

CYPE(6)-20-23 – Paper to note 8

Senedd Cymru
Y Pwyllgor Cyllid

—
Welsh Parliament
Finance Committee

Rebecca Evans MS

Minister for Finance and Local Government

23 June 2023

Dear Rebecca,

Documentation accompanying the Welsh Government's Draft Budget

In our [report](#) on the scrutiny of the Welsh Government Draft Budget 2023-24, we made the following conclusion:

*“**Conclusion 1.** We welcome the Minister’s willingness to consider ways in which budget documentation can be improved. While we have reflected our views above, the Committee has decided to consult Senedd committees on their experiences of scrutinising this year’s budget documentation and ways in which improvements can be made.”*

A [letter](#) was subsequently issued to Senedd Committee Chairs on 8 March 2023, asking the following question:

“What improvements would you like to see in the Welsh Government’s Draft Budget documentation and subsequent ministerial written evidence?”

We received responses from the Chairs of the following committees which have all been published on the Senedd’s website:



- [Climate Change, Environment and Infrastructure Committee \(CCEI\)](#)
- [Health and Social Care Committee \(HSC\)](#)
- [Equality and Social Justice Committee \(ESJ\)](#)
- [Local Government and Housing Committee \(LGH\)](#)
- [Culture, Communication, Welsh Language, Sport and International Relations Committee \(CCWLSIR\)](#)
- [Children, Young People and Education Committee \(CYPE\)](#)
- [Economy, Trade and Rural Affairs Committee \(ETRA\)](#)



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The responses identified a number of common themes and areas where improvements could be made to the budget process. These are summarised below:

Timeliness

As a general point, a number of Committees noted the trend in recent years towards publishing the Draft Budget later in the year, resulting in a truncated budget timetable, has made it challenging to meaningfully assess the impact of the Draft Budget on the policy areas within their remits. Some committees considered this to be a key weakness which significantly hampers the ability of Committees to consider budgetary proposals in detail.

Transparency

Many Committees felt that the Welsh Government could be more transparent in the way it presents its information in the Draft Budget. In particular, Chairs felt that the impact of budget decisions on policy areas within each Committee's remit should be clearly set out.

This echoes [Recommendation 13](#) in our report on the Draft Budget 2023-24 which called on the Welsh Government to make changes to the way it presents information in documentation published alongside the Draft Budget so that it provides:

- an assessment of the impact of spending decisions across portfolios, including the impact of reprioritisation exercises and clarity on the real terms effect of decisions within portfolios; and
- an assessment of how the Welsh Government's spending decisions are (or are not) supporting preventative measures.

In [response](#), you accepted this recommendation in principle, stating that:

“While we are committed to improving how we undertake and outline the impacts of our spending decisions, such an approach must be proportionate.

We already publish a suite of documents as part of the Draft Budget, which includes individual Ministers' responses to their respective Senedd scrutiny committees, and which provides a more detailed account as to how Draft Budget decisions have impacted on different groups or considered issues such as prevention. The Strategic Integrated Impact Assessment (SIIA) continues to outline the contextual evidence that has supported our spending decisions.

We are open to exploring further changes that could be made as part of the work of the Budget Improvement Plan.”



Quality of written evidence provided by the Welsh Government

Concerns were also expressed regarding the quality of the evidence provided by the Welsh Government, with some Chairs stating that ministerial submissions were not as comprehensive as previous years. Others also called on Welsh Government departments to respond fully and in detail to each Committee's written request for evidence.

Responding to recommendations ahead of the Final Budget debate

Finally, a number of Committees were disappointed that the Welsh Government was not able to respond to Draft Budget recommendations sufficiently in advance of the Final Budget debate. Some Committees also felt that the Welsh Government could do more to explain the differences between the Draft and Final Budget ahead of the Final Budget debate.

We welcome your willingness to engage with the Committee on these issues and that you are open to exploring changes to the way that information is presented alongside the Draft Budget.

We therefore ask that these concerns are taken into account ahead of the 2024-25 budget round.

I am copying this letter to the Chairs of the aforementioned Senedd Committees.

Yours sincerely,



Peredur Owen Griffiths MS
Chair of the Finance Committee

Croesewir gohebiaeth yn Gymraeg neu Saesneg.

We welcome correspondence in Welsh or English.

