January
2016

Meeting time: 09.00 – 11.42

This meeting can be viewed

on [Senedd TV](#) at:

<http://senedd.tv/en/3359>

Attendance

Category	Names
Assembly Members:	Jocelyn Davies AM (Chair) Peter Black AM Christine Chapman AM Mike Hedges AM Alun Ffred Jones AM Ann Jones AM Julie Morgan AM Nick Ramsay AM
Witnesses:	Jane Hutt AM, The Minister for Finance and Government Business Jo Salway, Welsh Government Jeff Andrews, Welsh Government
Committee Staff:	Bethan Davies (Clerk) Gerallt Roberts (Deputy Clerk) Martin Jennings (Researcher)



Transcript

View the [meeting transcript](#).

1 Introductions, apologies and substitutions

1.1 The Chair welcomed the Members to the meeting.

1.2 No apologies were received.

2 Welsh Government Draft Budget 2016–17: Evidence session 6

2.1 The Committee took evidence from: Jane Hutt AM – Minister for Finance and Government Business; Jo Salway – Deputy Director, Strategic Budgeting, Welsh Government; and Jeff Andrews – Specialist Policy Advisor, Welsh Government on the Welsh Government Draft Budget for 2016–17.

2.2 Peter Black AM declared relevant interests under Standing Order 17.24A.

3 Motion under Standing Order 17.42 to resolve to exclude the public from the meeting for the following business:

3.1 The motion was agreed.

4 Welsh Government Draft Budget 2016–17: Consideration of evidence

4.1 The Committee considered the evidence received.

5 Implementation of the Wales Act 2014

5.1 The Committee noted the reports.

5.2 The Committee agreed to invite: the Secretary of State for Wales on behalf of the UK Government; and the Minister for Finance and Government Business on behalf of the Welsh Government to a meeting of the Committee to consider the reports.

6 Assembly Commission Corporate Performance Report: April 2015 to September 2015

6.1 The Committee noted the report.

Jane Hutt AC / AM
Y Gweinidog Cyllid a Busnes y Llywodraeth
Minister for Finance and Government Business



Llywodraeth Cymru
Welsh Government

Jocelyn Davies AM
Chair
Finance Committee
National Assembly for Wales
Cardiff Bay
CF99 1NA

20 January 2016

Dear Jocelyn,

I am announcing the appointment of Dyfed Alsop as the Implementation Director of the new Welsh Revenue Authority. Dyfed is currently the Chief Strategy Officer at the Valuation Office Agency, and will join the Welsh Government from summer 2016. This appointment is a significant step forward in the establishment of the WRA.

A handwritten signature in black ink that reads "Jane".

Jane Hutt AC / AM
Y Gweinidog Cyllid a Busnes y Llywodraeth
Minister for Finance and Government Business

RHESTR O WELLIANNAU WEDI'U DIDOLI MARSHALLED LIST OF AMENDMENTS

Bil Casglu a Rheoli Trethi (Cymru) Tax Collection and Management (Wales) Bill

Caiff y Bil ei ystyried yn y drefn a ganlyn –

The Bill will be considered in the following order –

Sections 2 - 34	Adrannau 2 -34
Sections 36 - 79	Adrannau 36 - 79
Section 35	Adran 35
Sections 81 - 114	Adrannau 81 - 114
Section 80	Adran 80
Sections 116 - 154	Adrannau 116 - 154
Section 115	Adran 115
Sections 155 - 161	Adrannau 155 - 161
Sections 162 - 168	Adrannau 162 - 168
Sections 170 - 182	Adrannau 170 - 182
Section 169	Adran 169
Sections 183 - 185	Adrannau 183 - 185
Sections 186 - 193	Adrannau 186 - 193
Schedule	Atodlen
Section 1	Adran 1
Long Title	Teitl hir



- Nick Ramsay** 91
Section 2, page 2, line 5, leave out 'the Welsh Revenue Authority' and insert 'Revenue Wales'.
Adran 2, tudalen 2, llinell 5, hepgorer 'Awdurdod Cyllid' a mewnosoder 'Refeniw'.
- Nick Ramsay** 92
Section 2, page 2, line 6, leave out 'Awdurdod Cyllid' and insert 'Refeniw'.
Adran 2, tudalen 2, llinell 5, hepgorer 'Welsh Revenue Authority' a mewnosoder 'Revenue Wales'.
- Nick Ramsay** 93
Section 2, page 2, line 7, leave out 'Welsh Revenue Authority' and insert 'Revenue Wales'.
Adran 2, tudalen 2, llinell 7, hepgorer 'Awdurdod Cyllid' a mewnosoder 'Refeniw'.
- Nick Ramsay** 94
Section 2, page 2, line 7, leave out 'WRA' and insert 'RW'.
Adran 2, tudalen 2, llinell 7, hepgorer 'ACC' a mewnosoder 'RC'.
- Nick Ramsay** 95
Section 2, page 2, line 8, leave out 'WRA' and insert 'RW'.
Adran 2, tudalen 2, llinell 8, hepgorer 'ACC' a mewnosoder 'RC'.
- Nick Ramsay** 96
Section 2, page 2, line 9, leave out 'WRA' and insert 'RW'.
Adran 2, tudalen 2, llinell 9, hepgorer 'ACC' a mewnosoder 'RC'.
- Nick Ramsay** 24
Section 3, page 2, line 13, leave out 'Welsh Ministers' and insert 'National Assembly for Wales'.
Adran 3, tudalen 2, llinell 13, hepgorer 'Weinidogion' a mewnosoder 'Gynulliad Cenedlaethol'.



- Jane Hutt** 75
Section 3, page 2, line 14, leave out '3' and insert '4'.
Adran 3, tudalen 2, llinell 14, hepgorer '3' a mewnosoder '4'.
- Nick Ramsay** 25
Section 3, page 2, line 14, leave out 'Welsh Ministers' and insert 'National Assembly for Wales'.
Adran 3, tudalen 2, llinell 14, hepgorer 'Weinidogion' a mewnosoder 'Gynulliad Cenedlaethol'.
- Nick Ramsay** 26
Section 3, page 2, line 17, leave out 'either 1 or'.
Adran 3, tudalen 2, llinell 17, hepgorer 'naill ai 1 neu'.
- Jane Hutt** 76
Section 3, page 2, line 17, leave out 'nominated by WRA' and insert –
'appointed by the chief executive, and
(e) 1 other member of staff of WRA appointed under section [to be inserted by amendment 83]'.
Adran 3, tudalen 2, llinell 17, hepgorer 'a enwebir gan ACC' a mewnosoder –
'a benodir gan y prif weithredwr, ac
(e) 1 aelod arall o staff ACC a benodir o dan adran [i'w mewnosod gan welliant 83]'.
Adran 3, tudalen 2, llinell 17, hepgorer 'a enwebir gan ACC' a mewnosoder '(“the employee members”)'.
Adran 3, tudalen 2, llinell 17, hepgorer 'a enwebir gan ACC' a mewnosoder '(“yr aelodau sy'n gyflogeion”)'.
Adran 3, tudalen 2, llinell 18, hepgorer 'Gweinidogion' a mewnosoder 'Gynulliad Cenedlaethol'.
- Nick Ramsay** 27
Section 3, page 2, line 17, leave out 'nominated by WRA' and insert '(“the employee members”)'.
Adran 3, tudalen 2, llinell 17, hepgorer 'a enwebir gan ACC' a mewnosoder '(“yr aelodau sy'n gyflogeion”)'.
Adran 3, tudalen 2, llinell 18, hepgorer 'Gweinidogion' a mewnosoder 'Gynulliad Cenedlaethol'.
- Nick Ramsay** 28
Section 3, page 2, line 18, leave out 'Welsh Ministers' and insert 'National Assembly for Wales'.
Adran 3, tudalen 2, llinell 18, hepgorer 'Gweinidogion' a mewnosoder 'Gynulliad Cenedlaethol'.
- Jane Hutt** 1
Section 3, page 2, line 21, after 'it', insert ' ; but the regulations must ensure that the number of non-executive members continues to exceed the number of executive members'.
Adran 3, tudalen 2, llinell 21, ar ôl 'tro', mewnosoder ' ; ond rhaid i'r rheoliadau sicrhau bod nifer yr aelodau anweithredol yn parhau i fod yn uwch na nifer yr aelodau gweithredol'.



Nick Ramsay

29

Section 3, page 2, after line 21, insert—

- '() Appointments made under subsection (1)(a) to (c) and (2) must be based on the conclusion of fair and open competition.'

Adran 3, tudalen 2, ar ôl llinell 21, mewnosoder—

- '() Rhaid seilio penodiadau a wneir o dan is-adran (1)(a) hyd at (c) a (2) ar ganlyniad cystadleuaeth deg ac agored.'

Jane Hutt

77

Section 3, page 2, line 23, after 'are', insert 'collectively'.

Adran 3, tudalen 2, llinell 23, ar ôl 'cyfeirir', mewnosoder 'ar y cyd'.

Nick Ramsay

30

Section 3, page 2, line 25, leave out 'members of WRA nominated under subsection (1)(d)' and insert 'the employee members'.

Adran 3, tudalen 2, llinell 25, hepgorer 'aelodau o ACC a enwebir o dan is-adran (1)(d)' a mewnosoder 'yr aelodau sy'n gyflogeion'.

Jane Hutt

78

Section 3, page 2, line 25, leave out 'nominated under subsection (1)(d) are' and insert 'appointed under subsection (1)(d) or section [to be inserted by amendment 83] are collectively'.

Adran 3, tudalen 2, llinell 25, hepgorer 'at y prif weithredwr ac at aelodau o ACC a enwebir o dan is-adran (1)(d)' a mewnosoder 'ar y cyd at y prif weithredwr ac at aelodau o ACC a benodir o dan is-adran (1)(d) neu o dan adran [i'w mewnosod gan welliant 83]'.

Jane Hutt

79

Section 3, page 2, line 26, after 'members"', insert—

‘;

- (c) the member of WRA appointed under section [to be inserted by amendment 83] is referred to as an "elected executive member".

Adran 3, tudalen 2, llinell 26, ar ôl 'gweithredol"', mewnosoder—

‘;

- (c) cyfeirir at yr aelod o ACC a benodir o dan adran [i'w mewnosod gan welliant 83] fel "aelod gweithredol etholedig".



Nick Ramsay

31

Section 3, page 2, after line 26, insert—

'(5) The Schedule contains provision about appointments under subsection (1)(d).'

Adran 3, tudalen 2, ar ôl llinell 26, mewnosoder—

'(5) Mae'r Atodlen yn cynnwys darpariaeth ynghylch penodiadau o dan is-adran (1)(d).'

Nick Ramsay

32

Section 5, page 3, line 13, leave out 'subsection (3)' and insert 'subsections (3) to ([to be inserted by amendment 38])'.

Adran 5, tudalen 3, llinell 12, hepgorer 'is-adran (3)' a mewnosoder 'is-adrannau (3) hyd at ([i'w mewnosod gan welliant 38])'.

Jane Hutt

80

Section 5, page 3, after line 13, insert—

'() The period of office specified in the terms of a non-executive member's appointment must not be more than 5 years.'

Adran 5, tudalen 3, ar ôl llinell 13, mewnosoder—

'() Ni chaiff y cyfnod yn y swydd a bennir yn nhelerau penodiad aelod anweithredol fod yn hwy na 5 mlynedd.'

Nick Ramsay

33

Section 5, page 3, line 14, after 'as' at the first place where it appears, insert 'chairperson or'.

Adran 5, tudalen 3, llinell 14, ar ôl 'yn' yn y lle cyntaf y mae'n ymddangos, mewnosoder 'gadeirydd neu'n'.

Nick Ramsay

34

Section 5, page 3, line 14, after 'as' at the second place where it appears, insert 'chairperson or'.

Adran 5, tudalen 3, llinell 14, ar ôl 'fel', mewnosoder 'cadeirydd neu'.

Nick Ramsay

35

Section 5, page 3, line 16, after 'as', insert 'chairperson or'.

Adran 5, tudalen 3, llinell 15, ar ôl 'yn' yn yr ail le y mae'n ymddangos, mewnosoder 'gadeirydd neu'n'.



Nick Ramsay

36

Section 5, page 3, line 16, leave out 'subsection (3)' and insert 'subsections (3) to ([to be inserted by amendment 38])'.

Adran 5, tudalen 3, llinell 16, hepgorer 'is-adran (3)' a mewnosoder 'is-adrannau (3) hyd at ([i'w mewnosod gan welliant 38])'.

Nick Ramsay

37

Section 5, page 3, line 17, after 'member,' insert 'chairperson'.

Adran 5, tudalen 3, llinell 17, ar ôl 'ACC,' yn y lle cyntaf y mae'n ymddangos, mewnosoder 'fel cadeirydd ACC'.

Nick Ramsay

38

Section 5, page 3, line 19, leave out subsection (4) and insert—

'() An appointment under this Part is to be for a period of no more than 4 years.

() A person may not be appointed under this Part more than twice.'

Adran 5, tudalen 3, llinell 19, hepgorer is-adran (4) a mewnosoder—

'() Rhaid i benodiad o dan y Rhan hon fod am gyfnod o hyd at 4 blynedd a dim mwy na hynny.

() Ni chaniateir penodi person o dan y Rhan hon fwy na dwywaith.'

Jane Hutt

81

Section 5, page 3, line 19, after 're-appointed', insert 'as a non-executive member once only'.

Adran 5, tudalen 3, llinell 20, ar ôl 'ACC', mewnosoder 'yn aelod anweithredol unwaith yn unig'.

Jane Hutt

82

Section 5, page 3, after line 19, insert—

'() A person who is or has been deputy chairperson of WRA may be re-appointed as deputy chairperson.'

Adran 5, tudalen 3, ar ôl llinell 20, mewnosoder—

'() Caniateir ailbenodi person sy'n is-gadeirydd ACC neu sydd wedi bod yn is-gadeirydd ACC yn is-gadeirydd.'



Jane Hutt

83

Page 3, after line 25, insert a new section –

[[Appointment of elected executive member

- (1) WRA must conduct a ballot of its staff for the purpose of appointing a member of staff as an elected executive member of WRA.
- (2) The non-executive members of WRA must –
 - (a) appoint the winner of the ballot as an elected executive member of WRA, and
 - (b) determine the terms of that person's appointment.
- (3) An elected executive member of WRA holds office as a member for such period and on such terms as are specified in the terms of the member's appointment (but subject to subsection (4) and section 6).
- (4) An elected executive member of WRA may resign from office by giving notice to the non-executive members of WRA.'.

Tudalen 3, ar ôl llinell 24, mewnosoder adran newydd –

[[Penodi aelod gweithredol etholedig

- (1) Rhaid i ACC gynnal pleidlais gudd ymhlith ei staff at ddiben penodi aelod o staff yn aelod gweithredol etholedig o ACC.
- (2) Rhaid i aelodau anweithredol ACC –
 - (a) penodi enillydd y bleidlais gudd yn aelod gweithredol etholedig o ACC, a
 - (b) pennu telerau penodiad y person hwnnw.
- (3) Mae aelod gweithredol etholedig o ACC yn gwasanaethu fel aelod am ba bynnag gyfnod ac ar ba bynnag delerau a bennir yn nhelerau penodiad yr aelod (ond yn ddarostyngedig i is-adran (4) ac adran 6).
- (4) Caiff aelod gweithredol etholedig o ACC ymddiswyddo drwy roi hysbysiad i aelodau anweithredol ACC.'.

Jane Hutt

84

Section 6, page 3, after line 34, insert –

- '() The non-executive members of WRA may remove a person from office as an elected executive member of WRA by notice if –
- (a) the person has been absent from meetings of WRA for a period longer than 6 months without the permission of WRA, or
 - (b) the non-executive members of WRA consider that the person is unfit to be a member or is unable or unwilling to carry out the person's functions as a member.'.



Adran 6, tudalen 3, ar ôl llinell 33, mewnosoder –

- (i) Caiff aelodau anweithredol ACC ddiswyddo person fel aelod gweithredol etholedig o ACC drwy roi hysbysiad –
- (a) os yw'r person wedi bod yn absennol o gyfarfodydd ACC am gyfnod hwy na 6 mis heb ganiatâd ACC, neu
 - (b) os yw aelodau anweithredol ACC o'r farn nad yw'r person yn addas i fod yn aelod neu nad yw'r person yn gallu neu'n fodlon cyflawni ei swyddogaethau fel aelod.'.

Nick Ramsay

39

Section 6, page 3, line 35, after 'be' at the first place where it appears, insert 'chairperson or'.

Adran 6, tudalen 3, llinell 34, ar ôl 'yn' yn yr ail le y mae'n ymddangos, mewnosoder 'gadeirydd ACC neu'n'.

Nick Ramsay

40

Section 7, page 4, line 16, leave out 'Welsh Ministers' and insert 'National Assembly for Wales'.

Adran 7, tudalen 4, llinell 16, hepgorer 'Gweinidogion' a mewnosoder 'Cynulliad Cenedlaethol'.

Nick Ramsay

41

Section 7, page 4, line 18, leave out 'Welsh Ministers' and insert 'National Assembly for Wales'.

Adran 7, tudalen 4, llinell 17, hepgorer 'Gweinidogion' a mewnosoder 'Cynulliad Cenedlaethol'.

Nick Ramsay

42

Section 8, page 4, line 25, leave out 'Welsh Ministers on such terms as they' and insert 'National Assembly for Wales on such terms as it'.

Adran 8, tudalen 4, llinell 23, hepgorer 'Weinidogion Cymru ar unrhyw delerau a bennir ganddynt' a mewnosoder 'Gynulliad Cenedlaethol Cymru ar unrhyw delerau a bennir ganddo'.

Nick Ramsay

43

Section 8, page 4, line 27, after 'by', insert 'the non-executive members of'.

Adran 8, tudalen 4, llinell 25, ar ôl 'gan' yn y lle cyntaf y mae'n ymddangos, mewnosoder 'aelodau anweithredol'.



Nick Ramsay

44

Section 8, page 4, line 27, leave out 'it may, with the approval of the Welsh Ministers' and insert 'they may, with the approval of the National Assembly for Wales'.

Adran 8, tudalen 4, llinell 26, hepgorer 'ACC gyda chymeradwyaeth Gweinidogion' a mewnosoder 'aelodau anweithredol ACC, gyda chymeradwyaeth Cynulliad Cenedlaethol'.

Nick Ramsay

45

Section 8, page 4, line 30, leave out 'Welsh Ministers' and insert 'National Assembly for Wales'.

Adran 8, tudalen 4, llinell 28, hepgorer 'Gweinidogion' a mewnosoder 'Cynulliad Cenedlaethol'.

Jane Hutt

85

Section 9, page 4, line 35, leave out 'may' and insert 'must make rules to'.

Adran 9, tudalen 4, llinell 33, hepgorer 'Caiff ACC' a mewnosoder 'Rhaid i ACC lunio rheolau i'.

Jane Hutt

86

Section 9, page 4, after line 36, insert—

- (2) The rules must provide that a meeting of WRA is not quorate unless a majority of the members present are non-executive members of WRA.'

Adran 9, tudalen 4, ar ôl llinell 34, mewnosoder—

- (2) Rhaid i'r rheolau ddarparu nad oes cworwm mewn cyfarfod o ACC oni bai bod mwyafrif yr aelodau sy'n bresennol yn aelodau anweithredol o ACC.'

Nick Ramsay

46

Page 4, after line 36, insert a new section—

[] Procedure: supplementary

- (1) WRA must make rules for the purpose of regulating WRA's procedure.
- (2) The rules must provide for a quorum for any meetings of WRA (including meetings of committees or sub-committees set up under section 7).
- (3) The rules may provide that different quorums may apply in different circumstances (for example, in relation to particular meetings or for particular purposes).
- (4) The rules must provide that in all circumstances a quorum cannot be met, unless a majority of the members present are non-executive members.'



Tudalen 4, ar ôl llinell 34, mewnosoder adran newydd –

{} **Gweithdrefn: atodol**

- (1) Rhaid i ACC wneud rheolau at ddibenion rheoleiddio gweithdrefnau ACC.
- (2) Rhaid i'r rheolau ddarparu am gworwm ar gyfer unrhyw gyfarfodydd ACC (gan gynnwys cyfarfodydd pwyllgorau neu is-bwyllgorau a sefydlir o dan adran 7).
- (3) Caiff y rheolau ddarparu bod cworymau gwahanol yn gymwys i amgylchiadau gwahanol (er enghraifft, mewn perthynas â chyfarfodydd penodol neu at ddibenion penodol).
- (4) Rhaid i'r rheolau ddarparu na ellir bodloni cworwm ar unrhyw adeg oni bai bod mwyafrif yr aelodau sy'n bresennol yn aelodau anweithredol.'.

Nick Ramsay

47

Page 5, after line 7, insert a new section –

{} **Publication scheme**

- (1) WRA must prepare and publish a publication scheme.
- (2) WRA must publish its decisions and those of its committees and sub-committees in accordance with the publication scheme.
- (3) Subsection (2) does not apply to the extent that WRA considers that publication of decisions would prejudice the effective exercise of its functions or that of its committees or sub-committees.
- (4) Where subsection (3) applies, WRA must publish the reasons for non-publication of decisions.'.

Tudalen 5, ar ôl llinell 7, mewnosoder adran newydd –

{} **Cynllun cyhoeddi**

- (1) Rhaid i ACC baratoi a chyhoeddi cynllun cyhoeddi.
- (2) Rhaid i ACC gyhoeddi ei benderfyniadau ef a phenderfyniadau ei bwyllgorau a'i is-bwyllgorau yn unol â'r cynllun cyhoeddi.
- (3) Nid yw is-adran (2) yn gymwys i'r graddau y mae ACC o'r farn y byddai cyhoeddi penderfyniadau yn niweidio ei allu i arfer ei swyddogaethau yn effeithiol, neu allu ei bwyllgorau neu ei is-bwyllgorau i wneud hynny.
- (4) Pan fo is-adran (3) yn gymwys, rhaid i ACC gyhoeddi'r rhesymau dros beidio â chyhoeddi penderfyniadau.'.



Nick Ramsay

48

Section 11, page 5, after line 18, insert –

- '() Complaints and disputes relating to devolved taxes must be resolved within a period of 30 days or such longer period as may be agreed between WRA and the person making the complaint or raising the dispute.'

Adran 11, tudalen 5, ar ôl llinell 19, mewnosoder –

- '() Rhaid datrys cwynion ac anghydfodau sy'n ymwneud â threthi datganoledig o fewn cyfnod o 30 diwrnod neu unrhyw gyfnod hwy a bennir rhwng ACC a'r person sy'n gwneud y gwyn neu'n codi'r anghydfod.'

Nick Ramsay

49

Page 5, after line 24, insert a new section –

[] Independence of WRA

- (1) The Welsh Ministers must not –
- (a) give directions relating to, or
 - (b) otherwise seek to control,
- the exercise by WRA of its functions.
- (2) This section is subject to any contrary provision made by or under this Act or any other enactment.'

Tudalen 5, ar ôl llinell 27, mewnosoder adran newydd –

[] Annibyniaeth ACC

- (1) Ni chaiff Gweinidogion Cymru –
- (a) rhoi cyfarwyddiadau sy'n ymwneud â'r modd y mae ACC yn arfer ei swyddogaethau, neu
 - (b) ceisio fel arall i reoli'r modd y mae ACC yn arfer ei swyddogaethau.
- (2) Mae'r adran hon yn ddarostyngedig i unrhyw ddarpariaeth groes a wneir gan y Ddeddf hon neu o dan y Ddeddf hon neu unrhyw ddeddfiad arall.'

Nick Ramsay

50

Section 12, page 5, at the beginning of line 26, insert 'Subject to subsection (*[to be inserted by amendment 52]*)'.

Adran 12, tudalen 5, ar ddechrau llinell 29, mewnosoder 'Yn ddarostyngedig i is-adran (*[i'w mewnosod gan welliant 52]*)'.



Jane Hutt

87

Section 12, page 5, after line 29, insert—

- '(2) But WRA may not authorise a committee or sub-committee to carry out any of its functions (to any extent) unless at least one of the members of the committee or sub-committee is a non-executive member of WRA.
- (3) The authorisation of the carrying out of a function under this section does not affect—
 - (a) WRA's ability to exercise the function, or
 - (b) WRA's responsibility for the exercise of the function.'

Adran 12, tudalen 5, ar ôl llinell 33, mewnosoder—

- '(2) Ond ni chaiff ACC awdurdodi pwyllgor neu is-bwyllgor i gyflawni unrhyw un neu ragor o'i swyddogaethau (i unrhyw raddau) oni bai bod o leiaf un o aelodau'r pwyllgor neu'r is-bwyllgor yn aelod anweithredol o ACC.
- (3) Nid yw'r awdurdodiad i gyflawni swyddogaeth o dan yr adran hon yn effeithio ar—
 - (a) gallu ACC i arfer y swyddogaeth, na
 - (b) cyfrifoldeb ACC dros arfer y swyddogaeth.'

Nick Ramsay

51

Section 12, page 5, after line 29, insert—

- '(2) A member, committee or sub-committee to which functions are delegated is expected to adhere to the standards of behaviour and values included in the Charter prepared under section 25(1).'

Adran 12, tudalen 5, ar ôl llinell 33, mewnosoder—

- '(2) Disgwylir i aelod, pwyllgor neu is-bwyllgor y dirprwywyd swyddogaethau iddo gadw at y safonau ymddygiad a'r gwerthoedd a gynhwysir yn y Siarter a baratoir o dan adran 25(1).'

Nick Ramsay

52

Section 12, page 5, after line 29, insert—

- '(2) The following functions may not be delegated—
 - (a) submission of the corporate plan under section 26(1);
 - (b) publication and submission to the Welsh Ministers of the annual report and its laying before the National Assembly for Wales under section 27(1);
 - (c) submission of the Tax Statement under section 29(1).'



Adran 12, tudalen 5, ar ôl llinell 33, mewnosoder –

- '(2) Ni chaniateir dirprwyo'r swyddogaethau a ganlyn –
- (a) cyflwyno cynllun corfforaethol o dan adran 26(1);
 - (b) cyhoeddi adroddiad blynyddol a'i anfon at Weinidogion Cymru a'i osod gerbron Cynulliad Cenedlaethol Cymru o dan adran 27(1);
 - (c) cyflwyno'r Datganiad Treth o dan adran 29(1).'

Peter Black

21

Section 13, page 5, after line 32, insert –

- '() Prior to delegating any of its functions WRA must prepare a statement of service standards.
- () A person to whom functions have been delegated must adhere to the statement of service standards.'

Adran 13, tudalen 5, ar ôl llinell 36, mewnosoder –

- '() Cyn dirprwyo unrhyw un o'i swyddogaethau rhaid i ACC baratoi datganiad o safonau gwasanaeth.
- () Rhaid i berson y dirprwyir swyddogaethau iddo lynu at y datganiad o safonau gwasanaeth.'

Peter Black

22

Section 13, page 6, after line 14, insert –

- '(8) A statement of service standards may include different provisions for different functions but must include reference to the exercise of the delegated function or functions through the medium of the Welsh and English languages.'

Adran 13, tudalen 6, ar ôl llinell 17, mewnosoder –

- '(8) Caiff datganiad o safonau gwasanaeth gynnwys darpariaethau gwahanol ar gyfer swyddogaethau gwahanol ond rhaid iddo gynnwys cyfeiriad at arfer y swyddogaeth neu swyddogaethau dirprwyedig drwy gyfrwng y Gymraeg a'r Saesneg.'

Nick Ramsay

53

Section 13, page 6, after line 14, insert –

- '(8) A person exercising functions pursuant to a delegation under subsection (1) is expected to adhere to the standards of behaviour and values included in the Charter prepared under section 25(1).'



Adran 13, tudalen 6, ar ôl llinell 17, mewnosoder –

- '(8) Disgwylir i berson sy'n arfer swyddogaethau yn unol â dirprwyaeth o dan is-adran (1) lynu at y safonau ymddygiad a'r gwerthoedd a gynhwysir yn y Siarter a baratoir o dan adran 25(1).'

Nick Ramsay

54

Page 6, line 15, leave out section 14 and insert –

'14 Ministerial guidance

- (1) The Welsh Ministers may give guidance to WRA about the exercise of its functions.
- (2) WRA must have regard to any guidance given by Welsh Ministers.
- (3) The Welsh Ministers must publish any guidance given to WRA under this section as they consider appropriate.
- (4) The Welsh Ministers must lay before the National Assembly for Wales a copy of guidance published under subsection (3).
- (5) Subsections (3) and (4) do not apply to the extent that the Welsh Ministers consider that publication of the guidance would prejudice the effective exercise by WRA of its functions.'

Tudalen 6, llinell 18, hepgorer adran 14 a mewnosoder –

'14 Canllawiau Gweinidogol

- (1) Caiff Gweinidogion Cymru roi canllawiau i ACC ynghylch arfer ei swyddogaethau.
- (2) Rhaid i ACC roi sylw i unrhyw ganllawiau a roddir gan Weinidogion Cymru.
- (3) Rhaid i Weinidogion Cymru gyhoeddi unrhyw ganllawiau a roddir i ACC o dan yr adran hon sy'n briodol yn eu barn hwy.
- (4) Rhaid i Weinidogion Cymru osod copi o ganllawiau a gyhoeddir o dan is-adran (3) gerbron Cynulliad Cenedlaethol Cymru.
- (5) Nid yw is-adrannau (3) a (4) yn gymwys i'r graddau y mae Gweinidogion Cymru o'r farn y byddai cyhoeddi'r canllawiau yn niweidio gallu ACC i arfer ei swyddogaethau yn effeithiol.'

Nick Ramsay

55

Page 6, line 16, leave out section 14.

Tudalen 6, llinell 19, hepgorer adran 14.

Jane Hutt

2

Section 14, page 6, line 23, leave out subsection (6).

Adran 14, tudalen 6, llinell 27, hepgorer is-adran (6).



Peter Black

74

Section 22, page 10, line 13, leave out subsections (1) to (2) and insert –

- '(1) The Government of Wales Act 2006 is amended as follows.
- (2) In section 124 (payments out of the Welsh Consolidated Fund) in subsection (3) after paragraph (d) insert –
 - “(e) the Welsh Revenue Authority”.’.

Adran 22, tudalen 10, llinell 15, hepgorer is-adrannau (1) hyd at (2) a mewnosoder –

- '(1) Mae Deddf Llywodraeth Cymru 2006 wedi ei diwygio fel a ganlyn.
- (2) Yn adran 124 (taliadau o Gronfa Gyfunol Cymru) yn is-adran (3) ar ôl paragraff (d) mewnosoder –
 - “(e) the Welsh Revenue Authority”.’.

Nick Ramsay

56

Section 22, page 10, after line 16, insert –

- '(3) The Welsh Ministers must publish annually details of the sums paid to WRA under subsection (1).’.

Adran 22, tudalen 10, ar ôl llinell 18, mewnosoder –

- '(3) Rhaid i Weinidogion Cymru gyhoeddi manylion y symiau a delir i ACC o dan is-adran (1) yn flynyddol.’.

Nick Ramsay

57

Section 23, page 10, after line 19, insert –

- '(2) “Rewards” include (but are not limited to) sums paid by WRA to individuals providing information relating to tax avoidance, tax evasion or other dishonest or fraudulent behaviour on the part of a taxpayer. ’.

Adran 23, tudalen 10, ar ôl llinell 21, mewnosoder –

- '(2) Mae “gwobrau” yn cynnwys (ond nid ydynt yn gyfyngedig i) symiau a delir gan ACC i unigolion sy'n darparu gwybodaeth yn ymwneud ag osgoi trethi, efadu trethi neu ymddygiad anonest neu dwyllodrus arall ar ran y trethdalwr.’.



Nick Ramsay

58

Section 23, page 10, after line 19, insert—

- (2) WRA must report annually to the National Assembly for Wales on the sums paid by way of reward.
- (3) WRA must—
 - (a) lay the report prepared under subsection (2) before the National Assembly for Wales; and
 - (b) publish the report on its website.
- (4) The report must include details of the sums paid in respect of tax avoidance, tax evasion or other dishonest or fraudulent behaviour.’.

Adran 23, tudalen 10, ar ôl llinell 21, mewnosoder—

- (2) Rhaid i ACC adrodd yn flynyddol i Gynulliad Cenedlaethol Cymru ar y symiau a dalwyd ar ffurf gwobrau.
- (3) Rhaid i ACC—
 - (a) gosod yr adroddiad a baratoir o dan is-adran (2) gerbron Cynulliad Cenedlaethol Cymru; a
 - (b) cyhoeddi'r adroddiad ar ei wefan.’.
- (4) Rhaid i'r adroddiad gynnwys manylion y symiau a delir mewn perthynas ag osgoi trethi, efnadu trethi neu ymddygiad anonest neu dwyllodrus arall.’.

Nick Ramsay

59

Section 24, page 10, after line 24, insert—

- (3) For the purposes of this section disbursements do not include rewards paid under section 23.’.

Adran 24, tudalen 10, ar ôl llinell 27, mewnosoder—

- (3) At ddibenion yr adran hon nid yw all daliadau yn cynnwys gwobrau a roddir o dan adran 23.’.

Nick Ramsay

60

Section 25, page 10, line 27, after ‘Charter’, insert ‘which provides for a quality service for the taxpayer’.

Adran 25, tudalen 10, llinell 30, ar ôl ‘Siarter’, mewnosoder ‘sy’n rhoi gwasanaeth o ansawdd i'r trethdalwr’.



Nick Ramsay

3A

As an amendment to amendment 3, line 1, leave out 'is expected to' and insert 'must'.
Fel gwelliant i welliant 3, llinell 1, hepgorer 'disgwyllir' a mewnosoder 'bydd rhaid'.

Jane Hutt

3

Section 25, page 10, line 29, leave out 'to which WRA will aspire' and insert 'which WRA is expected to adhere to'.

Adran 25, tudalen 10, llinell 32, hepgorer 'bydd ACC yn ymgyrraedd' a mewnosoder 'disgwyllir i ACC gadw'.

Jane Hutt

4

Section 25, page 10, line 32, leave out 'to'.

Nid oes angen diwygio'r fersiwn Cymraeg. There is no need to amend the Welsh version.

Jane Hutt

5

Section 25, page 10, line 33, leave out 'aspire' and insert 'adhere to'.

Adran 25, tudalen 10, llinell 36, hepgorer 'ymgyrraedd' a mewnosoder 'gadw'.

Nick Ramsay

6A

As an amendment to amendment 6, after line 5, insert—

- (iii) the first review is to be undertaken within 12 months.

Fel gwelliant i welliant 6, ar ôl llinell 6, mewnosoder—

- (iii) mae'r adolygiad cyntaf i'w gynnal o fewn 12 mis.

Jane Hutt

6

Section 25, page 11, line 3, leave out 'from time to time' and insert—
'—

- (i) at least once in the period of 5 years beginning with the day on which the Charter is published, and
- (ii) subsequently, at least once in the period of 5 years following a review'.



Adran 25, tudalen 11, llinell 3, hepgorer 'o bryd i'w gilydd' a mewnosoder –
' –

- (i) o leiaf unwaith yn y cyfnod o 5 mlynedd sy'n dechrau â'r diwrnod y cyhoeddir y Siarter, a
- (ii) wedi hynny, o leiaf unwaith yn y cyfnod o 5 mlynedd sy'n dilyn adolygiad '.

Jane Hutt

7

Section 25, page 11, line 6, leave out 'or revising the' and insert 'the Charter or a revised'.

Adran 25, tudalen 11, llinell 6, hepgorer 'cyhoeddi neu ddiwygio'r Siarter' a mewnosoder 'cyhoeddi'r Siarter neu Siarter ddiwygiedig'.

Peter Black

61A

As an amendment to amendment 61, line 2, leave out '6' and insert '3'.

Fel gwelliant i welliant 61, llinell 2, hepgorer '6' a mewnosoder '3'.

Nick Ramsay

61

Section 25, page 11, after line 9, insert –

- '(6) The first Charter must be published within 6 months of the coming into force of this section.'

Adran 25, tudalen 11, ar ôl llinell 9, mewnosoder –

- '(6) Rhaid cyhoeddi'r Siarter gyntaf o fewn 6 mis i'r adran hon ddod i rym.'

Nick Ramsay

62

Section 25, page 11, after line 9, insert –

- '(6) WRA must report annually to the National Assembly for Wales on the steps taken to fulfil their duty under this section.
- (7) WRA must –
 - (a) lay the report prepared under subsection (6) before the National Assembly for Wales; and
 - (b) publish the report on its website. '



Adran 25, tudalen 11, ar ôl llinell 9, mewnosoder –

- '(6) Rhaid i ACC adrodd yn flynyddol i Gynulliad Cenedlaethol Cymru ar y camau a gymerwyd i gyflawni ei ddyletswydd o dan yr adran hon.
- (7) Rhaid i ACC –
 - (a) gosod yr adroddiad a baratoir o dan is-adran (6) gerbron Cynulliad Cenedlaethol Cymru; a
 - (b) cyhoeddi'r adroddiad ar ei wefan.'

Nick Ramsay

63

Section 26, page 11, line 13, leave out 'Welsh Ministers' and insert 'National Assembly for Wales'.
Adran 26, tudalen 11, llinell 13, hepgorer 'Weinidogion' a mewnosoder 'Gynulliad Cenedlaethol'.

Nick Ramsay

64

Section 26, page 11, line 16, leave out 'outcomes' and insert 'key performance measures'.
Adran 26, tudalen 11, llinell 16, hepgorer 'canlyniadau' a mewnosoder 'mesurau perfformiad allweddol'.

Nick Ramsay

65

Section 26, page 11, line 19, leave out 'Welsh Ministers' and insert 'National Assembly for Wales'.
Adran 26, tudalen 11, llinell 20, hepgorer 'Gweinidogion' a mewnosoder 'Gynulliad Cenedlaethol'.

Nick Ramsay

66

Section 26, page 11, line 21, leave out 'Welsh Ministers' and insert 'National Assembly for Wales'.
Adran 26, tudalen 11, llinell 22, hepgorer 'Gweinidogion' a mewnosoder 'Gynulliad Cenedlaethol'.

Nick Ramsay

67

Section 26, page 11, after line 23, insert –

- '() WRA must report annually to the National Assembly for Wales on the steps taken to fulfil their duty under this section.
- () WRA must –
 - (a) lay the report prepared under subsection () before the National Assembly for Wales; and
 - (b) publish the report on its website.'



Adran 26, tudalen 11, ar ôl llinell 24, mewnosoder –

- '() Rhaid i ACC adrodd yn flynyddol i Gynulliad Cenedlaethol Cymru ar y camau a gymerwyd i gyflawni ei ddyletswydd o dan yr adran hon.
- () Rhaid i ACC –
 - (a) gosod yr adroddiad a baratoir o dan is-adran () gerbron Cynulliad Cenedlaethol Cymru; a
 - (b) cyhoeddi'r adroddiad ar ei wefan.'

Nick Ramsay

68

Section 26, page 11, line 25, leave out 'Welsh Ministers' and insert 'National Assembly for Wales'.
Adran 26, tudalen 11, llinell 27, hepgorer 'Weinidogion' a mewnosoder 'Gynulliad Cenedlaethol'.

Nick Ramsay

69

Section 26, page 11, line 33, leave out 'Welsh Ministers' and insert 'National Assembly for Wales'.
Adran 26, tudalen 11, llinell 35, hepgorer 'Weinidogion' a mewnosoder 'Gynulliad Cenedlaethol'.

Nick Ramsay

70

Section 27, page 12, line 2, after 'year', insert 'and no later than 31 August'.
Adran 27, tudalen 12, llinell 2, ar ôl 'ariannol', mewnosoder 'a dim hwyrach na 31 Awst'.

Jane Hutt

8

Section 27, page 12, line 7, leave out 'to'.
Nid oes angen diwygio'r fersiwn Cymraeg. There is no need to amend the Welsh version.

Jane Hutt

9

Section 27, page 12, line 8, leave out 'aspire' and insert 'adhere to'.
Adran 27, tudalen 12, llinell 10, hepgorer 'ymgyrraedd' a mewnosoder 'cadw'.

Nick Ramsay

71

Section 28, page 12, after line 15, insert –

- '() Accounting records kept under subsection (1) must include details of rewards paid under section 23.'
- Adran 28, tudalen 12, ar ôl llinell 17, mewnosoder –
- '() Rhaid i gofnodion cyfrifo a gedwir o dan is-adran (1) gynnwys manylion gwobrau a roddir o dan adran 23.'



Jane Hutt

10

Section 30, page 13, line 4, leave out 'report' and insert 'reports'.

Adran 30, tudalen 13, llinell 3, hepgorer 'adroddiad' a mewnosoder 'adroddiadau'.

Jane Hutt

88

Section 30, page 13, line 7, after 'lawfully', insert 'and in accordance with the authority which governs it'.

Adran 30, tudalen 13, llinell 7, ar ôl 'gyfreithlon', mewnosoder 'ac yn unol â'r awdurdod sy'n ei lywodraethu'.

Jane Hutt

11

Section 32, page 13, line 35, leave out 'accounts' and insert 'WRA's accounts and the Tax Statement'.

Adran 32, tudalen 13, llinell 35, ar ôl 'cyfrifon', mewnosoder 'ACC a'r Datganiad Treth'.

Jane Hutt

12

Page 14, after line 15, insert a new section –

[] Auditor General for Wales

In section 23 of the Public Audit (Wales) Act 2013 (anaw 3) (general provision relating to fees), in subsection (3), after paragraph (b) insert –

“(ba) an examination, certification or report under section 30 of the Tax Collection and Management (Wales) Act 2016 in respect of the Welsh Revenue Authority's Tax Statement;”.

Tudalen 14, ar ôl llinell 15, mewnosoder adran newydd –

[] Archwilydd Cyffredinol Cymru

Yn adran 23 o Ddeddf Archwilio Cyhoeddus (Cymru) 2013 (dccc 3) (darpariaeth gyffredinol yn ymwneud â ffioedd), yn is-adran (3), ar ôl paragraff (b) mewnosoder –

“(ba) ymchwiliad, ardystiad neu adroddiad o dan adran 30 o Ddeddf Casglu a Rheoli Trethi (Cymru) 2016 mewn cysylltiad â Datganiad Treth Awdurdod Cyllid Cymru;”.



Jane Hutt

13

Section 170, page 74, after line 7, insert –

- '(c) a decision to include a particular requirement in –
 - (i) a taxpayer notice, or
 - (ii) a third party notice to which section 88(3) applies.'

Adran 170, tudalen 74, ar ôl llinell 7, mewnosoder –

- '(c) penderfyniad i gynnwys gofyniad penodol mewn –
 - (i) hysbysiad trethdalwr, neu
 - (ii) hysbysiad trydydd parti y mae adran 88(3) yn gymwys iddo.'

Jane Hutt

14

Section 180, page 79, line 7, leave out 'the penalty' and insert 'any amount of penalty that is disputed (a "disputed amount")'.

Adran 180, tudalen 79, llinell 8, hepgorer 'i'r gosb' a mewnosoder 'i unrhyw swm o gosb y mae anghydfod yn ei gylch ("swm y mae anghydfod yn ei gylch")'.

Jane Hutt

15

Section 180, page 79, line 8, leave out 'penalty is payable, the person must pay that penalty' and insert 'disputed amount is payable, the person must pay that amount'.

Adran 180, tudalen 79, llinell 9, hepgorer 'cosb yn daladwy, rhaid i'r person dalu'r gosb honno' a mewnosoder 'swm y mae anghydfod yn ei gylch yn daladwy, rhaid i'r person dalu'r swm hwnnw'.

Jane Hutt

16

Section 180, page 79, line 13, leave out 'the penalty' and insert 'any disputed amount'.

Adran 180, tudalen 79, llinell 14, hepgorer 'i'r gosb' a mewnosoder 'i unrhyw swm y mae anghydfod yn ei gylch'.

Jane Hutt

17

Section 180, page 79, line 16, leave out 'the penalty' and insert 'any disputed amount'.

Adran 180, tudalen 79, llinell 17, hepgorer 'y gosb' a mewnosoder 'unrhyw swm y mae anghydfod yn ei gylch'.



Jane Hutt

18

Section 180, page 79, line 17, leave out 'penalty' and insert 'disputed amount'.

Adran 180, tudalen 79, llinell 18, hepgorer 'gosb y daeth yr adolygiad i'r casgliad ei bod' a mewnosoder 'swm y mae anghydfod yn ei gylch y daeth yr adolygiad i'r casgliad ei fod'.

Jane Hutt

19

Section 180, page 79, line 20, leave out 'penalty is payable, the person must pay that penalty' and insert 'disputed amount is payable, the person must pay that amount'.

Adran 180, tudalen 79, llinell 21, hepgorer 'cosb yn daladwy, rhaid i'r person dalu'r gosb honno' a mewnosoder 'swm y mae anghydfod yn ei gylch yn daladwy, rhaid i'r person dalu'r swm hwnnw'.

Peter Black

23

Page 83, after line 20, insert a new section –

[] Functions of the National Assembly for Wales

- (1) The National Assembly for Wales may by standing orders make provision regarding the exercise of the functions conferred upon it by or under this Act.
- (2) Such provision includes, but is not limited to, delegating functions to the Presiding Officer, the Deputy Presiding Officer, a committee or sub-committee of the National Assembly for Wales or the chair of such a committee or sub-committee.
- (3) This section does not apply to the National Assembly for Wales's functions under section 187 (Regulations).

Tudalen 83, ar ôl llinell 20, mewnosoder adran newydd –

[] Swyddogaethau Cynulliad Cenedlaethol Cymru

- (1) Caiff Cynulliad Cenedlaethol Cymru, drwy reolau sefydlog, wneud darpariaeth ynghylch arfer y swyddogaethau a roddir iddo gan neu o dan y Ddeddf hon.
- (2) Mae darpariaeth o'r fath yn cynnwys dirprwyo swyddogaethau i'r Llywydd, y Dirprwy Lywydd, i bwyllgor neu is-bwyllgor y Cynulliad Cenedlaethol neu i gadeirydd pwyllgor neu is-bwyllgor o'r fath (ond nid yw'n gyfyngedig i hynny).
- (3) Nid yw'r adran hon yn gymwys i swyddogaethau Cynulliad Cenedlaethol Cymru o dan adran 187 (Rheoliadau).



Jane Hutt

89

Section 191, page 87, Table 1, after line 5, column 1, insert –
'Elected executive member ("aelod gweithredol etholedig")'.

Adran 191, tudalen 86, Tabl 1, ar ôl llinell 26, colofn 1, mewnosoder –
'Aelod gweithredol etholedig ("elected executive member")'.

Jane Hutt

90

Section 191, page 87, Table 1, after line 5, column 2, insert –
'section 3(4)(c)'.

Adran 191, tudalen 86, Tabl 1, ar ôl llinell 26, colofn 2, mewnosoder –
'adran 3(4)(c)'.

Jane Hutt

20

Nid oes angen diwygio'r fersiwn Saesneg. There is no need to amend the English version.

Adran 191, tudalen 86, Tabl 1, llinell 26, colofn 1, hepgorer 'aelod gweithredol' a mewnosoder
'executive member'.

Nick Ramsay

72

Page 88, after line 27, insert a new schedule –

'SCHEDULE
(introduced by section 3([to be inserted by amendment 31]))

APPOINTMENT OF EMPLOYEE MEMBERS TO WRA BOARD

Appointment of employee members

- 1 The employee members are to comprise –
- (a) a person appointed in accordance with paragraph 2 ("the appointed member"),
and
 - (b) a person appointed in accordance with paragraph 3 ("the elected member").

The appointed member

- 2 (1) The chief executive must recommend a person to the non-executive members for
appointment as the appointed member under this paragraph.
- (2) The non-executive members must –
- (a) appoint that person, or



- (b) require the chief executive to recommend another person (in which event this sub-paragraph applies again and so on until someone is appointed).

The elected member

- 3
- (1) This paragraph applies to the appointment of an elected member.
 - (2) As soon as reasonably practical, WRA must conduct a ballot of its staff for the purpose of appointing a person under this paragraph.
 - (3) The elected member is to be appointed by the non-executive members in accordance with the result of the ballot.

Terms of appointment

- 4
- (1) The terms of the employee members' appointment are to be determined by the non-executive members.
 - (2) The terms may include remuneration arrangements which—
 - (a) may provide for allowances, gratuities, and other benefits to cover expenses properly and necessarily incurred by the person in the capacity of member of WRA, and
 - (b) may include a formula or other mechanism for adjusting one or more of those elements from time to time.
 - (3) The remuneration arrangements may not provide for payment of a salary or, subject to sub-paragraph (5), a pension.
 - (4) Amounts payable by virtue of sub-paragraph (2) are to be paid by WRA.
 - (5) If an employee member is a participant in a pension scheme under the terms of their employment with WRA, the remuneration arrangements must (without affecting the continuity of that employment) provide for their service as an employee member to be treated for the purposes of the scheme as service as an employee of WRA.

Termination of appointments

- 5
- The appointment of an employee member terminates—
- (a) if the terms of appointment provide for it to expire at the end of a period, at the end of that period, and
 - (b) in any event, when the member ceases to be an employee of WRA.
- 6
- (1) An employee member may resign by giving written notice to the non-executive members.
 - (2) The appointment is terminated upon acceptance of the resignation by the non-executive members.
- 7
- The non-executive members may terminate the appointment of an employee member by giving the member written notice if—
- (a) the member has been absent from meetings of WRA without WRA's permission for a period or periods totalling 3 months or more in any 12 month period,



- (b) the member is unfit to continue the appointment because of misconduct,
- (c) the member has failed to comply with the terms of the appointment, or
- (d) the member is otherwise unable, unfit or unwilling to carry out the member's functions.'

Tudalen 88, ar ôl llinell 25, mewnosoder atodlen newydd –

'ATODLEN

(a gyflwynir gan adran 3([i'w mewnosod gan welliant 31]))

PENODI AELODAU SY'N GYFLOGEION I FWRDD ACC

Penodi aelodau sy'n gyflogeion

- 1 Mae'r aelodau sy'n gyflogeion i gynnwys –
- (a) person a benodir yn unol â pharagraff 2 ("yr aelod a benodir"), a
 - (b) person a benodir yn unol â pharagraff 3 ("yr aelod etholedig").

Yr aelod a benodir

- 2 (1) Rhaid i'r prif weithredwr argymell person i'r aelodau anweithredol i'w benodi yn aelod a benodir o dan y paragraff hwn.
- (2) Rhaid i'r aelodau anweithredol –
- (a) penodi'r person hwnnw, neu
 - (b) ei gwneud yn ofynnol i'r prif weithredwr argymell person arall (os felly bydd yr is-baragraff hwn yn gymwys dro ar ôl tro hyd nes bod rhywun wedi ei benodi'n aelod).

Yr aelod etholedig

- 3 (1) Mae'r paragraff hwn yn gymwys i benodiad aelod etholedig.
- (2) Cyn gynted ag y bo'n rhesymol ymarferol, rhaid i ACC gynnal pleidlais o'i staff at ddiben penodi person o dan y paragraff hwn.
- (3) Mae'r aelod etholedig i'w benodi gan yr aelodau anweithredol yn unol â chanlyniad y bleidlais.

Telerau penodi

- 4 (1) Bydd telerau penodi yr aelodau sy'n gyflogeion yn cael eu pennu gan yr aelodau anweithredol.
- (2) Caiff y telerau gynnwys trefniadau talu cydnabyddiaeth a all –



- (a) gwneud darpariaeth ar gyfer lwfansau, arian rhodd a buddion eraill i dalu treuliau yr aed iddynt yn briodol ac o anghenraid gan y person yn rhinwedd ei swydd fel aelod o ACC, a
 - (b) cynnwys fformiwla neu drefn arall ar gyfer addasu un neu fwy o'r elfennau hynny o dro i dro.
- (3) Ni chaiff y trefniadau talu cydnabyddiaeth ddarparu ar gyfer talu cyflog nac ychwaith, yn ddarostyngedig i is-baragraff (5), ar gyfer pensiwn.
- (4) Bydd y symiau sy'n daladwy yn rhinwedd is-baragraff (2) yn cael eu talu gan ACC.
- (5) Os yw aelod sy'n gyflogai yn cyfranogi mewn cynllun pensiwn o dan delerau cyflogaeth gydag ACC, rhaid i'r trefniadau talu cydnabyddiaeth (heb effeithio ar barhad y gyflogaeth honno) wneud darpariaethau sy'n sicrhau bod gwasanaeth fel aelod sy'n gyflogai i'w drin, at ddibenion y cynllun, fel petai'n wasanaeth fel cyflogai i ACC.

Dod â phenodiadau i ben

- 5 Mae penodiad aelod sy'n gyflogai yn dod i ben—
- (a) os yw'r telerau penodi yn darparu ei fod yn dod i ben ar ddiwedd cyfnod, ar ddiwedd y cyfnod hwnnw, a
 - (b) beth bynnag yw'r sefyllfa, pan fo'r aelod yn peidio â bod yn gyflogai i ACC.
- 6 (1) Caiff aelod sy'n gyflogai ymddiswyddo drwy roi hysbysiad ysgrifenedig i'r aelodau anweithredol.
- (2) Bydd y penodiad yn dod i ben pan fo'r ymddiswyddiad yn cael ei dderbyn gan yr aelodau anweithredol.
- 7 Caiff yr aelodau anweithredol ddod â phenodiad aelod sy'n gyflogai i ben drwy roi hysbysiad ysgrifenedig i'r aelod—
- (a) os bu'r aelod yn absennol o gyfarfodydd ACC heb ganiatâd ACC am gyfanswm o 3 mis neu fwy (dros gyfnod neu gyfnodau) mewn unrhyw gyfnod o 12 mis,
 - (b) os yw'r aelod yn anaddas i barhau oherwydd camymddygiad,
 - (c) os yw'r aelod wedi methu â chydymffurfio â thelerau'r penodiad, neu
 - (d) os yw'r aelod yn methu â chyflawni ei swyddogaethau fel arall, yn anaddas i'w cyflawni fel arall, neu'n anfodlon eu cyflawni fel arall.'.



TAX COLLECTION AND MANAGEMENT (WALES) BILL – STAGE 2 GOVERNMENT AMENDMENTS

This table provides information about the amendments tabled in the name of the Minister for Finance and Government Business Jane Hutt AM on 18 January.

	GOVERNMENT AMENDMENT	GWELLIANT Y LLYWODRAETH	PURPOSE AND EFFECT
75.	Section 3, page 2, line 14, leave out '3' and insert '4'.	Adran 3, tudalen 2, llinell 14, hepgorer '3' a mewnosoder '4'.	<p>The purpose of this amendment is to replace '3' with '4' in section 3.</p> <p>The effect of this amendment is to increase the minimum number of non-executive members of WRA by one, so as to ensure that there is still a non-executive majority on the WRA board following the creation of an elected executive member position (amendment 83).</p>
76.	Section 3, page 2, line 17, leave out 'nominated by WRA' and insert — 'appointed by the chief executive, and (e) 1 other member of staff of WRA appointed under section [to be inserted by amendment 83]'. 	Adran 3, tudalen 2, llinell 17, hepgorer 'a enwebir gan ACC' a mewnosoder— 'a benodir gan y prif weithredwr, ac (e) 1 aelod arall o staff ACC a benodir o dan adran [i'w mewnosod gan welliant 83]'. 	<p>The purpose of this amendment is to replace 'nominated by WRA' with 'appointed by the chief executive' in relation to executive member appointments and to insert a new category of member: an elected executive member.</p> <p>The effect of this amendment is to: (1) provide that other executive members of the WRA Board are appointed by the chief executive (rather than nominated by WRA); and, (2) provide for a new category of WRA executive member, namely a staff member that is to be appointed in accordance with the procedure introduced by amendment 83.</p>
77.	Section 3, page 2, line 23, after 'are', insert 'collectively'.	Adran 3, tudalen 2, llinell 23, ar ôl 'cyfeirir', mewnosoder 'ar y cyd'.	<p>The purpose of this amendment is to insert the word 'collectively'.</p> <p>The effect of this amendment is to clarify that the chairperson and members of WRA appointed under subsection (1)(b) are <i>collectively</i> referred</p>

	GOVERNMENT AMENDMENT	GWELLIANT Y LLYWODRAETH	PURPOSE AND EFFECT
			to as “non-executive members” for the purposes of Part 2.
78.	Section 3, page 2, line 25, leave out ‘nominated under subsection (1)(d) are’ and insert ‘appointed under subsection (1)(d) or section [to be inserted by amendment 83] are collectively’.	Adran 3, tudalen 2, llinell 25, hepgorer ‘at y prif weithredwr ac at aelodau o ACC a enwebir o dan is-adran (1)(d)’ a mewnosoder ‘ar y cyd at y prif weithredwr ac at aelodau o ACC a benodir o dan is-adran (1)(d) neu o dan adran [i’w mewnosod gan welliant 83]’.	The purpose of this amendment is to replace ‘nominated’ with ‘appointed’ and to include a reference to the elected executive member in section 3 as a consequence of amendments 76 and 83. The effect of this amendment is clarify that the chief executive and members of WRA appointed under section 1(d) or the section inserted by amendment 83 are collectively referred to as “executive members” for the purposes of Part 2.
79.	Section 3, page 2, line 26, after ‘members’”, insert — ‘ (c) the member of WRA appointed under section [to be inserted by amendment 83] is referred to as an “elected executive member”’.	Adran 3, tudalen 2, llinell 26, ar ôl ‘gweithredol’”, mewnosoder— ‘ (c) cyfeirir at yr aelod o ACC a benodir o dan adran [i’w mewnosod gan welliant 83] fel “aelod gweithredol etholedig”’.	The purpose of this amendment is to insert a provision that the person appointed as a result of the process introduced by amendment 83 is to be referred to in Part 2 as an “elected executive member”. The effect of this amendment is that that member is referred to as an “elected executive member”.
80.	Section 5, page 3, after line 13, insert — ‘() The period of office specified in the terms of a non-executive member’s appointment must not be more than 5 years.’.	Adran 5, tudalen 3, ar ôl llinell 13, mewnosoder— ‘() Ni chaiff y cyfnod yn y swydd a bennir yn nhelerau penodiad aelod anweithredol fod yn hwy na 5 mlynedd.’.	The purpose of this amendment is to insert provision regarding the length of appointment of a non-executive member. The effect of this amendment is to limit the term of appointment of a non-executive member of WRA to a period of no more than 5 years.
81.	Section 5, page 3, line 19, after ‘re-appointed’,	Adran 5, tudalen 3, llinell 20, ar ôl ‘ACC’, mewnosoder ‘yn aelod anweithredol unwaith yn	The purpose of this amendment is to insert provision regarding the re-appointment as a non-

	GOVERNMENT AMENDMENT	GWELLIANT Y LLYWODRAETH	PURPOSE AND EFFECT
	insert 'as a non-executive member once only'.	unig'.	executive member in section 5. The effect of this amendment is that WRA non-executives can only be re-appointed once. Amendments 80 and 81 together mean a non-executive member cannot be appointed for more than 10 years in total.
82.	Section 5, page 3, after line 19, insert — '() A person who is or has been deputy chairperson of WRA may be re-appointed as deputy chairperson.'	Adran 5, tudalen 3, ar ôl llinell 20, mewnosoder— '() Caniateir ailbenodi person sy'n is-gadeirydd ACC neu sydd wedi bod yn is-gadeirydd ACC yn is-gadeirydd.'	The purpose of this amendment is to insert a new subsection in section 5 relating to the reappointment of a non-executive member as deputy chairperson. The effect of this amendment is to maintain consistency with section 5(4) (as amended by amendment 81), and to clarify that a non-executive member may be re-appointed as deputy chairperson).
83.	Page 3, after line 25, insert a new section— [] Appointment of elected executive member (1) WRA must conduct a ballot of its staff for the purpose of appointing a member of staff as an elected executive member of WRA. (2) The non-executive members of WRA must— (a) appoint the winner of the ballot as an elected executive member of WRA, and (b) determine the terms of that person's	Tudalen 3, ar ôl llinell 24, mewnosoder adran newydd— [] Penodi aelod gweithredol etholedig (1) Rhaid i ACC gynnal pleidlais gudd ymhlith ei staff at ddiben penodi aelod o staff yn aelod gweithredol etholedig o ACC. (2) Rhaid i aelodau anweithredol ACC— (a) penodi enillydd y bleidlais gudd yn aelod gweithredol etholedig o ACC, a (b) pennu telerau penodiad y person hwnnw. (3) Mae aelod gweithredol etholedig o ACC yn	The purpose of this amendment is to insert a new section (Appointment of elected executive member). The effect of the amendment is to provide for an additional category of WRA executive member, namely a staff member that is to be appointed by the non-executive members following the conduct of a WRA staff ballot ("elected executive member"). The non-executive members must also determine the terms of that person's appointment.

	GOVERNMENT AMENDMENT	GWELLIANT Y LLYWODRAETH	PURPOSE AND EFFECT
	<p>appointment.</p> <p>(3) An elected executive member of WRA holds office as a member for such period and on such terms as are specified in the terms of the member's appointment (but subject to subsection (4) and section 6).</p> <p>(4) An elected executive member of WRA may resign from office by giving notice to the non-executive members of WRA.'</p>	<p>gwasanaethu fel aelod am ba bynnag gyfnod ac ar ba bynnag delerau a bennir yn nhelerau penodiad yr aelod (ond yn ddarostyngedig i is-adran (4) ac adran 6).</p> <p>(4) Caiff aelod gweithredol etholedig o ACC ymddiswyddo drwy roi hysbysiad i aelodau anweithredol ACC.'</p>	
84.	<p>Section 6, page 3, after line 34, insert —</p> <p>'() The non-executive members of WRA may remove a person from office as an elected executive member of WRA by notice if —</p> <p>(a) the person has been absent from meetings of WRA for a period longer than 6 months without the permission of WRA, or</p> <p>(b) the non-executive members of WRA consider that the person is unfit to be a member or is unable or unwilling to carry out the person's functions as a member.'</p>	<p>Adran 6, tudalen 3, ar ôl llinell 33, mewnosoder—</p> <p>'() Caiff aelodau anweithredol ACC ddiswyddo person fel aelod gweithredol etholedig o ACC drwy roi hysbysiad—</p> <p>(a) os yw'r person wedi bod yn absennol o gyfarfodydd ACC am gyfnod hwy na 6 mis heb ganiatâd ACC, neu</p> <p>(b) os yw aelodau anweithredol ACC o'r farn nad yw'r person yn addas i fod yn aelod neu nad yw'r person yn gallu neu'n fodlon cyflawni ei swyddogaethau fel aelod.'</p>	<p>The purpose of this amendment is to insert new subsections referring to the circumstances in which non-executive members of the WRA may remove a person from office as an elected executive member.</p> <p>The effect of this amendment is that the non-executive members of WRA may remove a person from office as an elected executive member of WRA by notice if —</p> <ul style="list-style-type: none"> the person has been absent from meetings of WRA for a period longer than 6 months without the permission of WRA, or the non-executive members of WRA consider that the person is unfit to be a member or is unable or unwilling to carry out the person's functions as a member.
85.	<p>Section 9, page 4, line 35, leave out 'may' and insert 'must make rules to'.</p>	<p>Adran 9, tudalen 4, llinell 33, hepgorer 'Caiff ACC' a mewnosoder 'Rhaid i ACC lunio rheolau i'.</p>	<p>The purpose of this amendment is to replace 'may' with 'must make rules to' in section 9.</p> <p>The effect of this amendment is to put WRA</p>

	GOVERNMENT AMENDMENT	GWELLIANT Y LLYWODRAETH	PURPOSE AND EFFECT
			under a duty to make rules for the purpose of regulating its own procedure and that of any committee or sub-committee.
86.	Section 9, page 4, after line 36, insert — '(2) The rules must provide that a meeting of WRA is not quorate unless a majority of the members present are non-executive members of WRA.'	Adran 9, tudalen 4, ar ôl llinell 34, mewnosoder— '(2) Rhaid i'r rheolau ddarparu nad oes cworwm mewn cyfarfod o ACC oni bai bod mwyafrif yr aelodau sy'n bresennol yn aelodau anweithredol o ACC.'	The purpose of this amendment is to insert a new subsection in section 9 relating to the rules of the WRA. The effect of this amendment is that the rules in relation to regulating procedure must provide that a WRA Board meeting cannot be quorate unless a majority of non-executive members are present.
87.	Section 12, page 5, after line 29, insert — '(2) But WRA may not authorise a committee or sub-committee to carry out any of its functions (to any extent) unless at least one of the members of the committee or subcommittee is a non-executive member of WRA. (3) The authorisation of the carrying out of a function under this section does not affect— (a) WRA's ability to exercise the function, or (b) WRA's responsibility for the exercise of the function.'	Adran 12, tudalen 5, ar ôl llinell 33, mewnosoder— '(2) Ond ni chaiff ACC awdurdodi pwyllgor neu is-bwyllgor i gyflawni unrhyw un neu ragor o'i swyddogaethau (i unrhyw raddau) oni bai bod o leiaf un o aelodau'r pwyllgor neu'r is-bwyllgor yn aelod anweithredol o ACC. (3) Nid yw'r awdurdodiad i gyflawni swyddogaeth o dan yr adran hon yn effeithio ar— (a) gallu ACC i arfer y swyddogaeth, na (b) cyfrifoldeb ACC dros arfer y swyddogaeth.'	The purpose of this amendment is to insert new subsections in section 12 relating to the WRA authorising the carrying out of its functions by a member of WRA, by a committee or sub-committee of WRA, or by the chief executive or any other member of staff of WRA. The effect of this amendment is that a committee or sub-committee of the WRA cannot be authorised to carry out WRA functions (to any extent) unless at least one of its members is a non-executive member of the WRA Board. The amendment also makes this section consistent with section 13(6) by clarifying that the carrying out a function by a member, committee, sub-committee, chief executive or member of staff of WRA does not affect WRA's ability to exercise the function or its responsibility for the exercise of a function.

	GOVERNMENT AMENDMENT	GWELLIANT Y LLYWODRAETH	PURPOSE AND EFFECT
88.	Section 30, page 13, line 7, after 'lawfully', insert 'and in accordance with the authority which governs it'.	Adran 30, tudalen 13, llinell 7, ar ôl 'gyfreithlon', mewnosoder 'ac yn unol â'r awdurdod sy'n ei lywodraethu'.	<p>The purpose of this amendment is to insert 'and in accordance with the authority which governs it' in section 30.</p> <p>The effect of this amendment is to provide that in examining the WRA's accounts submitted under section 30, the Auditor General for Wales must, in particular, be satisfied that the expenditure to which the accounts relate has been incurred lawfully and in accordance with the authority which governs it.</p> <p>This amendment makes the Auditor General for Wales' duties under section 30 consistent with his duties under sections 131(7)(a) and 137(6)(a) of the Government of Wales Act 2006. These provisions relate, respectively, to the Welsh Ministers' accounts and the Assembly Commission's accounts.</p>
89.	Section 191, page 87, Table 1, after line 5, column 1, insert— 'Elected executive member ("aelod gweithredol etholedig")'.	Adran 191, tudalen 86, Tabl 1, ar ôl llinell 26, colofn 1, mewnosoder— 'Aelod gweithredol etholedig ("elected executive member")'.	This amendment and amendment 90 inserts an entry for " Elected executive member" into the index of defined expressions, as a consequence of amendment 79 .
90.	Section 191, page 87, Table 1, after line 5, column 2, insert— 'section 3(4)(c)'	Adran 191, tudalen 86, Tabl 1, ar ôl llinell 26, colofn 2, mewnosoder— 'adran 3(4)(c)'	This amendment and amendment 89 inserts an entry for " Elected executive member" into the index of defined expressions, as a consequence of amendment 79 .