



John Griffiths AM
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Sustainable Development
Welsh Government
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24 October 2012

Dear John

Welsh Government draft budget 2013-14

Thank you for your appearance before us on 18 October 2012. We have set out our conclusions from the session in a letter to the Finance Committee, a copy of which is enclosed. Please refer to that letter for more detailed commentary on the points raised below.

In summary, we have highlighted the following areas to the Finance Committee for consideration:

- Natural Resources Body for Wales
- Marine Policy
- Sustainable development
- Invest to save and the Natural Resources Body

As you will see from our submission to the Finance Committee, we wish to make requests to you in some of these areas. These requests compliment the information set out in the letter to Finance Committee. For ease of cross reference, the numbers following each heading below relate to the relevant paragraph of the letter to the Finance Committee. I set out our requests below:

- ***Natural Resources Body (1.2)*** – We ask that you clarify:
 - whether any savings made by the establishment of the Natural Resources Body will result in a reduction in the funding it receives in future years; and

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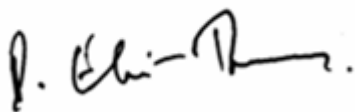
- what outcomes will be delivered by the £2 million allocated to *Natural Environment Framework restructuring* in 2013-14?
- **Marine policy (2.1)** – The level of priority afforded to this policy area appears insufficient and the financing of this policy is not transparently presented in the draft budget. We ask that you set out clearly under which budget expenditure line under the ‘Delivering nature conservation and marine policies’ action the £120 thousand allocated to marine policy rests, and the outcomes you expect from this expenditure. We ask that future budgets clearly set out planned expenditure on marine policy.
- **Sustainable development (3.2)** - In future budget rounds, we would like to see more detail of how sustainable development influenced spending allocations. For example, we would like to know whether policies were modified to deliver more sustainable outcomes or whether one policy option was selected over another for sustainability reasons.

More generally, you responded to several questions around resourcing by referring to sufficient finance being available from central departmental and Welsh Government-level staffing budgets. We have some concern that a number of Welsh Government’s policy and legislative priorities are at risk if you are unable to access sufficient finance for their delivery. We would expect in future scrutiny for you to be able to clearly identify for the Committee your success in accessing these funds to increase your department’s capacity to deliver on its stated outcomes.

Overall, there have been improvements in the presentation and clarity of the budget papers and the written evidence provided. We welcome moves towards greater transparency; however there is still considerable room for improvement. Whilst steps have been taken towards linking financial planning with Programme for Government policy objectives, more needs to be done to make these links clear. Greater clarity is needed to enable more comprehensive financial scrutiny and we expect further improvements when we return to in-year financial scrutiny and scrutiny of the 2014-15 draft budget next autumn.

I thank you again for your appearance before us. I look forward to receiving your response.

Yours sincerely



Dafydd Elis-Thomas AM
Chair of the Environment and Sustainability Committee
c.c. Chair of Finance Committee