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Y Gweinidog Cyllid a'r Trefnydd
Minister for Finance and Trefnydd



Llywodraeth Cymru
Welsh Government

Llŷr Gruffydd
Chair of Finance Committee
National Assembly for Wales
Cardiff Bay
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13 September 2019

Dear Llŷr,

In the chamber on Tuesday 17 September I will be making an Oral Statement on the UK Government's 'fast-tracked' Spending Round which will cover the implications for Wales and the actions we as a government are taking to respond to the UK Government's increasingly unpredictable approach to public finances.

One area I wish to clarify following the Spending Round is the timetable for the 2020-21 Budget. In accordance with Standing Order 20, before the summer recess I wrote to the chair of the Business Committee and yourself as chair of Finance Committee regarding the dates on which the draft budget will be laid and the annual budget motion will be tabled. I indicated then our plans to publish the outline and detailed draft Budgets together on 10 December, and the final Budget on 3 March 2020. In determining these timescales we had to plan on the assumption that the UK Government would honour its commitment to deliver a 3 year Comprehensive Spending Review this autumn. However, I also outlined that these timescales were subject to an understanding that I would provide a firm timetable as soon as possible after the UK Government had made an announcement regarding the Comprehensive Spending Review and its Autumn Budget.

Whilst we remain unclear about the UK Government's plans for an Autumn Budget, I am minded to bring forward our plans and publish the Welsh Government Budget earlier than previously discussed, subject to both your views and the views of the Business Committee. This would have the advantage of providing as much certainty as possible to our partners and stakeholders to support their forward financial planning. However, I appreciate that this shift will impact on the provisional scrutiny timetable and all Ministers will need to be as flexible as possible with regards their availability.

Standing Order 20.6 does make provision for the Business Committee to make changes to the timetable at the request of the Government and I will be liaising with the Business Committee this week. As previously indicated, in order to accommodate the timing constraints this year, it is my intention to publish the outline and detailed draft Budgets together. This in practice will mean a single, consolidated draft Budget package. Subject to your views on the proposal to bring the Budget

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

forward, we would look to publish the draft Budget on 19 November and the final Budget on 4 February 2020.

I am mindful of both Standing Order 20.5 and the arrangements agreed between the Welsh Government and the National Assembly for Wales with regard to the period provided for budget scrutiny. Standing Order 20.5 provides, in 'normal' circumstances, for the Finance Committee to be given 8 weeks to report on the outline budget proposals and 5 weeks for committees to consider the detailed Budget proposals. The revised timetable I have set out would enable 8 weeks for scrutiny of the draft Budget, comprising 5 sitting weeks and 3 non-sitting weeks.

In proposing this revised timetable I would also like to draw the Committee's attention to the ongoing challenges and uncertainties that may continue to hamper this year's budget preparations.

We remain unclear about the UK Government's plans for an Autumn Budget in terms of both the timing of its publication and the potential for it to contain further announcements and adjustments which could impact on our 2020-21 budget settlement. Indeed the Office for Budget Responsibility this week informed the UK Parliament's Treasury Committee that it is yet to be engaged to prepare updated forecasts for an Autumn Budget. It is clear that the Prime Minister is prepared to take the UK over the 'no deal' cliff edge, which would have a catastrophic impact on Wales and would require a major consideration of our future spending plans. Furthermore, a UK General Election would pose further risks of a new administration bringing forward different spending plans in the short-term.

The Budget Process Protocol agreed between the Welsh Government and the National Assembly for Wales recognises the UK Budget will usually be published after the Welsh Government has published its outline and detailed budget proposals and that the integrity of the scrutiny process is maintained by considering any non-material changes arising as a result of the UK Budget in the Welsh Government's subsequent supplementary budget. Given the scale of the potential disruptions, however, we may need to review our own spending plans at short-notice and curtail the presentation of the suite of Budget documentation. Should this be the case I will keep you informed.

I wish to express my disappointment that the UK Government's disorderly and chaotic approach has forced me to change our agreed arrangements, affecting us all. I welcome the support you have already offered and I hope these arrangements are acceptable. I would be grateful if you could confirm, ahead of my Oral Statement on Tuesday, your support for bringing forward the Budget timetable.

Yours sincerely,



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