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Ymateb gan: Archwilio Cymru

Welsh Parliament
Economy, Trade, and Rural Affairs Committee
Food (Wales) Bill

Evidence from: Audit Wales

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Dear Chair

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Consultation on the Food (Wales) Bill

Thank you for the opportunity to provide views on this Bill.

I am pleased that the comments we provided in 2022 on the draft bill in respect of audit arrangements have been taken into account. It would, however, be helpful if the audit provisions were revised somewhat further.

As drafted, paragraph 18 of the Schedule to the Bill deviates somewhat from the standard provisions for examinations of economy, efficiency and effectiveness, as are to be found in the Public Services Ombudsman (Wales) Act 2019 and the Government of Wales Act 1998. Key points of deviation are that:

- (a) Sub-paragraph 18(1) of the Schedule to the Bill requires the Auditor General to consult the Senedd, whereas the standard requirement is for the Auditor General to take account of the views of the Public Administration & Public Accounts Committee. (The relevant provisions in legislation, such as the Acts mentioned above, refer to this committee as the "Audit Committee", which is defined by section 30 of the Government of Wales Act 2006, including in respect of the variation in name). Unless this is revised in the Bill, or perhaps addressed by amending Standing Order 18, this deviation would lead to the inconsistent and somewhat onerous situation in which the Auditor General must take the views of the whole Senedd in the case of examinations of the

Food Commission rather than the views of PAPAC, as is the case for all other examinations of government bodies (outside local government).

- (b) Sub-paragraph 18(4) requires the Auditor General to lay reports of any examination of economy, efficiency and effectiveness in the Commission's use of resources before the Senedd. This contrasts with the standard provision for laying reports, which takes the form of a power to lay, i.e. giving the Auditor General the discretion not to lay a report, such as where there is little value in producing a report.

A further issue is the Bill's inclusion of sub-paragraph 19(5) of the Schedule, which amends section 6 of the Well-being of Future Generations (Wales) Act 2015 so as to add the Commission to list of bodies covered by Part 2 of that 2015 Act. This has the effect of requiring the Commission to set and pursue well-being objectives for itself to pursue the 2015 Act's well-being goals. It also has the effect of requiring the Auditor General to undertake at least once every five years a "Sustainable Development Principle" examination of the Commission under the 2015 Act. Such examinations assess the Commission's adherence to the Sustainable Development Principle in setting and pursuing well-being objectives.

As the Food Commission's functions set out in the Bill largely concern advising, informing, providing oversight and review, it is not a direct service delivery authority in the way that other bodies covered by Part 2 of the 2015 Act are. Other oversight and review bodies, such as the Future Generations Commissioner, the Chief Inspector of Education & Training in Wales and the Auditor General are not subject to Part 2 of the 2015 Act.

Furthermore, we understand that as set out in paragraph 14 of the Explanatory Memorandum, "the aims of provisions within the Bill will be focused on meeting the seven wellbeing goals." This is much the same ground as the setting and pursuit of well-being objectives under the 2015 Act, as section 3(2)(a) of that Act requires, "setting and publishing objectives ("well-being objectives") that are designed to maximise its contribution to achieving each of the well-being goals." Subjecting the Food Commission to Part 2 of the 2015 Act therefore seems to lead some significant duplication.

Apart from the cost of other aspects of compliance with Part 2 of the 2015 Act, "Sustainable Development Principle" examinations will need to be funded either by fees charged to the Commission or by supply through the Wales Audit Office estimate. Estimating the cost of such examinations is always subject to a great deal of uncertainty, but we consider that for a body with the functions of the Food

Commission this is unlikely to be less than £30,000 in each reporting cycle. This would be in addition to the annual cost of the audit of accounts.

Overall, I suggest that it would be appropriate to omit sub-paragraph 19(5) from the Schedule to the Bill.

I hope that these comments are helpful.

Yours sincerely ,

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Auditor General for Wales.