



David Rees MS
Chair
Committee for the Scrutiny of the First Minister

11 June 2025

Annwyl David,

Thank you for your letter of 16 April noting areas the Committee would welcome further information on following the Committee session on 28 March. Responses to the Committee's requests are included in the attached Annex.

I look forward to our next session on Friday 11 July.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'M. E. Morgan'.

Eluned Morgan

Annex

1. *The Committee would welcome further information on a potential Supplementary Legislative Consent Memorandum for provisions in the Data (Use and Access) Bill that relate to the National Underground Asset Register.*

A Supplementary Legislative Consent Memorandum (LCM No.3) was laid on 3 April 2025 regarding UK Government amendments tabled on 25 March 2025, as a result of positive discussions between Welsh Government and the UK Government regarding the National Underground Asset Register (NUAR) provisions (Part 3) within the Bill.

These amendments provide necessary constitutional safeguards and ensure devolved interests are protected in the development of further subordinate legislation surrounding the creation of the NUAR. As a result, LCM No.3 recommended that the Senedd supports the Bill and gives its consent. The Senedd debated the Legislative Consent Motion on the Bill on 6 May 2025 and gave its consent for the relevant provisions within the Bill.

2. *The Committee would like further information on the reporting of inter-governmental meetings, and how the Welsh Government intends to speed up that process so that information is published as quickly as possible.*

The Welsh Government's central intergovernmental relations team provide regular training to officials across Welsh Government to ensure sound knowledge of commitments under the Inter Institutional Relations Agreement. Policy leads working on formalised intergovernmental meetings are regularly reminded of the need to comply with notification requirements. In light of the points raised at the Committee session, officials in the central intergovernmental relations team will further emphasise through internal discussions, training and guidance the importance of swift reporting of information related to formal intergovernmental meetings in line with the Inter Institutional Relations Agreement.

We make every effort to provide prior written notice of the formal intergovernmental meetings to the Legislation, Justice and Constitution Committee, and other relevant committees. There are occasions when prior written notice is not possible. For example, when meetings are scheduled or confirmed at short notice, or the jointly agreed agenda is yet to be confirmed.

We provide an update following each meeting which will include meeting summaries. The level of detail will vary due to the nature of the discussions and confidentiality commitments. This limitation is accepted and reflected in the Inter Institutional Relations Agreement itself. On occasion, we experience delays in the agreement and publication of formal communiques following intergovernmental meetings, as they require clearance and agreement across all four governments. This can lead to a delay in providing the update post-meeting. In those cases, the Welsh Government's central intergovernmental relations team will always work with lead policy officials across all governments to identify a way forward and consider other options to ensure that the Senedd is updated as quickly as possible.

3. A progress report on how the Welsh Government is pursuing the recommendations of the Independent Commission on the Constitutional Future of Wales;

Recommendation	Progress
<p>1. Democratic innovation</p> <p>"The Welsh Government should strengthen the capacity for democratic innovation and inclusive community engagement in Wales. This should draw on an expert advisory panel, and should be designed in partnership with the Senedd, local government and other partners. New strategies for civic education should be a priority for this work, which should be subject to regular review by the Senedd."</p> <p>2. Constitutional principles</p> <p>"Drawing on this expertise, the Welsh Government should lead a project to engage citizens in drafting a statement of constitutional and governance principles for Wales."</p>	<p>The Welsh Government has established the Innovating Democracy Advisory Group (IDAG) to advise the Welsh Government and its partners on expanding the use of democratic innovation, and to enhance civic engagement in public life.</p> <p>Dr Anwen Elias has been appointed as chair of the group (Written Statement: Constitutional Reform: Appointment of the Chair of the Innovating Democracy Advisory Group (19 November 2024) GOV.WALES) and the other members have been recruited through open competition (Written Statement: Innovating Democracy Advisory Group (30 April 2025) GOV.WALES).</p> <p>IDAG met for the first time on 1 May 2025, and will be preparing a work programme up until spring 2026 for the Deputy First Minister's consideration.</p>
<p>3. Senedd Reform</p> <p>"We recommend that the planned review of the Senedd reforms should be resourced to ensure a robust and evidence-based analysis of the impact of the changes, including from the perspectives of the voter and of democratic accountability."</p>	<p>The Deputy First Minister met with the Llywydd to discuss proposed next steps in progressing recommendation 3. A research project, funded and led by Welsh Government, working in close consultation with the Senedd Commission is envisaged. This is to ensure that the work can benefit from the shared expertise and experience across the two organisations. Further information on the planned research will be published in due course.</p>
<p>4. Intergovernmental relations</p> <p>"The Welsh Government should propose to the governments of the UK, Scotland and Northern Ireland that the Westminster Parliament should legislate for inter-governmental mechanisms so as to secure a duty of co-operation and parity of esteem between the governments of the UK."</p>	<p>The UK Government has committed to stronger intergovernmental working, with the Council of the Nations and Regions.</p> <p>Intergovernmental relations have improved since the current UK Government came into office – with a stronger overall pattern of meetings using the intergovernmental machinery agreed as part of the Intergovernmental relations (IGR) Review. The First Minister has taken part in two meetings of the new Council of Nations and Regions.</p>
<p>5. Sewel Convention</p> <p>"The Welsh Government should press the UK Government to present to the Westminster Parliament legislation to specify that the consent of the devolved institutions is required for any change to the devolved powers, except when</p>	<p>The UK Government has committed to a new Memorandum of Understanding on the Sewel Convention. The Memorandum was raised at the Inter-Ministerial Standing Committee on 27 February and it is expected that intergovernmental discussions on this will take place in the coming months.</p>

<p>required for reasons to be agreed between them, such as: international obligations, defence, national security or macroeconomic policy."</p>	
<p>6. Financial management</p> <p>"The UK Government should remove constraints on Welsh Government budget management, except where there are macro-economic implications."</p>	<p>The UK Labour manifesto recognised that the Welsh Government's fiscal framework is out of date, and included a commitment to work in partnership to update it.</p> <p>Following a request from the Cabinet Secretary for Finance and Welsh Language (CSFWL), HM Treasury has agreed to grant full access to the Wales Reserve in 2025-26.</p> <p>The CSFWL has since written to the Chief Secretary to the Treasury requesting the indexing of our borrowing and reserve limits to inflation, and the permanent abolition our annual reserve draw-down limit, and we continue discussions with UK Government on these issues. .</p>
<p>7. Broadcasting</p> <p>"The Welsh and UK Governments should agree mechanisms for a stronger voice for Wales on broadcasting policy, scrutiny and accountability, and robust work should continue on potential routes to devolution."</p>	<p>A Written Statement providing an update on broadcasting and media was issued on 12 May 2025. The Welsh Government continues to engage with stakeholders including the UK Government and Ofcom on a range of broadcasting policy matters.</p>
<p>8. Energy</p> <p>"The Welsh and UK Governments should establish an expert group to advise urgently on how the devolution settlement and inter-governmental engagement in relation to energy could be reformed to prepare for rapid technical innovation in energy generation and distribution, to ensure that Wales can maximise its contribution to net zero and to the local generation of renewable energy. The remit of the group should include advising on the options for the devolution of the Crown Estate, which should become the responsibility of the devolved government of Wales as it is in Scotland."</p>	<p>Welsh Government Ministers have had several discussions with UK Government counterparts. The UK Government has made its position clear that it does not currently support devolution of the Crown Estate, however, we have an open, constructive and ongoing dialogue with the UK Government, and will continue to make the case.</p> <p>The UK Government has committed to appoint a new Commissioner to the Crown Estate to represent Welsh interests. This is a welcome step forward to enhance accountability and we are keen to ensure the Commissioner reports to the Welsh Ministers and the Senedd. The Welsh Government continues, however, to believe that devolution offers the best solution for both Wales and the UK.</p> <p>The Commission's recommendation for an Expert Panel to look at these complex matters in the round offers the best way forward. Officials are considering the best way of making progress in this area.</p> <p>In the meantime we are continuing to work with the Crown Estate to deliver for Wales. We have long called for greater clarity on the future investment pipeline for offshore wind. The Crown Estate has listened and through the Marine Roadmap the Crown Estate has provided information on the pipeline that will help to de-</p>

	<p>risk investment. This is an area where we will continue to work with the Crown Estate once this current round 5 leasing has concluded.</p>
<p>9. Justice and policing</p> <p>"The UK Government should agree to the legislative and executive devolution of responsibility for justice and policing to the Senedd and Welsh Government, on a timescale for achieving the devolution of all parts of the justice system to be agreed by the two governments, starting with policing, probation and youth justice, with necessary funding secured, and provision for shared governance where needed for effective operations."</p>	<p>The 2024 UK Labour manifesto included commitments on exploring the devolution of youth justice and devolution of probation services as part of the strategic review into probation; commitments that the Welsh Government has welcomed.</p> <p>The Welsh Government's ultimate objective is to secure the devolution of policing and justice - in its entirety, as was advocated by the Independent Commission on the Constitutional Future of Wales. A change of this scale clearly needs a phased approach. We do not see reform of the justice system in Wales being a single event, but rather a process of change over time, prioritising those areas where we can most improve outcomes for Welsh citizens.</p>
<p>10. Rail services (infrastructure)</p> <p>"The UK Government should agree to the full devolution of responsibility for rail services and infrastructure to Wales, with fair funding and shared governance on cross border services."</p>	<p>The Passenger Services Act received Royal Assent on 28 November 2024, immediately delivering on one of the Welsh Government's long-standing request to call time on private sector franchises and bring rail services back into the public realm.</p> <p>The Cabinet Secretary for Transport and North Wales has met with the UK Government's Secretary of State for Transport and Minister for Rail to set out Welsh Government priorities for rail reform in Wales.</p> <p>This includes establishing an empowered Wales and Borders Business Unit within Great British Railways that delivers against Welsh priorities and is properly accountable to Welsh Ministers and to the Senedd. In addition, it is to create a funded Wales enhancements programme and a greater, statutory role for Welsh Ministers in the specification and oversight of all cross-border passenger services coming in and out of Wales.</p> <p>The public consultation on the UK Rail Reform Bill has concluded and we await the changes that will be made following the conclusion of the consultation and our own comments. Engagement continues on a regular basis.</p>

4. An update on any discussions the Welsh Government is having with the UK Government to agree a new memorandum of understanding on the Sewel Convention.

As noted above, the UK Government has committed to a new Memorandum of Understanding on the Sewel Convention. The Memorandum was raised at the Inter-Ministerial Standing Committee on 27 February and it is expected that intergovernmental discussions on this will take place in the coming months.

5. During the course of the meeting, you indicated that you would provide information on whom it was you had spoken to in the Prime Minister's Office, 10

Downing Street regarding the recent welfare reforms. I would be grateful if you could supply that information.

The phone call took place between the First Minister and relevant officials in 10 Downing Street. The First Minister and Cabinet Secretary for Social Justice will be speaking to the Secretary of State for Work and Pensions this week.

- 6. In relation to the UK announcement on welfare reform, the Committee was disappointed that an impact assessment relating to Wales and the Welsh economy was not forthcoming. The Committee noted the reasons why details of UK-wide spending reviews are not shared with devolved Governments prior to any announcements being made. You stated in your evidence that you would make representations to the UK Treasury to publish impact assessments for Wales alongside future announcements, so that this information is available immediately, and the Committee would welcome an update on those discussions.***

Where matters are reserved, it is for UK Government to lead on providing an impact assessment, however as we did in relation to proposed reform of the health and disability benefits system, the Welsh Government will make the case for analysis to be done at Wales level.

- 7. What consideration and discussions have taken place in relation to re-introducing the Aggregate Levy Fund for Wales?***

We are currently exploring the experience in Scotland in relation to an aggregates levy and will then consider any policy development which might be advantageous to Wales.