

Any Government policy or project that costs more than £10 Million must be voted in by the electorate

Petitions Committee | January 2025

Reference: SR24/9547/13

Petition Number: P-06-1469

Petition title: Any Government policy or project that costs more than £10 Million must be voted in by the electorate

Text of petition: Any Government policy or project that will cost more than £10 Million should be put to the electorate in the form of referendum to ratify. The abuse of public funds for disastrous pet Government crackpot ideas must stop!

Millions in tax payers funds have been consistently squandered and wasted by the Welsh Government, the disaster that was the M4 relief around Newport, the £35 Million wasted on introducing a 20 MPH speed limit is the latest policy rejected by the electorate but imposed anyway.



1. Background

1.1. Policy costs

The Welsh Government publishes information on costings in several ways.

The Welsh Government sets out spending plans for policy areas in its annual budgets (more below).

When the Welsh Government introduces new legislation, it often includes estimates of costs in explanatory memoranda.

The Welsh Government also publishes decision reports, which often relate to the allocation of funding. Recent examples of funding in excess of £10 million being allocated include:

- June 2024 – Up to £52.66 million of capital grant funding to help ensure all social sector buildings are made as fire safe as possible;
- June 2024 – £20 million capital funding in 2024 to 2025 to support learners with Additional Learning Needs;
- March 2024 – £11.25 million in capital funding for the Wales Funding Programme, which supports Welsh public sector organisations in pursuing their net-zero goals;
- March 2024 – £70 million for the Optimised Retrofit Programme 2024 to 2025; and
- March 2024 – £39 million through the Bus Network Grant for 2024 to 2025 to local authorities to fund and secure bus services.

1.2. Referendums

Section 64 to the Government of Wales Act 2006 states that Welsh Ministers may hold a poll:

...in an area consisting of Wales or any part (or parts) of Wales for the purpose of ascertaining the views of those polled about whether or how any of the functions of the Welsh Ministers (other than that under section 62) should be exercised.

2. Welsh Government action

Each year, the Welsh Government must lay a draft budget before the Senedd. The draft budget must set out:

...financing plans, and the amounts of resources and cash which the government proposes to use for the following financial year and provisional amounts for the subsequent two years or for such other period as the Minister considers appropriate.

Following scrutiny by the Senedd (see below), the Welsh Government must lay an Annual Budget Motion, which will provide detail on the final budget. This motion must be approved by the Senedd.

The Welsh Government can make in-year changes to its budget. These are set out in its supplementary budgets and would need to be approved by the Senedd.

The Welsh Government's final budget for 2024-25 sets out how it will use around £27 billion to fund services in Wales. Breakdowns of funds by policy area can be found here.

2.1. Response to the petition

In its response to the petition, the Welsh Government said:

A party winning a majority of the seats, or parties able to form a majority or command the confidence of the legislature, have the right to form a government and to seek the implementation of the policies for which they obtained a mandate at the election.

The government is accountable to the legislature for the implementation of their policies, and it is the responsibility of the Senedd to scrutinise their implementation, including their cost-effectiveness and value for money, as well as gathering evidence from experts, and recommending modifications. The legislature is, in turn, accountable to the electorate for their actions...

It also noted that the Welsh Government consults with stakeholders on policies.

On the use of referendums, it said:

Any Government policy or project that costs more than £10 Million must be voted in by the electorate

Whilst referendums may enable public engagement and enhance the democratic process in certain circumstances, they also have significant drawbacks which necessitate caution with their use. We note the analysis and conclusions of the House of Lords Constitution Committee report, Referendums in the United Kingdom. We particularly note the arguments that referendums are not appropriate for settling complex issues and would be costly to administer...we see no reason to depart from the well-established constitutional norms of our representative democracy.

It concluded that:

The Independent Commission on the Constitutional Future of Wales report highlighted the growing challenges to Welsh democracy, including low levels of public knowledge of and engagement with Wales' democratic institutions. It proposed a set of reforms to strengthen democracy in Wales, including the establishment of an expert panel to help build capacity for democratic innovation and inclusive community engagement, and work is currently progressing on this agenda.

3. Welsh Parliament action

In line with Standing Order 19, a responsible committee (currently the Finance Committee) must:

...consider and report on any report or other document laid before the Senedd by Welsh Ministers or the Commission containing proposals for financing, or the use of resources.

The rules governing how the Finance Committee must undertake its scrutiny are set out in Standing Order 20.

The Senedd and the Welsh Government also agreed a budget protocol for principles underpinning the budget scrutiny process. This protocol sets out that the Finance Committee will:

...undertake its own pre-budget strategy session prior to the autumn. It is expected this will cover longer term strategic scrutiny and public engagement.

Any Government policy or project that costs more than £10 Million must be voted in by the electorate

Under Standing Order 18.2, the Senedd's Public Accounts and Public Administration Committee must:

...consider and report to the Senedd on any use of resources in excess of that authorised or deemed to be authorised that is recorded in the audited accounts of Welsh Ministers, the Commission, or the Ombudsman, recommending whether the Senedd should authorise the excesses retrospectively by supplementary budget resolution.

Audit Wales also has a role in scrutinising how public money is spent. Some of the Auditor General For Wales's reports are considered by the Public Accounts and Public Administration Committee.

Every effort is made to ensure that the information contained in this briefing is correct at the time of publication. Readers should be aware that these briefings are not necessarily updated or otherwise amended to reflect subsequent changes.