

Y Pwyllgor Cyllid | Finance Committee
FIN(4)-06-16 P9

Jane Hutt AC / AM
Y Gweinidog Cyllid a Busnes y Llywodraeth
Minister for Finance and Government Business



Llywodraeth Cymru
Welsh Government

Eich cyf/Your ref
Ein cyf/Our ref

Jocelyn Davies AM
Chair, Finance Committee
The National Assembly for Wales
Cardiff Bay
Cardiff
CF99 1NA

30 November 2015

Dear Jocelyn,

Fourth Assembly Finance Committee Legacy Inquiry

Thank you for your letter of 12 November about the Finance Committee's post legislative scrutiny of the Well-being of Future Generations Act.

The provisions of the Act will take effect from April 2016, however the Draft Budget which I will publish on 8 December is very much focused on the requirements of the Act. From the outset my thinking about this year's Draft Budget has been shaped by the national well-being goals and the five ways of working set out in the Act. For example, in my Budget Tour entitled 'Delivering The Wales We Want' I took the opportunity to discuss with front line service workers how we could use the framework of the Act to help deal with the ongoing challenge of austerity.

As you point out in your letter, there are some elements of the Act such as the National Well-being Indicators and Milestones which have not yet been put in place. However, those parts of the Act that are already established are important. The five ways of working have been particularly influential in preparing this year's Draft Budget. My Draft Budget plans will be based on a clear analysis of the long-term factors that are shaping the demand for public services. This analysis makes clear the need for the preventative approach to funding public service provision which has driven successive Welsh Government Budgets. In setting a Draft Budget for the whole of the public sector I will be clear that better integration of service provision will be central to more effective service provision, as will collaboration with public service users. Involvement of all stakeholders during the scrutiny of the Draft Budget Plans will be important to ensure they are fit for purpose.

The Finance Committee's Better Budget Process inquiry has been important in proposing changes to mainstream budget procedures. I would of course be content to meet the Committee separately to discuss the impact of the Well-being of Future Generations Act, and the two recommendations made in the Best Practice Budget inquiry in relation to it. However, in the first place I suggest these issues would most usefully be examined during the Finance Committee's Scrutiny of the Draft Budget. That way we can discuss in an active way how the Act should impact on current budget planning. If following scrutiny of the Draft Budget you feel that a further meeting would be useful, I would be content to appear before the Committee at a date following scrutiny of the Budget.

Yours sincerely,

A handwritten signature in cursive script that reads "Jane".

Jane Hutt AC / AM

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