

**Pwyllgor Diwylliant, Cyfathrebu, y Gymraeg,
Chwaraeon, a Chysylltiadau Rhyngwladol**

**Culture, Communications, Welsh Language,
Sport, and International Relations
Committee**

Mark Drakeford MS
First Minister
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16 January 2024

Scrutiny of the Welsh Government's Draft Budget for 2024-25

Dear Mark,

I am writing to you following our consideration of your written evidence for the Draft Budget 2024-25 on 11 January 2024. We would be grateful if you could provide further information on a number of points.

Whilst we were grateful to receive the paper you provided, we regret that the information falls significantly below the standard we had expected. Large discrepancies in the evidence has prevented us from considering the information with any confidence. We are unclear as to the amount of the budget allocations for International Relations within the Draft Budget for 2024-25. This is of major concern to us as a Committee.

Figures included in the Draft Budget published on 19 December 2023 indicated that £8.383m would be allocated to the International Relations Budget Expenditure Line ("BEL") in 2024-25. This has been revised down, as further savings of £290,000 had been identified, and a transfer of £350,000 will be made to the Social Justice Main Expenditure Group ("MEG"). The revised figure is £7.743million; a reduction of 8.3 per cent from 2023-24.

If correct, these revised headline figures do not, however, correlate to the breakdown of spending within the International Relations BEL contained in your letter. According to our calculations, and assuming that all the costs outlined in the breakdown come from within the International Relations BEL, the amounts listed to deliver some parts of the International Strategy would result in a overspend in 2024-25:

Budget description	Draft Budget Allocation
International Engagement	3,059,000
International offices	5,434,000
Total	8,493,000

Given that £7.743million has been allocated for 2024-25, this would mean there is a £750,000 or 9.7 per cent overspend. This calculation does not include other amounts mentioned in your written evidence and elsewhere, such as funding for Wales's peace academy, Academi Heddwch (this is listed as £140,918 for the current financial year). We would request that you urgently clarify these inconsistencies.

We are also concerned by the lack of detail relating to the transfer of £350,000 to the Social Justice MEG. This transfer from the International Relations BEL to the International Development budget does not reappear after it shows up as a deduction in the International Relations BEL in your written evidence. This matter is further complicated by the fact that the 'International Development' BEL, referenced throughout your written evidence, does not appear in the 2024-25 Draft Budget, as with previous budgets. There is a BEL for 'International Sustainable Development' in the Social Justice MEG of the 2024-25 Draft Budget, the figure in which is £1.050m. This corresponds to the figure given for 'International Development' in your evidence to us. The two terms are not, however, interchangeable and the £350,000 transfer does not reappear in the International Sustainable Development BEL, regardless. We would welcome an explanation as to why this transfer does not re-appear in the Draft Budget.

These two issues compound our previous concerns relating to the lack of clarity we've received relating to previous Draft Budgets. It is regrettable that you have not agreed to give oral evidence to our Committee, so that we might explore these inconsistencies with you. We think that providing clear, accurate and timely information, accompanied by an oral evidence session, would resolve most of these issues. In order to correct these inconsistencies, we would request that you attend a Committee meeting before the end of the scrutiny process for the Draft Budget to discuss these issues. If that is not possible, we would request that you attend a meeting of the Committee before you finish your term as First Minister.

A request for additional information is outlined in the Annex attached to this letter.

I look forward to receiving your response by no later than 24 January 2024.

Yours sincerely



Delyth Jewell MS
Committee Chair

Croesewir gohebiaeth yn Gymraeg neu Saesneg.

We welcome correspondence in Welsh or English.

Annex: Additional information required for consideration of Draft Budget 2024-25

In addition to the information outlined in the letter, we would like to request the following:

- An explanation of the discrepancy of £750,000 as outlined;
- Comprehensive breakdowns of planned spending within the BEL including International Engagement and International Offices;
- Information relating to outputs, outcomes, impacts and value for money for each area of expenditure within the International Relations BEL;
- Allocations and comparisons with planned spend for 2024-25 against 2023-24;
- Information on the apparent increase in the International Engagement budget for 2024-25, including where this money has come from, what activities and outcomes this will deliver;
- Clarification on all spending noted within your written evidence, including projects such as Academi Heddwch;
- Information on how you have prioritised your spending including what savings you have identified (and the rationale for doing so);
- An outline of further potential challenges and prioritisations you may need to take in future years;
- On the involvement and funding requirements of strategic partners responsible for delivering the International Strategy :



- Confirmation of what steps were taken to obtain key financial information from strategic partners during the Draft Budget's development, and prior to its publication on 19 December 2023;
 - The Welsh Government's contingency plan if strategic partners report in Q1 that the reduced Draft Budget is insufficient to deliver their responsibilities under the International Strategy.
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- A breakdown of planned spending on priority relationships identified in the International Strategy for 2024-25;
 - The rationale for renaming the International Development BEL as the International Sustainable Development BEL, including what difference this has made to the spending under this BEL;
 - Comprehensive breakdowns of planned spending under the International Sustainable Development BEL;
 - Why the £350,000 MEG to MEG transfer from the International Relations BEL to cover costs of Wales and Africa does not reappear as an incoming transfer on the 2024-25 Draft Budget; and
 - A list of emergency appeals supported by the Welsh Government in the 2023-24 budget year, where this funding came from, and current plans for support relating to global conflicts in the 2024-25 Draft Budget.
 - Information on major/international events, including specific budget allocations for 2023-24, and details of any planned events and current planned spending for 2024-25.