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Ysgrifennydd y Cabinet dros Gyllid, y Cyfansoddiad
a Swyddfa'r Cabinet
Cabinet Secretary for Finance, Constitution & Cabinet Office



Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref: RE/212/2024

Peredur Owen Griffiths MS
Chair of Finance Committee
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8 August 2024

Dear Peredur,

When we wrote to the Business and Finance Committees on 4th July, the Trefnydd and I indicated our intention to provide an update on our timetable for the Welsh Government's budget once the Chancellor of the Exchequer had announced the timing of the UK autumn budget, in which we expect to learn details of our budget settlement for 2025-26.

On 29th July, the Chancellor announced her autumn budget would be published on 30th October and would provide a settlement for a single year only, with a multi-year spending review to be announced in Spring 2025. As a result, I can confirm my intention to adhere to our previously indicated dates of 10th December 2024 for the publication of a single-year Draft Budget for the financial year 2025-26. In doing so, we will be publishing the Draft Budget in term time to provide Members with the opportunity to discuss the Draft Budget in advance of the Christmas recess, which has not always been possible.

The Chancellor made clear the challenges facing public finances, now she has learned the true position inherited from the previous UK Government. This inheritance is likely to result in greater than anticipated restrictions on public spending and many difficult decisions for Welsh Ministers. As a result, it will be necessary to allow more than the absolute minimum time to prepare the Draft Budget.

Leaving the Draft Budget on 10th December will provide only 5 weeks and 4 days to complete our spending and taxation plans and to publish the Draft Budget. I have noted the Finance Committee's request, in your letter dated 29th July, for the Draft Budget to be tabled on 26th November to allow as much time as possible for it to be scrutinised by the Senedd. I believe publishing on 10th December will achieve better and more equitable balance

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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.

between the time to publish the Draft Budget and the time available for its scrutiny. It is important to note that publishing the Draft Budget in less than 4 weeks from learning our settlement was only ever intended to be a one-off solution to a timetabling problem. It has been a tremendous feat for Ministers to publish numerous budgets under such a timescale and was never intended to become the norm.

I am proposing that the Finance Committee should be asked to publish its report on the outline Draft Budget on or before Monday 3rd February 2025 to enable the debate on the Draft Budget to take place on Tuesday 4th February. This would allow the annual budget process to be completed before the statutory deadline of 11th March for local authorities to set their Council Tax rates for the following financial year.

This timetable will provide 7 weeks and 4 days for Finance Committee's scrutiny of the Outline Draft Budget. Despite the constraints on the time available for preparing and publishing the Draft Budget, the proposed scrutiny period is only one day shorter than the 8 weeks set out in Standing Order 20 for the scrutiny of a budget published in a 'normal' year - a year when the Chancellor announces our Budget settlement in the Spring.

The planned dates for the publication of the Annual Budget and for it to be debated will remain unchanged on 25th February and 4th March respectively.

I would also like to take this opportunity to respond to issues relating to the budget timetable raised in the Committee's letter dated 11th July.

We take the Committees' concerns regarding the timeliness and quality of written evidence seriously and I have asked officials to consider the points raised and to explore what steps can be taken to ensure we provide the information required by Committees.

It is worth noting that the additional information we publish in advance of the Draft Budget usually amounts to well over 100,000 words so it's important that we consider how we can best provide the information required by Committees without necessarily increasing the quantity of information. Allowing a little more time to produce the Draft Budget will hopefully assist Cabinet Secretaries to respond more fully to the Committees' specific requests.

I am pleased to confirm that we intend, once again, to provide the English versions of the evidence papers to Committees on the day after the Draft Budget is published.

If it is the Chancellor's intention to return to one fiscal event per year it will help to resolve many of the issues we have experienced over recent years. I am hopeful it would mean we can return to publishing a two-stage Draft Budget and to providing the full 8 weeks for scrutiny. I know the Committee will join me in welcoming the prospect of a return to what we would consider to be a 'normal' budget timetable.

Yours sincerely,



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