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Llywodraeth Cymru  
Welsh Government

Ein cyf/Our ref: RE-252-2023

Peredur Owen Griffiths MS  
Chair of Finance Committee  
Senedd Cymru/ Welsh Parliament  
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20 July 2023

Dear Peredur,

### **Timetable for the 2024-25 budget**

I have noted your letter to Business Committee, dated 7<sup>th</sup> July, which provides the Finance Committee's views on the proposed timetable for the 2024-25 budget.

I wanted to start by reaffirming Welsh Government's commitment to providing sufficient scrutiny to the Senedd, recognising this needs to be balanced proportionally to the time needed by Welsh Government to produce its budget. It is deeply unfortunate that yet again the timing of the UK government's autumn fiscal event disrespects us both and required the triggering of exceptional circumstances in the budget protocol impacting both our ability to produce the budget and the time for scrutiny.

I appreciate that the difficulties in devising a budget timetable when learning details of our final budget settlement at such a late stage are well-rehearsed. I do not propose to repeat these issues in detail, but I think it would be helpful if I were to address some of the specific issues in your letter.

Clearly, there is insufficient time available following a UK government fiscal event in late-Autumn to ensure we can effectively undertake our budget preparations and provide an appropriate level of detail in our budget documentation, while also ensuring the maximum available time for scrutiny in the Senedd. The arrangements we have proposed for the 2024-25 budget, as for other recent years, are intended to make the best use of the time available.

Exceptional procedures have become the norm and, as a result, both ministers responsible for preparing a budget on behalf of the people of Wales and those charged with scrutinising our spending plans have been obliged to work under constrained timescales.

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

The recognition given by Ministers in recognising the value of the engagement and scrutiny process, which has an important role in shaping and testing our spending plans, should not be underestimated. Once again, the 2024-25 budget timetable will provide more time for scrutiny than for Ministers to prepare detailed spending plans and supporting information for a draft budget totalling more than £25bn. I am sure you would agree it would be beneficial, whenever circumstances allow, to allow sufficient time for the draft budget to be prepared to ensure it can best deliver Value for Money for the people of Wales.

You have suggested that only learning the level of our budget settlement late in the Autumn is not a compelling reason to delay the publication of the Welsh Government's draft budget, nor that it is not the only prudent choice available to the Welsh Government. Furthermore, you do not consider the impact of unrestrained inflationary pressures and the ongoing cost of living crisis to be sufficient reasons for the draft budget to be deferred until after the UK government's Autumn fiscal event.

I cannot agree that any government would consider it prudent to publish a draft budget, in October, under such circumstances. Published allocations would be out of date following the Chancellor's announcement, later in the Autumn, and would be subject to a further three months of inflationary pressures. This would make it impossible for ministers or our stakeholders and delivery partners to have sufficient confidence in the published draft figures for any definite plans to be made. Similarly, scrutiny of the draft budget is intended to help shape and inform the final budget published in December. If the draft budget figures needed significant revisions at final budget, which is highly likely in this context, it would limit the ability of the Senedd to scrutinise these changes. In opting for a later publication date, we are offering certainty and transparency on our plans.

I am of course committed to working with the Committee in advance of publication to consider what certainty I am able to provide in the spirit of our ongoing constructive discussions.

I would also like to take this opportunity to make clear the Welsh Government's support for the two-stage budget process set out in the Protocol. I recognise the benefits in the Finance Committee focusing on the over-arching strategic budget allocations and their engagement with stakeholders, with other committees focusing on individual ministers' spending plans. I look forward to this process resuming if the UK government reverts to confirming our budget settlement on an earlier date. There is, however, one small benefit to the portfolio committees in that the detailed draft budget has been published almost three weeks earlier would otherwise have been the case, albeit with those three additional weeks comprising the Christmas recess.

In closing, I affirm my commitment to reconsider the publication dates of the draft budget if the Chancellor's announcement regarding the dates of an autumn fiscal event provides sufficient time to allow additional time for its preparation and scrutiny.

Yours sincerely,



**Rebecca Evans AS/MS**  
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