

CYPE(6)-16-22 – Paper to note 10

Senedd Cymru
Y Pwyllgor Cyllid

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Welsh Parliament
Finance Committee

Chair, Children, Young People, and Education
Committee
Chair, Climate Change, Environment, and Infrastructure
Committee
Chair, Culture, Communications, Welsh Language,
Sport, and International Relations Committee
Chair, Economy, Trade, and Rural Affairs Committee
Chair, Equality and Social Justice Committee
Chair, Health and Social Care Committee
Chair, Legislation, Justice and Constitution Committee
Chair, Local Government and Housing Committee

6 July 2022

Welsh Government Draft Budget 2023-24

Dear Committee Chairs

Budget Engagement

On 11 April 2022, I wrote to notify you of the Finance Committee's programme of engagement for its scrutiny of the forthcoming Welsh Government's Draft Budget 2023-24. The Committee has now completed its three engagement strands:

- a stakeholder event in Llanhilleth Miners' Institute;
- a workshop with member of the Welsh Youth Parliament; and
- focus groups with the Welsh public.

An engagement report has been published which summarises the responses we received during our engagement work.



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Plenary Debate on the Welsh Government's Spending Priorities

On 13 July, the Committee will hold a Plenary debate on the Welsh Government's Spending Priorities and the engagement report referred to above will be included as a supporting document for the debate.

We believe this debate allows the best opportunity for Members to influence the Welsh Government's spending priorities prior to the formulation of the draft budget in the autumn and I would encourage Committees to contribute to this important debate and press for action in their areas of interest.

Timetable and approach to budget scrutiny

Following the announcement by the UK Government last year of a multi-year settlement, the Committee had hoped that we would return to a 'normal budget' process this year, after several years of curtailed scrutiny. However, the Minister for Finance and Local Government has written to me to explain that the lack of certainty over the significant pressures facing the Welsh Government's spending plans will not be resolved until the Welsh Government knows whether its settlement will change in any UK Autumn Fiscal event.

The Minister sought the Committee's view on a preferred timetable for publishing of the draft budget, with our preferred option being that it is published in October to enable eight weeks for scrutiny with the final budget being published in December.

The Minister for Rural Affairs and North Wales, and Trefnydd has now written to the Business Committee to notify it that the Welsh Government intends to publish the outline and detailed draft budgets together by 13 December at the latest or within four weeks of the UK Government's autumn budget. The Trefnydd also confirmed that she will provide an updated budget timetable in the autumn term, as soon as details of the UK fiscal event is known..

Given that the publication of the draft budget will be delayed again this year, the Committee's call for evidence will take place in September. I will write to you again with further information on the consultation, and any revisions to the budget timetable, in due course.

Budget Process Protocol

The Budget Process Protocol between the Senedd and the Welsh Government has been in place since 2017. The protocol sets out an understanding between the Finance Committee and the Welsh Government on the administrative arrangements for the scrutiny of the annual draft budget and other related budgetary matters.



This is the fourth consecutive year where the two-stage budget process has not been used and scrutiny has been curtailed due to “exceptional circumstances”. Whilst we acknowledge that delays have been due to the uncertainty of funding from the UK Government, a curtailed budget processes is becoming commonplace and, as Chair, I do not wish to have similar discussions around timetabling issues year upon year.

For this reason, I have asked the Minister to commit to a review of the budget process protocol ahead of the budget round for 2024-25 to ensure it remains fit-for-purpose.

If you have any comments on your experience of your Committee’s budget scrutiny, I would be grateful to hear from you.

If you have any questions about any aspect of the draft budget process, please feel free to contact me or the Clerk to the Finance Committee, Owain Roberts, 0300 200 6388, seneddfinance@senedd.wales.

Yours sincerely



Peredur Owen Griffiths MS
Chair of the Finance Committee

Croesewir gohebiaeth yn Gymraeg neu Saesneg.

We welcome correspondence in Welsh or English.

