

## **A call for information – Welsh Government Draft Budget proposals for 2022-23**

The Committees of the Welsh Parliament are seeking information to inform their scrutiny of the Welsh Government's 2022-23 Draft Budget proposals. We are interested in exploring expectations of the 2022-23 Budget, including financial readiness for the 2022-23 year and the impact of the 2021-22 Budget. In addition, the 2022-23 Draft Budget will be impacted by the focus of recovery from the Covid-19 pandemic.

The Welsh Government's Draft Budget is usually published in October. However, this year it will be delayed until after the UK Government publishes its Comprehensive Spending Review, which is due to conclude on 27 October 2021.

**The Welsh Government has announced it is planning to publish the outline and detailed draft Budgets together on 20 December 2021, and the final Budget on 1 March 2022.**

The **Finance Committee** looks at the Welsh Government's budget from a strategic, overarching perspective. We also work with the other Senedd Committees to ensure that proposals for specific departments, or ministerial portfolios are considered in detail. Committees will each undertake their own focussed evidence sessions in order to examine the areas of the draft budget that fall within their respective remits. Further details on Senedd Committees and the budget process can be found at **Annex 1**.

In this paper we have detailed specific questions at **Annex 2**. You can answer any/all of these, or just let us know in general terms about your views in relation to the draft budget.

### **Disclosure of Information**

Before submitting information to the Committee, please ensure that you have considered the **Senedd's policy on disclosure of information**. Alternatively, a hard copy of this policy can be requested by contacting the Clerk, Owain Roberts (0300 200 6388 [seneddfinance@senedd.wales](mailto:seneddfinance@senedd.wales)).

### **Providing information to the Committee**

Interested parties are invited to submit written evidence to the Clerk of the Finance Committee to arrive by **Friday, 26 November 2021**. If you wish to contribute but are



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concerned that you won't be able to meet this deadline, please speak with the Clerk of the Committee on 0300 200 6388.

The Senedd has two official languages, Welsh and English. In line with the Senedd's Official Languages Scheme, the Committee requests that documents or written responses to consultations intended for publication or use in Senedd proceedings are submitted bilingually. When documents or written responses are not submitted bilingually, we will publish in the language submitted, stating that it has been received in that language only. We expect other organisations to implement their own standards or schemes and to comply with their statutory obligation

Yours sincerely,



Peredur Owen Griffiths MS  
Chair of the Finance Committee

Croesewir gohebiaeth yn Gymraeg neu Saesneg.

We welcome correspondence in Welsh or English.



## Annex 1- Background information

### Who are we?

The **Finance Committee** is a cross party committee of the Welsh Parliament, made up of Members from three political parties represented at the Welsh Parliament.

The Committee is not part of the Welsh Government. Rather, the Committee is responsible for reporting on proposals laid before the Welsh Parliament by Welsh Ministers relating to the use of resources.

Who are the other Committees involved in scrutinising the budget?

The other Committees involved in scrutinising the budget are:

- Children, Young People and Education Committee
- Climate Change, Environment, and Infrastructure Committee
- Culture, Communications, Welsh Language, Sport, and International Relations Committee
- Economy, Trade, and Rural Affairs Committee
- Equality and Social Justice Committee
- Health and Social Care Committee
- Local Government and Housing Committee

What is the Welsh Government's draft budget?

The draft budget proposals must contain details of the amount of resources the Welsh Government proposes to use in the following financial year and indicative figures for the subsequent two financial years. More specifically it should set out:

- the use of resources and cash to be withdrawn from the Welsh Consolidated Fund by the Welsh Government, Senedd Commission, Audit Wales and Public Services Ombudsman for Wales.
- how expenditure proposals will be financed, including taxation and borrowing plans.
- income to be retained by those organisations (rather than being surrendered to the Welsh Consolidated Fund).



The Welsh Government will also provide a narrative document which sets out allocations within departments, how proposals align with priorities and desired outcomes. The Welsh Government will also provide forecasts of taxation, borrowing and debt.

**Why are we not doing this consultation after the Welsh Government's draft budget proposals have been published?**

Responding to this consultation will not preclude stakeholders from also providing information, evidence, concerns and suggested areas for scrutiny to Senedd Committees **after** the publication of the Welsh Government's outline draft budget proposals or the detailed budget proposals.

There is a very limited time for stakeholders to suggest areas of concern to Committees after the detail of the draft budget has been published. By doing this consultation now, we hope stakeholders will have more time to consider the potential impact of the budget.



## Annex 2

### Consultation questions

1. What, in your opinion, has been the impact of the Welsh Government's 2021-22 budget including funding related to COVID-19?
2. How do you think Welsh Government priorities for 2022-23 should change to respond to COVID-19?
3. How financially prepared is your organisation for the 2022-23 financial year, and how can the budget give you more certainty in planning and managing budgets given the ongoing volatility and uncertainty?
4. Given the ongoing uncertainty and rapidly changing funding environment do you think there should be changes to the budget and scrutiny processes to ensure sufficient transparency and Ministerial accountability?
5. Does the Fiscal Framework adequately reflect the impact of the public health emergency in Wales compared to other UK countries and do you support increasing the annual and/or overall limits, £150 million and £1 billion respectively, to current Welsh Government capital borrowing within this Framework?
6. The Committee would like to focus on a number of specific areas in the scrutiny of the budget, do you have any specific comments on any of the areas identified below, particularly in light of the COVID-19 situation and how these should be reflected in the 2022-23 budget?
  - How resources should be targeted to support economic recovery and what sectors in particular need to be prioritised.
  - To what extent alleviating climate change should be prioritised in supporting economic recovery.
  - How resources should be prioritised to address the pressures felt in sectors that need to "catch-up", such as Health and Education.
  - Welsh Government policies to reduce poverty and gender inequality.
  - Approach to preventative spending and how is this represented in resource allocations (Preventative spending = spending which focuses on preventing problems and eases future demand on services by intervening early).
  - Sustainability of public services, innovation and service transformation.
  - How evidence is driving Welsh Government priority setting and budget allocations.
  - How the Welsh Government should use taxation powers and borrowing.



- What specific support is needed in the budget for businesses, economic growth and agriculture, related to post EU transition.
- What are the key opportunities for Government investment to support 'building back better' (i.e. supporting an economy and public services that better deliver against the well-being goals in the Well-being of Future Generations Act).

