

Y Pwyllgor Cyllid | Finance Committee
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Mark Drakeford AM/AC
Ysgrifennydd y Cabinet dros Gyllid a Llywodraeth Leol
Cabinet Secretary for Finance and Local Government



Llywodraeth Cymru
Welsh Government

Eich cyf/Your ref
Ein cyf/Our ref: MA-P/MD/2585/17

Simon Thomas AM,
Chair Finance Committee,
The National Assembly for Wales,
Cardiff Bay,
Cardiff
CF99 1NA

| September 2017

Dear Simon,

Thank you for your Committee's scrutiny of the First Supplementary Budget 2017-18 and the report that followed.

I attach a written response to the recommendation made.

I hope you find this useful and look forward to working with you in future.

Best wishes,

Mark.

Mark Drakeford AM/AC

Ysgrifennydd y Cabinet dros Gyllid a Llywodraeth Leol
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We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

Written Response to the Report of the Finance Committee: Scrutiny of the Welsh Government First Supplementary Budget 2017-18

23 August 2017

This Supplementary Budget was the first opportunity to amend budgetary plans for the current financial year which were published in December 2016 and approved by the Assembly on 10th January 2017.

The budget was mainly administrative in nature and regularised a small number of allocations from our reserves, switches between resource and capital and transfers between portfolios. It included adjustments to the Wales DEL budget to reflect transfers and consequential received in the UK Government's March Budget 2017, and it also reflected changes in Annually Managed Expenditure forecasts.

I would like to thank the Finance Committee for the work undertaken and I look forward to working in partnership with the members in future.

A detailed response to the report's recommendation is set out below:

Recommendation

The Committee recommends that, in developing the new rail franchise, the Welsh Government ensures that contracts for improving services are drafted tightly to place responsibility on the company to fund improvements such as wi-fi.

Response: Accept

Transport for Wales are using a competitive procurement process to identify our preferred partner to operate the next franchise. The aim of a competitive dialogue is to develop one or more suitable alternative solutions capable of meeting our requirements, which we deemed necessary as we are seeking innovative solutions for delivering rail services.

The competitive process drives value for money in complex and high value infrastructure procurement projects. The process maintains competition, delivers improved solutions with a better deal for the public sector, and provides greater control over scope changes and cost increases often found when delivering complex projects.

We have developed evaluation criteria and a scoring methodology tailored to the complex procurement that responds to our priorities.

Financial Implications: None.

Mark Drakeford AM

Cabinet Secretary for Finance and Local Government