

20 August 2018

Dear Stakeholder,

Welsh Government Draft Budget 2019–20

The Equality, Local Government and Communities Committee will be scrutinising areas of the Welsh Governments draft budget 2019–20 in the autumn term. We have received correspondence from the Finance Committee which sets out their agreed principles of financial scrutiny, along with a number of areas they would like to see committees focus their scrutiny on.

The principles are:

- **Affordability** – to look at the big picture of total revenue and expenditure, and whether these are appropriately balanced;
- **Prioritisation** – whether the division of allocations between different sectors/programmes is justifiable and coherent;
- **Value for money** – Essentially, are public bodies spending their allocations well – economy, efficiency and effectiveness (i.e.) outcomes; and



- Budget processes – are they effective and accessible and whether there is integration between corporate and service planning and performance and financial management.

The areas are:

- How the Welsh Government should use taxation and borrowing powers, particularly in relation to the Welsh Rate of Income Tax;
- Approach to preventative spending and how is this represented in resource allocation (Preventative spending = spending which focuses on preventing problems and eases future demand on services by intervening early), particularly in relation to the financing of local health boards and health and social care services;
- Sustainability of public services, innovation and service transformation
- Welsh Government policies to promote economic growth, reduce poverty, gender inequality and mitigate welfare reform;
- The Welsh Government’s planning and preparedness for Brexit;
- How evidence is driving Welsh Government priority setting and budget allocations; and
- How the Future Generations Act is influencing policy making.

As you may be aware, the Finance Committee are currently conducting a written consultation in preparation for their budget scrutiny. We do not wish to duplicate efforts, but if there are any particular issues that you feel that our Committee should be aware of, or should consider as part of our budget scrutiny, in any of the key areas of our portfolio, we would appreciate if you could put them in writing to us.

Our main areas of scrutiny are:

- local government;
- housing,
- community regeneration,
- cohesion and safety;




- tackling poverty;
- equality of opportunity;
- and human rights

We have also agreed to work with the Finance; and Children, Young People's and Education committees to look at the quality of impact assessments, and how the budgeting process takes account of disadvantaged and vulnerable young people.

It would be helpful to receive your submission by 11 October. If you want any further information on this, please contact Naomi Stocks, Committee Clerk on 0300 200 6222 or naomi.stocks@assembly.wales

Yours sincerely



John Griffiths AM
Chair

Croesewir gohebiaeth yn Gymraeg neu Saesneg.

We welcome correspondence in Welsh or English.

