

Peredur Owen Griffiths MS

Chair

Finance Committee

28 May 2025

Scrutiny of the Draft Budget 2025-26: Evidence provided by the Welsh Government

Dear Peredur,

Thank you for your letter seeking the Committee's views on the draft budget documentation provided by the Welsh Government, which we considered at our meeting on 8 May 2025. We have focused our response on the following areas:

Welsh language

The Welsh language is a cross-cutting policy area, with expenditure embedded across ministerial portfolios. This means it is not possible for us to scrutinise every funding allocation aimed at supporting and promoting the Welsh language. To help inform our scrutiny, it would be helpful if the Welsh Government could set out how the Welsh Language budget is allocated and how much is allocated to each area/issue. We would like to see a more structured approach to the written evidence, as we have found that it often lacks clarity and focus by dealing with the same issue in several places. Similarly, there is a lack of clarity in relation to the Strategic Integrated Impact Assessments (SIAs) and how they affect budgetary decisions.

International Relations

It is disappointing that the First Minister refused to provide oral evidence to the Committee on the draft budget 2025-26. This has continued the approach of both her predecessors to international relations budget scrutiny in the Sixth Senedd, which has not aided our scrutiny. As a result, our scrutiny was primarily informed by correspondence from the First Minister which, regrettably, we did not receive until 20 December 2024. This, coupled with the First Minister's decision not to appear before the Committee, has left insufficient time for meaningful scrutiny.



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We believe that if a First Minister chooses to take on policy responsibilities, they should make themselves available to be held to account for those responsibilities. If a First Minister is unable to do so, they should consider delegating those responsibilities to another Minister. Therefore, in our [report](#) on the Draft Budget 2025-26, we recommended that the Welsh Government must ensure that, when requested by the relevant committee, the Minister responsible for International Relations appears in person for oral evidence sessions on future Draft Budgets.

In our report, we also made a number of recommendations relating to the written evidence provided. As I am sure you can appreciate, in the absence of oral evidence, it is vital that written evidence is clear, detailed, and high quality. It must provide sufficient information and evidence about intended outputs, outcomes, impact, and value for money.

Unfortunately, the First Minister's written evidence provided limited detail in terms of finalised breakdowns or allocations, or on outcomes, impact and value for money relating to spending in previous years (examples can be found in paragraph 89 of our [report](#) on the Draft Budget 2025-26). We recommended that the Welsh Government must ensure that written evidence provided to inform our budget scrutiny includes:

- Comprehensive breakdowns of planned spending within the BEL including International Engagement and International Offices;
- Information relating to outputs, outcomes, impacts and value for money for each area of expenditure within the International Relations BEL;
- Allocations and comparisons with planned spend for forthcoming year against the previous year; and
- An outline of further potential challenges and prioritisations the Welsh Government may need to take in future years.

We would also like to see an improvement in the level of detail provided to us. We need assurance that the planned spending is allocated in areas that will deliver the intended outcomes, but we did not feel that the evidence provided by the First Minister provided us with sufficient information to inform effective scrutiny. Similarly, we would like to see more transparency in the evidence provided to us. The First Minister's written evidence does not include any information on outcomes from the Welsh Government's current financial year or expected outputs. Without this information, we have not been able to assess outcomes, deliverables and value for money in relation to spending. In her letter to the Committee, the First Minister made several statements for which no supporting evidence was provided to demonstrate that internal planning and outcomes align with the International Strategy (examples can be found in paragraphs 90-93 of our report).

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Concerningly, the First Minister informed us that decisions on budget allocations for key work areas had not yet been taken. We have still not received this information, despite the First Minister's commitment to provide it when it was finalised. An example of this would be the Welsh Government's promotional 'Wales in Japan' year 2025, which is by now almost halfway through. We have previously raised concerns about the effect of late-stage budget decisions on stakeholders and delivery partners.

Cadw

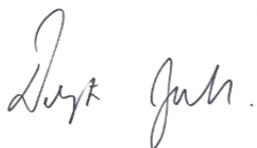
In our 2025-26 Draft Budget report we recommended that the Welsh Government "commit to providing us on an annual basis with information about Cadw's operation, performance and spending". The Welsh Government accepted this recommendation, and directed us to Cadw's Annual Report on its website, the latest of which is for 2022-23. For effective scrutiny of the Draft Budget, the Committee needs information about Cadw's financial performance for the most recent financial year.

Timeliness

Over the past three years, the time available for Draft Budget scrutiny has been insufficient due to the Welsh Government's decision not to publish the draft budget until just before the Christmas recess. The short timeframe has been especially problematic when we have been relying on exchanges of correspondence with the First Minister, without the opportunity in oral evidence to explore and clarify matters. We strongly believe that the Welsh Government should be taking all steps to ensure the earliest possible publication of its draft budget and supporting documentation to facilitate meaningful scrutiny. As you know, the reporting deadline for Committees to report on the draft budget is normally the day before the Plenary debate. The limited time available for scrutiny, which was exacerbated by Christmas recess, has meant that it is challenging to meet the deadlines. This has also, in turn, resulted in very limited time for Senedd Members, the Welsh Government and stakeholders to consider committee reports before the Plenary debate takes place, which I'm afraid raises questions about the value of the entire process.

We hope to see timely and effective engagement, as well as significant improvements in the documentation that is provided to us when it comes to scrutiny of the Welsh Government's Draft Budget 2026-27.

Yours sincerely,



Delyth Jewell MS
Committee Chair

Croesewir gohebiaeth yn Gymraeg neu Saesneg.

We welcome correspondence in Welsh or English.