

# **Legislation, Justice and Constitution Committee**

**Date: 16 January 2022**

**Title: The Welsh Government's Draft Budget for 2023-24**

## **1. Introduction**

- 1.1. The Counsel General and Minister for the Constitution is attending the Legislation, Justice and Constitution Committee on 16 January to give evidence as part of the Committee's scrutiny of the Government's Draft Budget proposals for the forthcoming 2023-24 financial year.
- 1.2. The Chair's letter of 22 November to the Counsel General set out a number of areas where the Committee requested further detail on the Welsh Government's proposed spending in relation to justice and the accessibility of Welsh law, as detailed in the Annex to the letter. This paper sets out that further detail, utilising the headings as used in the Annex to the letter.

## **2. General**

- 2.1. The schedule at Annex 1 provides a breakdown of the Draft Budget proposals for 2023-24 by Main Expenditure Group ("MEG"), Spending Programme Area ("SPA") and Budget Expenditure Line ("BEL") from which planned justice-related actions will be funded. The schedule provides a narrative description of the justice-related activity resourced by each BEL, together with a comparison of the allocation in the 2023-24 financial year with the previous financial year.
- 2.2. The 2023-24 Draft Budget is underpinned by difficult choices, containing several reductions in funding. Ministers have made difficult choices and are having to pass on cuts in funding in areas where ordinarily they would not wish to do so.
- 2.3. To enable the Welsh Government to protect key areas, a reprioritisation exercise has been undertaken to release funding from within existing plans and to re-focus the limited resources in the areas of greatest need. The intention is to ensure every pound invested makes the greatest positive impact. It is recognised in doing so, this will regrettably have negative impacts for those areas from which funding has been reprioritised.
- 2.4. Through using funding released from the reprioritisation exercise, together with some limited positive changes to our overall settlement as a result of the Autumn Statement, the Welsh Government has targeted additional allocations towards protecting frontline public services and delivering our Programme for Government commitments, helping those affected by the cost-of-living crisis and supporting our economy through recessionary times.

- 2.5. Turning to the level of information provided on planned spending on justice-related activity in the Draft Budget, the “Budget Process Protocol” (“the Protocol”) between the Senedd and the Welsh Government agreed by the Senedd on 21 June 2017 is the document that currently sets out the understanding between the Finance Committee and the Welsh Government on budgetary related matters. In accordance with the Protocol, the Draft Budget for 2023-24 sets out budget proposals for each portfolio at the BEL level.
- 2.6. Justice-related activity cuts across portfolios and is allocated funding from within a number of BELs across MEGs as detailed in the schedule at Annex 1. In many cases, expenditure will largely be on costs of staff whose time is not precisely divided between justice and non-justice related activity, or forecasts of expenditure cannot be disaggregated in this way. The granularity of detail on budget allocations for justice-related activity does not, therefore, go beyond BEL level in the Draft Budget for 2023-24. This approach is consistent with the Protocol, and the structure and presentation of the Draft Budget for 2022-23 is therefore consistent with previous years’ budgets.
- 2.7. There has been a change in the description of the BEL that supports the Welsh Government’s justice transformation programme. Formerly the BEL for the budget allocated to the Commission on Justice in Wales (“the Thomas Commission”), the BEL now allocates the budget that resources the Justice Policy Division to take forward activity supporting the justice transformation agenda in Wales. This principally comprises of taking forward the Thomas Commission recommendations and the Programme for Government commitment to pursue the case for the devolution of policing and justice, together with co-ordinating leadership on justice activity across Government through supporting the Cabinet Sub-Committee on Justice. The BEL has therefore been renamed from “Justice Commission in Wales” to “Justice Transformation” to better reflect the purpose of the budgetary allocation.
- 2.8. The costs to be met from the Justice Transformation BEL are primarily staffing costs. This includes the costs of staff working on taking forward the recommendations of the Law Commission’s report on reform of devolved tribunals. However, this BEL is also expected to be used for commissioning external services such as research or analysis. For example, the Welsh Government has recently issued an invitation to quote for an assessment of need for solicitor apprenticeships in Wales. The costs of this work are expected to be met from the Justice Transformation BEL across the 22/23 and 23/24 financial years.
- 2.9. The Protocol acknowledges that the budget process is evolving, and that presentation of budget proposals will change. There is always more that can be done to improve transparency. As the Committee is aware, we intend to bring forward an annual report setting out progress against our *Delivering Justice for Wales* work programme. As part of this, we continue to explore whether there

are ways in which we can improve the level of granular information we can provide about justice expenditure across government.

### **3. Delivering Justice for Wales**

3.1. The Committee asked for information on planned spending on the Law Council of Wales. While the Welsh Government worked with the legal sector to establish the Law Council of Wales, the Council is independent in its operation and it does not receive any funding from the Welsh Government. This reflects the importance of the Law Council having complete autonomy in determining and delivering its own work programme. Consequently, the Welsh Government is not responsible for any expenditure on this activity. It is therefore not possible to provide a breakdown of its planned spending for 2023-24. The Welsh Government continues to work in partnership with the Law Council and an update on that activity will be provided in the Delivering Justice for Wales annual report.

3.2. That aside, Delivering Justice for Wales sets out an ambitious forward work programme, covering 59 actions across 10 thematic areas. While many of these activities will have concluded by the end of 2023-24, other actions have a longer-term focus. As noted above, we intend to produce an annual report setting out progress against this work programme and are continuing to explore the extent to which we can provide meaningful detail on expenditure to date and planned expenditure going forward.

3.3. The schedule at Annex 1 details proposed spending allocations in the Draft Budget for 2022-23 on justice programmes in partnership with the Ministry of Justice. These include the Women's Justice and Youth Justice Blueprints, the Partnership Agreement for Prison Health and offender learning.

3.4. The Justice Transformation BEL as set out in the schedule at Annex 1 resources the tribunal reform project. The Welsh Government endorses the principle of the Law Commission's conclusions for reform of the Welsh Tribunals and other devolved tribunals in Wales and *Delivering Justice for Wales* set our intention to take forward structural reform of devolved tribunals to create a modernised tribunal system for Wales. A new, unified system of tribunals can only be put in place with primary legislation. The scheduling of that legislation is subject to its own separate processes and we are taking forward preparatory work ahead of that legislation being timetabled.

### **4. The Future of Welsh Law**

4.1. As explained in my letter of 22 February, our work to deliver the legislative programme is an element of the work of the Government as a whole and this is the same for the accessibility of law programme – the total overall costs, including that of the Bill work, are met from across a number of portfolios as part

of the wider legislative activity of the organisation. The indicative costs of the additional staffing that were required to increase drafting and translation capacity, as well as other staff to work on the non-legislative projects, were set out in the Explanatory Memorandum to the Legislation (Wales) Bill.

- 4.2. In my recent annual report on “The Future of Welsh Law” programme I explained our early work on understanding the role that machine learning and artificial intelligence has shown there is scope for using emerging technology to help make information about the law more accessible and easier to understand in respect of specific issues (such as tax liabilities or housing rights).
- 4.3. We have allocated an indicative sum of £350,000 in the Draft Budget for 2023-24 to Canolfan Bedwyr of Bangor University for language technology work, which includes machine translation. Part of this funding will go towards continuing to gather training data to develop domain-specific machine translation for the justice domain which we started in the 2022-23 financial year.
- 4.4. Work on annotating Welsh law published on the legislation.gov.uk website is in its infancy but is progressing well. Much of the project to date has focussed on working with legislation.gov.uk to develop and test the new functionality and to undertake the necessary training. However, in the first two months of full rollout the small team within Welsh Government have brought all Acts of Senedd Cymru up to date in both languages and have now begun on Acts of the National Assembly. There are three Executive Officer grade staff and one Higher Executive Officer staff trained to work on annotation, and they perform this work alongside other duties, primarily work associated with making, registering and publishing subordinate legislation. We are trialling a number of ways of working to ensure progress on annotation can be maintained and the staff develop the range of skills necessary to perform this work effectively, but I am delighted with the progress made to date. I will ensure the Senedd is kept informed of their work.

**Welsh Government's draft budget proposals for 2023-24 and allocation of resources to justice related activity**

MEG <sup>1</sup>	SPA	BEL	Allocation £000s 22-23	Indicative 23-24 Allocation	Justice related activity resourced by BEL
Central Services & Administration	External Bodies & Services	Justice Transformation	490	480	Co-ordinating the Justice Transformation programme across Government and the response to the recommendations of the Commission on Justice in Wales, supporting engagement with the UK Government on the devolution of justice, developing the legal sector including engagement with the Law Council of Wales, taking forward work relating to the Welsh Tribunals including reform pursuant to the Law Commission review of devolved tribunals in Wales.
Central Services & Administration	External Bodies & Services	Tribunals	4,193	4,110	Administration and support of the Welsh Tribunals through the Welsh Tribunals Unit.
Central Services & Administration	Central Programmes	Civil Contingencies & National Security	0	0	Counter terrorism, serious organised crime. No budget is assigned to the BEL, and it is not included in the Draft Budget tables. Any spend in previous years has been managed within the CSA MEG.
Finance & Local Government	Healthcare Inspectorate Wales	Healthcare Inspectorate Wales	4,339	4,339	While Her Majesty's Inspectorate of Prisons (HMIP) has a statutory duty to inspect health care and substance misuse in prisons in England and Wales, there is a <a href="#">Memorandum of Understanding</a> between HMIP and Healthcare Inspectorate Wales (HIW), in which HIW may accompany HMIP on routine inspections of public sector prisons. HIW's focus regarding prisons is in relation to the quality and safety standards and governance arrangements for the provision of prison health services by the health boards in Wales. <sup>2</sup>

<sup>1</sup> "MEG": Main Expenditure Group, "SPA": Spending Programme Area, "BEL": Budget Expenditure Line.

<sup>2</sup> Justice-related activity has been allocated funding within the draft budget for that BEL.

MEG <sup>1</sup>	SPA	BEL	Allocation £000s 22-23	Indicative 23-24 Allocation	Justice related activity resourced by BEL
Social Justice	Equality, Inclusion & Human Rights	Equality, Inclusion & Human Rights	16,886	17,316	<p><u>Human Rights</u><sup>3</sup> Work will be taken forward in relation to five main action areas:</p> <ul style="list-style-type: none"> <li>• preparatory legislative work;</li> <li>• development of Human Rights guidance;</li> <li>• review of Public Sector Equality Duty Welsh Regulations;</li> <li>• incorporation of Human Rights into Integrated Impact Assessment processes; and</li> <li>• widening Awareness of Human Rights.</li> </ul> <p>Work on these issues will be undertaken mainly by existing staff in the newly formed Human Rights Team.</p> <p><u>Anti-Racist Wales Action Plan</u> Programme for Government commitment to ensure the justice elements of the Anti-racist Wales Action Plan are robust and to address these matters with the police and the courts. The Plan includes a specific chapter on crime and justice, and we have also worked with criminal justice partners on a separate Criminal Justice Anti-Racism Action Plan for Wales.</p> <p><u>Hate Crime</u> Funding of the Wales Hate Support Centre, run by Victim Support, to provide support and advocacy through the criminal justice system to all victims of hate crime in Wales. Funding of anti-hate crime communications campaign Hate Hurts Wales to help raise awareness and increase reporting of hate crime. Exploring preventative work with perpetrators.</p>
Social Justice	Supporting Communities	Social Partnerships	806	861	The budget allocation covers a wide range of work within Social Partnership, Employability and Fair Work directorate including wider Programme for Government commitments

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<sup>3</sup> See footnote 2.

MEG <sup>1</sup>	SPA	BEL	Allocation £000s 22-23	Indicative 23-24 Allocation	Justice related activity resourced by BEL
					and their associated programme staff costs. It provides the resource for modern slavery justice related activity. <sup>4</sup>
Social Justice	Supporting Communities	Basic Income	5,000	12,200	The budget allocation resources exploring how children entering or leaving custody might be included in and engaged with the basic income for care leavers pilot. <sup>5</sup>
Social Justice	Advocacy Services	Advice Services	11,875	11,675	Under the Information and Advice Action Plan for Wales: through the Single Advice Fund grant funding a framework of strategically planned and integrated social welfare advice services; implementation of the Advice Quality Framework; and promotion of networking as a means of helping people attain a better understanding of accessing their individual rights.
Social Justice	Violence against Women, Domestic Abuse and Sexual Violence	Violence against Women, Domestic Abuse and Sexual Violence	7,875	8,005	Leading the strategic direction and implementation of the Violence Against Women, Domestic Abuse & Sexual Violence (Wales) Act 2015, which includes an objective to 'Increase the focus on holding those who commit abuse to account and supporting those who may carry out abusive or violent behaviour to change their behaviour and avoid offending.
Social Justice	Female Offending and Youth Justice Blueprints	Female Offending and Youth Justice Blueprints	1,075	1,075	Welsh Government contributions towards the Women's Justice and Youth Justice Blueprint for Wales.
Social Justice	Community Support and Safety	Community Support and Safety	22,625	22,998	Funding for Police Community Support Officers.
Economy	Business Wales / Entrepreneurship and Regional Economy	Business Wales	17,116	26,559	Bespoke business support to the legal sector in Wales through the Business Wales service with interventions

<sup>4</sup> See footnote 2.

<sup>5</sup> See footnote 2.

MEG <sup>1</sup>	SPA	BEL	Allocation £000s 22-23	Indicative 23-24 Allocation	Justice related activity resourced by BEL
					focusing on their challenges with recruitment, retention and resilience. <sup>6</sup>
Economy	Employability Including Young Persons Guarantee	Employability Including Young Persons Guarantee	90,936	83,758	Delivery of recommendations from David Hanson's review of offender learning. <sup>7</sup>
Economy	Sectors & Business	Valleys Task Force	100	100	Preventative services that may help us with youth justice, including child poverty and food poverty. <sup>8</sup>
Economy	Skills	Communities for Work	3,972	23,034	Preventative services that may help us with youth justice. Delivery of intensive employment mentoring and training to those furthest from the labour market. <sup>9</sup>
Economy	Apprenticeships	Apprenticeships	117,033	140,033	Provision of post-16 education pathways, including A-level, FE and apprenticeship provision. <sup>10</sup>
Education & Welsh Language	Welsh Language	Welsh Language	22,404	22,404	The budget allocation funds a range of activity including provision of education pathways and language technology work, e.g., including funding of Canolfan Bedwyr of Bangor University. <sup>11</sup>
Education & Welsh Language	Youth Engagement & Employment	Offender Learning	7,328	7,328	Funding for learning and skills delivery in prisons, delivered through HMPPS through procured contracts and direct delivery. An MoU is in place with HMPPS.

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<sup>6</sup> See footnote 2.

<sup>7</sup> See footnote 2.

<sup>8</sup> See footnote 2.

<sup>9</sup> See footnote 2.

<sup>10</sup> See footnote 2.

<sup>11</sup> See footnote 2.



MEG <sup>1</sup>	SPA	BEL	Allocation £000s 22-23	Indicative 23-24 Allocation	Justice related activity resourced by BEL
Education & Welsh Language	Wellbeing	Whole School Approach to Wellbeing	5,200	7,400	<p>The whole school approach relates to supporting the emotional, mental health and wellbeing of learners and staff in schools as well as trusted adults as part of the school community. The whole school approach framework places an emphasis on early identification and prevention. Funding provided to local authorities as part of this approach can be used to provide targeted support for early identification of young people at risk of disengaging from education, who are more vulnerable to ending up in the criminal justice system.</p> <p>There are several ongoing projects that make up the policy area funded from this MEG and BEL.<sup>12</sup> For example, around £2m per year is invested in the Wales Police Schools Programme which provides lessons and support on topics including substance misuse, wider community and personal safety issues.</p>
Health & Social Services	Health Central Budgets	Mental Health	88,212	83,601	<p>The budget allocation provides resource to the whole school approach, supporting the emotional, mental health and wellbeing of learners and staff in schools as well as trusted adults as part of the school community. There are several ongoing projects that make up the policy area funded from this MEG and BEL.<sup>13</sup></p>
Health & Social Services	Enabling Children and Communities	Children and Communities Grant ("CCG") (transferred from the FLG MEG)	149,937	171,045	<p>Implementation of Children (Abolition of Defence of Reasonable Punishment) (Wales) Act is supported by a funding stream of £810,000 for the out of court parenting support grant, which is administered through the CCG</p> <p>Ownership of cross-government approach to safeguarding and vulnerable children and young people in education. Poverty and mental health in schools and learning outcomes for the most disadvantaged - looked after children VCYPs workstream, anti-bullying, school attendance.<sup>14</sup></p>

<sup>12</sup> See footnote 2.

<sup>13</sup> See footnote 2.

<sup>14</sup> See footnote 2.

MEG <sup>1</sup>	SPA	BEL	Allocation £000s 22-23	Indicative 23-24 Allocation	Justice related activity resourced by BEL
Health & Social Services	NHS Delivery	Core NHS Allocations	8,253,211	8,611,185	<p>Partnership agreement for Prison Health in Wales. This includes WG led work streams on mental health, substance misuse and medicines management.</p> <p>There is also a workstream on the prison environment which is led by HMPPS. Welsh Government allocated an additional recurrent funding from 2019/20 (£1.2 million) to support local health boards to improve access to health services in the public prison estate. The aim of the funding is to support improvements to health, mental health and co-occurring mental health and substance misuse services for people in prisons and has been allocated to those Health Boards that have public sector prisons (Swansea Bay UHB, Aneurin Bevan UHB, and Cardiff and Vale UHB). Separate funding arrangements are in place for HMP Berwyn, and also HMP Parc.<sup>15</sup></p>
Health & Social Services	Supporting Children	Supporting Children	4,865	3,865	<p>Funding for family justice policy and activity that enables reductions in the number of children coming into care, improved outcomes and experiences of children.<sup>16</sup></p> <p>Recurrent funding of £850K is provided to local authorities to support Reflect Services through the Revenue Support Grant.</p> <p>There was a grant awarded in 2020-21 (to South-East Wales Local Family Justice Board - pilot of a Family Drug and Alcohol Court model ref 20-21/073) which was paid in advance in 20-21 that covered the period February 2021 to 31 August 2023.</p>
Health & Social Services	Sustainable Social Services	Sustainable Social Services	99,715	109,715	<p>Analysis and evaluation of the implementation of the Social Services and Wellbeing (Wales) Act 2015.<sup>17</sup> The Act set out requirements to ensure local services are provided to prevent children from offending and to promote their future welfare.</p>

<sup>15</sup> See footnote 2.

<sup>16</sup> See footnote 2.

<sup>17</sup> See footnote 2.

MEG <sup>1</sup>	SPA	BEL	Allocation £000s 22-23	Indicative 23-24 Allocation	Justice related activity resourced by BEL
Health & Social Services	Supporting Children	Support for Families and Children	6,720	5,170	Framework to support positive change for those at risk of offending in Wales, 2018-2023 and removal of the defence of "reasonable chastisement" and supporting implementation of the legislation making the physical punishment of children illegal (Children (Abolition of Defence of Reasonable Punishment) (Wales) Act 2020) by funding the out of court parenting support scheme. The funding allocated is £810,000 for 2023-24. <sup>18</sup>
Health & Social Services	CAFCASS Cymru	CAFCASS Cymru	14,725	15,195	Funding for CAFCASS Cymru.
Climate Change	Housing Policy	Homelessness	31,147	46,147	<p>Accommodating Welsh offenders, WG and HMPPS in Wales have committed to taking a collaborative strategic approach to prevent and address homelessness for all Welsh offenders. This work is aimed at ensuring policy differences do not affect prisoners' housing outcomes on release.</p> <p>Improving implementation of the National Pathway for homelessness services for Children, Young People and Adults in the secure estate</p> <p>Housing solutions for offenders in the Welsh Criminal justice system being tested and evaluated through a number of projects including a specific Housing First project in Cardiff.<sup>19</sup></p>

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<sup>18</sup> See footnote 2.

<sup>19</sup> See footnote 2.