

Y Pwyllgor Cyllid

Finance Committee

Welsh Parliament

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Chair, Children, Young People, and Education Committee

Chair, Climate Change, Environment, and Infrastructure Committee

Chair, Culture, Communications, Welsh Language, Sport, and International

Relations Committee

Chair, Economy, Trade, and Rural Affairs Committee

Chair, Equality and Social Justice Committee

Chair, Health and Social Care Committee

Chair, Legislation, Justice and Constitution Committee

Chair, Local Government and Housing Committee

22 March 2024

Dear Committee Chairs,

Scrutiny of the Draft Budget

You will recall that I wrote last year inviting Committees to express views on improvements that the Welsh Government could make to the documents it produces alongside its Draft Budget and in ministerial written evidence provided to Committees.

Your responses were considered by the Committee on 21 June 2023 and I subsequently wrote to the Minister for Finance and Local Government (the Minister) on 23 June 2023 asking for the concerns raised to be taken into account ahead of the 2024-25 budget round. These related to:

- the late publication of the Draft Budget leading to truncated scrutiny;
- a lack of transparency regarding the impact that the Draft Budget has on policy areas within each Committee's remit;
- the poor quality of written evidence provided by the Welsh Government; and
- the Welsh Government not providing responses to certain Committee recommendations ahead of the Final Budget debate.



These issues were raised again during the consideration of the Welsh Government Draft Budget 2024-25 earlier this year. Our report made the following recommendations and conclusions building on the views previously expressed:

***Conclusion 2.** The Committee will consult Senedd Committees involved in budget scrutiny ahead of the 2025-26 budget round to gain a better understanding of the evidence provided by the Welsh Government in support of the Draft Budget, and to explore ways to maximise budgetary scrutiny throughout the year*

***Recommendation 1.** The Committee recommends that the Minister publishes ministerial evidence papers at the same time as the Draft Budget in order to provide clarity on the criteria and priorities behind ministerial decisions, with the aim of enabling stakeholders to engage in the scrutiny process more effectively and at an earlier stage.*

***Recommendation 2.** The Committee recommends that, if the Draft Budget is delayed again in future years:*

- *the Minister and officials continue to attend a pre-scrutiny session with the Finance Committee; and*
- *the Minister works with the Finance Committee to identify approaches that can enhance scrutiny opportunities, including providing documentation relating to the Draft Budget, at an earlier stage.*

These recommendations were accepted in principle, with the Minister highlighting the practical difficulties in responding to the quantity of information requested by individual committees, at the same time as the publication of the Draft Budget.

We therefore ask you to consider the following issues, and to provide a response by Friday 24 May 2024.

- What improvements, if any, have you seen in the documentation provided by the Welsh Government alongside the Draft Budget 2024-25?
- Have you identified any further improvement that could be made to the information provided alongside the Draft Budget?
- Given the short time available for scrutiny, what consideration, if any, have you given to scrutinising budgetary matters within your remit at an earlier stage, for example considering longer terms strategic planning, following up on previous scrutiny recommendations or pre-scrutiny of decision making processes before the Draft Budget is published?

- The Committee is also currently working with the Minister and other stakeholders to review the Budget Process Protocol to ensure that the Senedd's budgetary processes reflect custom and practice developed in the Sixth Senedd to date. Do you have any views regarding the Senedd's budget procedures more widely?

We are grateful to you for your ongoing engagement with us on these matters and welcome any further correspondence responding to the points above.

Our aim is to raise these issues on behalf of Committees with the Minister in advance of the Plenary debate on budget priorities for 2025-26 that will take place before summer recess.

Yours sincerely,



Peredur Owen Griffiths MS
Chair, Finance Committee

Croesewir gohebiaeth yn Gymraeg neu Saesneg.

We welcome correspondence in Welsh or English.