

Alun Davies, AM  
Minister for Lifelong Learning and Welsh Language

26.05.17

Dear Alun

Thank you for your letter of 25 May. I am disappointed that this letter was sent the day after the stage one reporting deadline, which has prevented this information forming part of the Finance Committee's consideration.

The changes to costs and savings you outline in your letter are substantial and have a significant impact on the Regulatory Impact Assessment (RIA). The information outlined in your letter changes the overall financial implications of the Bill from a saving to a cost. Further to this the cost is notable at £8,279,250 (over the period of implementation). Clearly, these changes have not been included in the stage one scrutiny by the Finance Committee, but would have formed a key part of the Committee's considerations.

You suggest in your letter that this cost will be incurred by the Welsh Government and will be covered by the £20 million implementation funding package announced in February. This raises further questions as to what the purpose of the £20 million funding package is. In your letter to the Finance Committee on [13 March 2017](#) you outlined how this funding would be apportioned. I assume this will need to be revisited and would therefore seek clarity on this matter.

I understand that these changes have been made following the concerns raised by SNAP Cymru during stage one scrutiny, but this does not mean these changes should not be scrutinised. These changes, along with the additional £20 million announced in February and the costing errors identified shortly before your appearance at the Committee, mean that stakeholders, and Assembly Members cannot be assured of the validity of the Governments costings.



I am also concerned that you note in your letter that the estimate you provided is “still subject to change” and that we therefore may still not have a complete picture of the net costs of the Bill. I also note in your letter that you intend to update the RIA after stage two proceedings, prior to stage three proceedings. However, I believe that a revised RIA should be published before the stage one debate, and should this not be possible, in the very least you should delay moving a financial resolution in respect of this Bill until an updated summary of costs has been provided and an opportunity for scrutiny has taken been allowed. Should you be willing to delay moving the financial resolution I would like to invite you to Committee on Wednesday 7 June at 11.30 to address these issues.

I will be writing to the Business Committee regarding this issue and I am copying this letter to the Chair of the Children, Young People and Education Committee.

Yours sincerely

A handwritten signature in black ink, appearing to read "Simon Thomas". The signature is written in a cursive, flowing style.

Simon Thomas  
Chair

