

# Concise Minutes – Finance Committee

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Meeting Venue: **Hybrid – Committee room 4 Ty Hywel and video conference via Zoom**

This meeting can be viewed on [Senedd TV](http://senedd.tv) at: <http://senedd.tv/en/14095>

Meeting date: Wednesday, 25 September 2024

Meeting time: 09.30 – 12.20

## Hybrid

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### Attendance

| Category               | Names  |
|------------------------|--|
| Members of the Senedd: | Peredur Owen Griffiths MS (Chair)<br>Peter Fox MS<br>Mike Hedges MS<br>Rhianon Passmore MS   |
| Witnesses:             | Thomas Nicholls, Chief Economist, Welsh Government<br>Julian Revell, Head of Fiscal Analysis, Welsh Government<br>Mark Drakeford MS, Cabinet Secretary for Finance and Welsh Language<br>Andrew Jeffreys, Director Treasury, Welsh Government<br>Emma Watkins, Deputy Director, Budget and Government Business, Welsh Government<br>Dr Rhys Ap Gwilym, Senior Lecturer in Economics, Bangor University<br>Dr Edward Jones, Senior Lecturer in Economics, Bangor University |



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| Committee Staff: | Owain Roberts (Clerk)<br>Georgina Owen (Second Clerk)<br>Leanne Hatcher (Second Clerk)<br>Mike Lewis (Deputy Clerk)<br>Martin Jennings (Researcher)<br>Owen Holzinger (Researcher)<br>Christian Tipples (Researcher)<br>Ben Harris (Legal Adviser) |
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## Registration

### Private Pre-meeting

#### 1 Welsh Government Draft Budget 2025–26 – Pre-budget scrutiny: Chief Economist

1.1 The Committee received a pre-budget technical briefing from Thomas Nicholls, Chief Economist, Welsh Government; and Julian Revell, Head of Fiscal Analysis, Welsh Government.

1.2 The Chief Economist agreed to provide the Committee with a note on the following:

- Annual Gross domestic product (GDP) data for Wales,
- Productivity data per sector for Wales and the UK.

## **Break**

## **Public**

### **2 Introductions, apologies, substitutions and declarations of interest**

2.1 The Chair welcomed Members to the meeting of the Finance Committee.

### **3 Paper(s) to note**

3.1 The Committee noted the papers.

3.1 **PTN 1 – Letter from the Cabinet Secretary for Finance, Constitution and Cabinet Office: Welsh Government First Supplementary Budget 2024–25 – 18 September 2024**

### **4 Welsh Government Draft Budget 2025–26 – Pre-budget scrutiny: Cabinet Secretary for Finance and Welsh Language**

4.1 The Committee took evidence in relation to Pre-budget scrutiny from Mark Drakeford MS, Cabinet Secretary for Finance and the Welsh Language, Welsh Government; Andrew Jeffreys, Director Treasury, Welsh Government; and Emma Watkins, Deputy Director, Budget and Government Business, Welsh Government.

4.2 The Cabinet Secretary agreed to provide the following:

- An update on future meetings within the top tier of the Finance: Inter-Ministerial Standing Committee (F:ISC).
- Further information on any modelling or studies relating to the potential impact of raising income tax and / or increasing the number of income tax bands, on cross-border movement of individuals and the amount of income tax revenue received. In particular, any update on the work being undertaken with the Scottish Government and HMRC in relation to longitudinal research carried out by HMRC on taxpayer behaviour, following the implementation of different tax rates in Scotland.

4.3 The Committee agreed to write to the Office of National Statistics regarding the publication of Wales-specific Quarterly Growth Data.

**5 Motion under Standing Order 17.42 (ix) to resolve to exclude the public from the remainder of this meeting.**

5.1 The motion was agreed.

**6 Welsh Government Draft Budget 2025–26 – Pre-budget scrutiny:  
Academics from Bangor University**

6.1 The Committee received a pre-budget technical briefing from Dr Rhys Ap Gwilym, Senior Lecturer in Economics, Bangor University; and Dr Edward Jones, Senior Lecturer in Economics, Bangor University.

**7 Welsh Government Draft Budget 2025–26 – Pre-budget scrutiny:  
Consideration of evidence**

7.1 The Committee considered the evidence received.

**8 Oversight of Audit Wales: Code of practice governing the relationship  
between the Auditor General for Wales and the Wales Audit Office**

8.1 The Committee approved the revised Code of Relationship Practice between the Auditor General for Wales and the Wales Audit Office, in accordance with Standing Order 18.10(ix).

**9 Fiscal Intergovernmental Relations: Consideration of draft report**

9.1 The Committee considered the draft report and agreed it with minor changes.