

## Finance Committee - FIN(4) 13-12 – Paper 1

### Review of recommendations made by the Committee for the Welsh Government's draft budget 2012-2013

The following paper looks at last year's Welsh Government Draft Budget Scrutiny recommendations, and what has happened since. It is intended to refresh memories ahead of this year's process.

Members are invited to comment if there are issues they feel require further attention.

Recommendation	What's happened since
<b>1.</b> We recommend that the Welsh Government continues to work towards ensuring that the intended outcomes of public expenditure - and mechanisms for monitoring such - are consistently identified and published in a timely way that enables effective scrutiny of the sufficiency and value for money of the Welsh Government's budgetary proposals. <b>(Page 21)</b>	The Welsh Government response stated that progress would be reported through the Programme for Government, which was published earlier this year. It details progress against commitments in the Programme for Government. The WG is working to more closely align its spending with these commitments.
<b>2.</b> We recommend that in presenting future draft budgets, the Welsh Government provides detail of year-on-year proposed budgetary changes (using the figures from the previous financial year's most recent budget as a baseline). <b>(Page 28)</b>	See 3 (below).
<b>3.</b> We recommend that in presenting future draft budgets, the Welsh Government seeks to make all relevant and requested information on proposed budgetary allocations (including detail of proposed budgetary allocations within departments, such as BELs) available to National Assembly for Wales Committees, providing a sufficient level of detail for scrutiny in a consistent and co-ordinated manner, at the time of the draft budget's publication, or as close to it as reasonably possible. <b>(Page 28)</b>	Final budget figures were presented as requested. Government agreed in response to work with committee on improving transparency. A series of constructive meetings has taken place between officials, and we are hopeful that Assembly officials will spend a couple of days with WG officials in October learning more about their process.
<b>4.</b> We recommend that the Minister for Finance responds to the concerns of	See 3.

the Committees of the National Assembly for Wales, and takes on board the views of stakeholders, in order to improve the timeliness and level of detail published in the draft budget proposals, to enable more effective scrutiny of the budget proposals in relation to specific areas. <b>(Page 28)</b>	
<b>5.</b> We recommend that the Welsh Government works expeditiously towards developing a strategic approach towards the utilisation of its capital resources, providing quarterly reports to the Finance Committee on its progress. We recommend that this should provide clarity on which elements of the Welsh Government's planned capital expenditure, and how it will be administered and monitored, are included within the National Infrastructure Plan, to enable scrutiny of such. <b>(Page 35)</b>	Government believes it is doing this (and innovating as in rec 6) through the Wales Infrastructure Investment Plan.
<b>6.</b> We recommend that the Welsh Government continues to explore all avenues for increasing and maximising capital funding opportunities and maximising the benefits for Wales. We anticipate this would include a robust analysis of both the short and long-term consequences for Wales of such mechanisms for increasing capital funding. We anticipate the Welsh Government would also provide us with quarterly reports on the matters raised in these recommendations. <b>(Page 36)</b>	See above. Quarterly reports not implemented, but the Minister said she'd be happy to provide updates as appropriate.
<b>7.</b> We recommend that a full equality impact assessment is carried out for all proposed allocations within the Welsh Government's final budget. We anticipate this would be accompanied by an assessment of the budget's impact on the development of the Welsh Language. <b>(Page 45)</b>	The Draft budget narrative stated that <b>where plans had changed <i>significantly</i></b> , they had been impact assessed for equality. Definitions of significance can differ. Welsh Government's response said it had 'Placed the equality assessment at the centre of our budget processes'. It also notes it was the first UK administration to undertake a comprehensive Equality Impact Assessment. WG believes its Welsh language questionnaire, integrated in to the policy-making process, and Language Scheme

	covers this adequately.
<b>8.</b> We recommend that a full Sustainability Impact Assessment is carried out for all proposed allocations within the Welsh Government's final budget. (Page 45)	WG says consideration of SD has been mainstreamed in to all aspects of the budget planning process.
<b>9.</b> We recommend that the Welsh Government engages in dialogue with Local Health Boards to ensure that their service plans are finalised and made publically available as soon as possible, and that the Minister then reports on whether the funding available to Local Health Boards will be sufficient to deliver such plans (Page 55)	From WG response: "There is no reason to believe that the additional funding we are providing to the NHS in the Draft Budget will be insufficient for them to deliver their service plans."
<b>10.</b> We recommend that the Welsh Government clarifies the role of its delivery unit in ensuring the delivery of the outcomes intended to be enabled by the draft budget. We anticipate this would include clarity of the role of the delivery unit in both monitoring the delivery of outcomes, and enabling appropriate action to be taken where outcomes are in danger of not being realised. (Page 60)	WG response says that the role is clear, as set out in the FM's <a href="#">statement</a> of 13 July 2011. (hyperlink to the statement, in case you're reading a printout) While the statement clarifies the monitoring role, it is less clear on how it turns around a programme where outcomes are in danger of not being realised.