

Mark Drakeford AM
Cabinet Secretary for Finance and Local Government

17 October 2016

Dear Mark

Fiscal Devolution

As you will be aware the Committee has been discussing its priorities for the Fifth Assembly, and one of the main priority areas for the Committee over the next five years will relate to the devolution of fiscal powers and the effective implementation of these powers.

When you attended Finance Committee in relation to the Land Transaction Tax and Anti-avoidance of Devolved Taxes (Wales) Bill (LTTA) on 21 September 2016 some of the evidence related to the fiscal framework. The Committee is interested in your ongoing discussions with the Treasury, particularly in relation to securing a deal in line with the no-detriment principle, and the timetable for concluding these negotiations.

We understand that discussions will have moved on, following your meeting with the Chief Secretary to the Treasury on 28 September 2016, and would be grateful for an update on developments.

In addition, the Committee would be grateful if you could indicate:

- the deadline for reaching an agreement on the fiscal framework with the UK Government; and
- when the Welsh Government will be in a position to lay a Legislative Consent Motion on the Wales Bill.



Thank you for your letter of 23 September regarding the establishment of the Welsh Revenue Authority (WRA). The establishment of the WRA is something which has been raised during evidence on the LTTA Bill and as a Committee we are interested in the progress being made establishing the WRA and we are grateful for your update.

In terms of the skills and attributes of the Board, we would view the following two attributes as being essential for the Members of the Board;

- Experience of Board level working in either the public or private sector
- Experience of achieving corporate and service objectives
- Knowledge of the context of devolution in Wales

You will of course, have your own views on these attributes and obviously we would expect any appointment to conform to the Nolan principles.

Finally, I am aware that a provision of the Wales Act 2014 is for an annual implementation report to be laid in relation to the provisions of the Wales Act. The Committee would like to invite you to attend Committee following the laying of the next implementation report. I understand this will need to be before 17 December, however, we would like you to attend Committee on 15 December if it is possible for you to lay the report to meet this timescale? You refer to the piece of work currently being undertaken by Wales Audit Office and we would hope this report will inform this evidence session with you.

Yours sincerely



Simon Thomas
Chair

