

Minister for Housing and Local Government

Minister for Finance

Deputy Minister for Housing and Local Government

Deputy Minister and Chief Whip

10 November 2020

Dear Ministers / Deputy Ministers

Welsh Government draft budget scrutiny 2021-22

In advance of our budget scrutiny at the start of 2021, we would be grateful for a paper on the allocations in your portfolios, based around the Finance Committee's agreed principles of financial scrutiny, which are:

- **Affordability** - to look at the big picture of total revenue and expenditure, and whether these are appropriately balanced;
- **Prioritisation** - whether the division of allocations between different sectors/programmes is justifiable and coherent;
- **Value for money** - Essentially, are public bodies spending their allocations well - economy, efficiency and effectiveness (i.e.) outcomes; and
- **Budget processes** - are they effective and accessible and whether there is integration between corporate and service planning and performance and financial management.

The Finance Committee are also interested in the following areas:

- How resources should be targeted to support economic recovery and what sectors in particular need to be prioritised;
- To what extent alleviating climate change should be prioritized in supporting economic recovery;
- Welsh Government policies to reduce poverty and gender inequality;



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- Approach to preventative spending and how this is represented in resource allocations;
- Sustainability of public services, innovation and service transformation;
- How evidence is driving Welsh Government priority setting and budget allocations;
- How the Welsh Government should use taxation powers and borrowing;
- Support for businesses, economic growth and agriculture after EU transition ends;
- What are the key opportunities for Government investment to support 'building back better'

We would appreciate if you could provide us with further details on these areas as they relate to your portfolios.

We would like you to provide us with detailed information on the budget allocations for:

- Local Government;
- Housing and Regeneration;
- Equalities; and
- Tackling Poverty (including Welfare).

In providing this information, can you provide information on how the Strategic Integrated Impact Assessment has informed and steered budgetary decisions, including examples of both positive and negative impacts of budgetary decisions.

We understand that the pandemic will have a significant impact on the budget this year, can you outline how allocations have been informed by the need to target support to those most adversely affected by the pandemic?

Can you also provide examples of preventative spend for each of the policy areas above?

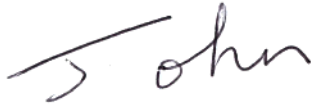
We would also like to see how the Well-Being of Future Generations Act has influenced your budget allocations, and with details of specific allocations.

We would also appreciate an update on the implementation of the recommendations from the joint work we undertook with the Finance Committee and Children, Young People and Education Committee.

We would appreciate this information as soon as possible after the budget has been published, but at the absolute latest we would ask for it by 8 January 2021.



Yours sincerely

A handwritten signature in black ink that reads "John". The letter 'J' is large and stylized, with a long horizontal stroke that extends to the left and then curves down to form the letter. The 'o' and 'h' are written in a cursive style.

John Griffiths AM

Chair

Croesewir gohebiaeth yn Gymraeg neu Saesneg.

We welcome correspondence in Welsh or English.

