

Minister for Housing and Local Government
Deputy Minister for Housing and Local Government
Deputy Minister and Chief Whip

10 September 2019

Dear Minister / Deputy Minister

Draft budget scrutiny 2020–21

In advance of our budget scrutiny in the coming months, we would be grateful for a paper on the allocations in your portfolios, based around the Finance Committee's agreed principles of financial scrutiny, which 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 Finance Committee are also interested in the following areas:

- 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
- How the Future Generations Act is influencing policy making
- In declaring a “climate emergency”, is it clear how the Welsh Government intends to respond and resource that challenge

We would appreciate if you could provide us with further details on these areas as they relate to your portfolios.

We would like you to provide us with detailed information on the budget allocations for:

- Local Government;
- Housing and Regeneration;
- Equalities; and
- Tackling Poverty (including Welfare).

In providing this information, can you provide information on how the Strategic Integrated Impact Assessment has informed and steered budgetary decisions, including examples of both positive and negative impacts of budgetary decisions.

We would also like examples of how the intention to put gender at the forefront of policy making has directly affected budgetary choices, with specific examples.

In correspondence from the First Minister to me in my capacity as Chair of the Cross Party Group on Poverty, he said that the Minister for Environment, Energy and Rural Affairs had been tasked with “leading on the cross cutting theme of poverty in relation to our 2020-21 budget prioritisation process...” We would like further information on how this has informed budget decisions within your areas, with specific examples highlighted in the commentary.

We would also like to see how the Well-Being of Future Generations Act has influenced your budget allocations, and with details of specific allocations.

We would also appreciate an update on the implementation of the recommendations from the joint work we undertook with the Finance Committee and Children, Young People and Education Committee.

Finally can you include information on the budgetary impacts in the 2020-21 budget of any Welsh legislation.



We would appreciate that this information is provided no later than three weeks before your appearance at the Committee.

Yours sincerely

A handwritten signature in black ink that reads "John". The letters are cursive and connected.

John Griffiths AM
Chair

Croesewir gohebiaeth yn Gymraeg neu Saesneg.
We welcome correspondence in Welsh or English.

