

Peredur Owen Griffiths MS
Chair
Finance Committee

18 May 2023

Scrutiny of the Draft Budget 2023-24: Evidence provided by Welsh Government

Dear Peredur

Thank you for your letter of 8 March 2023, and the opportunity to comment on the budget documentation provided by the Welsh Government to inform the Senedd's scrutiny of the Draft Budget 2023-24. We discussed your letter at our meeting of 3 May 2023 and would like to offer the following:

Timeliness

As you know, the time available for scrutiny of the Draft Budget by Committees is limited. We feel that the tight timescales make it challenging to meaningfully assess the impact of the Draft Budget on the policy areas within our remit, and to prepare for the oral evidence sessions with the Ministers.

Quality and usefulness

For us to scrutinise effectively, it is essential that we can rely upon, understand and analyse the information presented to us. We believe that there is room for more clarity and transparency in the Welsh Government's Draft Budget documentation and ministerial written evidence.

1. We believe that the Welsh Government could be more transparent in the way it presents information in the Draft Budget by better forecasting and analysis of the impacts of Welsh income tax revenue and inflation. For example, it was not clear in the Draft Budget

documentation that there had been a real terms reduction in some budgets given the impact of inflation.

2. We also believe that the Welsh Government should also ensure clarity and consistency throughout its Draft Budget documentation and written evidence when referring to budget allocations. We sometimes find inconsistent usage of figures in different Draft Budget papers.

3. On the specific matter of the Draft Budget papers relating to the Welsh Language policy area, whilst acknowledging that the evidence from the Minister is normally comprehensive, we note that there are multiple small areas of expenditure and a lack of clarity around which budget expenditure line the funding has come from. It would be helpful if the Welsh Government could provide an easy-to-follow table of expenditure on the various schemes and projects according to which budget expenditure line it is from, alongside the previous final outturn and any indicative expenditure.

4. Finally, the Welsh Government needs to be clearer in its budget narrative and documentation about how spending across other government portfolios contributes to policy areas within the Committee's remit. This should be clear in terms of messaging, and in terms of identified money, outcomes and measures. Likewise, we ask that the Welsh Government be more transparent when funding has to be reprioritised by setting out where funding has been re-allocated to another area, the rationale for doing so, and the consequences of that decision for those services affected.

I hope that these reflections on our experience of scrutinising the Welsh Government's Draft Budget 2023-24 will be of assistance in driving forward improvements for future years.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Delyth Jewell'.

Delyth Jewell MS
Committee Chair

Croesewir gohebiaeth yn Gymraeg neu Saesneg.

We welcome correspondence in Welsh or English.