

David Melding AM
Chair
Constitutional and Legislative Affairs Committee

16 April 2015

Dear David,

Inquiry: Making laws in the Fourth Assembly

Thank you for your letter dated 26 March. Unfortunately, I am not in a position to provide further detail on any standing order changes at this stage.

Following the passing of the Wales Act the Assembly and the Welsh Government will need to look at the procedures needed for the scrutiny of the new borrowing and taxation powers, which will include finance Bills and the possibility of an annual budget Bill.

As you are aware the Finance Committee has published two reports on 'Best Practice Budget Procedures'. In these reports the Committee has refrained from prescribing any specific process which we believe should be adopted. We have made some suggestions but as a Committee we felt that the detail of the changes should be a matter for the Government and the Assembly to decide ensuring there is cross party agreement and the needs of the executive and the legislature are met.

That said, it is clear that there will need to be changes to standing orders, particularly in relation to the budget procedure. For example, the Committee have suggested a move to an annual budget Bill, and it is likely that a Bill of this



nature would require a distinct set of standing orders. You may find it helpful to look at the 'suggested outline budget process' (annex A, copy attached for your information) which we have published as part of our report. You will note that this suggests standing orders could provide for a fast track stage 1 process for a budget Bill.

In relation to taxation Bills, at this stage I would not envisage any change from the normal Bill 4-stage Bill procedure for the passing of these taxation Bills. Should the Government bring forward suggestions for changing the standing orders in relation to finance Bills then this is something which would need to be considered on the merit of the Government's suggestions at that time.

I am sure you will appreciate it is quite early in the process of devolving the new fiscal powers and as such it is difficult to detail standing order changes which may be required.

I hope the information I have detailed is helpful to your inquiry.

Yours sincerely,



Jocelyn Davies AM
Chair

