



**Cynulliad Cenedlaethol Cymru
The National Assembly for Wales**

**Y Pwyllgor Cyllid
The Finance Committee**

**Dydd Iau, 10 Gorffennaf 2008
Thursday, 10 July 2008**

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Cofnodir y trafodion hyn yn yr iaith y llefarwyd hwy ynndi yn y pwyllgor. Yn ogystal,
cynhwysir cyfieithiad Saesneg o gyfraniadau yn y Gymraeg.

These proceedings are reported in the language in which they were spoken in the committee.
In addition, an English translation of Welsh speeches is included.

Aelodau pwyllgor yn bresennol
Committee members in attendance

Mohammad Asghar	Plaid Cymru The Party of Wales
Lorraine Barrett	Llafur (yn dirprwyo ar ran Lynne Neagle) Labour (substituting for Lynne Neagle)
Angela Burns	Ceidwadwyr Cymreig (Cadeirydd y Pwyllgor) Welsh Conservatives (Committee Chair)
Alun Davies	Llafur Labour
Alun Ffred Jones	Plaid Cymru The Party of Wales
Ann Jones	Llafur Labour
Nick Ramsay	Ceidwadwyr Cymreig (yn dirprwyo ar ran Nick Bourne) Welsh Conservatives (substituting for Nick Bourne)
Jenny Randerson	Democratiaid Rhyddfrydol Cymru Welsh Liberal Democrats
Joyce Watson	Llafur Labour

Swyddogion Gwasanaeth Seneddol y Cynulliad yn bresennol
Assembly Parliamentary Service officials in attendance

John Grimes	Clerc Clerk
Abigail Phillips	Dirprwy Glerc Deputy Clerk

Dechreuodd y cyfarfod am 9.31 a.m.
The meeting began at 9.31 a.m.

Ymddiheuriadau a Dirprwyon
Apologies and Substitutions

[1] **Angela Burns:** Thank you all for attending today's meeting of the Finance Committee. First, I welcome Lorraine Barrett, who is substituting for Lynne Neagle, and Nick Ramsay, who is substituting for Nick Bourne. I have received an apology from the Minister for Finance and Public Service Delivery. As you know, he has been unwell, and has only recently returned to work. We extend our warm wishes to him, and we are delighted to see that he is back on his feet. He was going to come here to talk to us about the views of the Government on public-private partnerships. He has prepared a report, but has not had time to get up to speed on it. I said that we would be delighted to welcome him back in September, when he will talk to us about that. However, we have received some views from him, which we can discuss in our private session later.

[2] You are welcome to speak in either Welsh or English. Headsets are available. I ask you to switch off your mobile phones. If the fire alarm sounds, please obey the ushers.

9.32 a.m.

**Ymchwiliad i Ariannu'r Cyfnod Sylfaen: Adroddiad Drafft y Pwyllgor
Inquiry into Funding of the Foundation Phase: Draft Committee Report**

[3] **Angela Burns:** We have two reports to consider, and we will then go into a private session to discuss the public-private partnership work. The first report is our inquiry into the funding of the foundation phase. We have prepared a draft report and have had a number of discussions on it. I want to go through that now and take any views from the people here present before we agree it and publish it.

[4] **Alun Davies:** I very much welcome the report as currently drafted, and I propose that we accept it as it is drafted at present. I also want to put on record my thanks and those of the committee to you, Chair, for guiding us through the last few weeks and months of the process of producing the foundation phase report. You have steered and guided the committee excellently in its work, and we are very grateful to you for that.

[5] **Angela Burns:** Thank you very much for your kind words. They are much appreciated.

[6] **Mohammad Asghar:** I also want to put on record that this is a wonderful report, learning lessons from organisations ranging from Welsh Water to Canadian aviation systems.

[7] **Alun Ffred Jones:** We are discussing the report on the foundation phase. It is the first report.

[8] **Mohammad Asghar:** I am sorry.

[9] **Angela Burns:** Are you happy with the report on the foundation phase, Oscar?

[10] **Mohammad Asghar:** I am also very happy with the report on the foundation phase.

[11] **Angela Burns:** Brilliant, thank you.

[12] **Jenny Randerson:** It is a report that the Government should not ignore, but it is also written in a measured and evidence-based way. It has my full support.

[13] **Angela Burns:** Thank you for that, Jenny.

[14] **Ann Jones:** In paragraph 38, why do we have a 'chronic system failure' when, in paragraph 19, we have a 'systemic system failure'? I would also have thought that it would be a 'systemic failure' rather than a 'systemic system failure'. Why do we move from that in paragraph 19 to a 'chronic system failure' in paragraph 38? Should we not be consistent?

[15] **Angela Burns:** I am perfectly happy to make that consistent; that is not an issue. A system failure is an event that occurs; a systemic system failure would be an event that occurs repeatedly and throughout an entire organisation. Hence, the use of those words. I am perfectly happy to amend the other paragraph by using the phrase, 'systemic system failure', if that is acceptable to the committee.

[16] **Alun Ffred Jones:** Which was the first paragraph?

[17] **Ann Jones:** In paragraph 19, we say:

[18] 'This appears to be a systemic system failure that needs to be addressed'.

[19] I would have thought that 'systemic failure' would have been sufficient there. I understand what the Chair has just said, but I think that that would have been sufficient. I cannot see why, in paragraph 38, we then say that, in our view, it is a 'chronic system failure'. We have to be consistent. We cannot move from having a 'systemic failure' as our view in paragraph 19 and then, right at the end, decide that it is 'chronic', where it was not before.

[20] **Jenny Randerson:** I second Ann's proposal that we move to 'systemic failure'. I would prefer 'serious systemic failure', because I think that it is serious. However, 'systemic failure' implies that the system has failed. The system is very well established, so I think that it reads better to say 'systemic failure'.

[21] **Angela Burns:** Would anyone else like to make a comment on this? I see that they would not. Therefore, we will do that. Subject to that change, are we all content? I see that we are. We shall do that and publish the report. Thank you very much for that.

9.36 a.m.

Cyllideb Atodol Llywodraeth Cynulliad Cymru 2007-08: Adroddiad Drafft Welsh Assembly Government Supplementary Budget 2007-08: Draft Report

[22] **Angela Burns:** The second report for us to look at is the supplementary budget draft report, which has been put to us by Ian Summers. Thank you for the report, Ian, it is very good. We have already had a brief discussion on this and have incorporated any changes that were required. Does anyone have any further comments to make on this?

[23] **Ann Jones:** I have a couple of points. This may just be to do with the style of writing. Paragraph 7, under 'Conclusions' on page 3, says that:

[24] 'The Finance Committee does not object in principle to the merging of these two ambits and is content for this to be done for 2007-08 also'.

[25] I did not think that you could end a sentence with the word 'also'. That might just be me and my old-fashioned education. Further down the paragraph, the word 'therefore' is superfluous. It says,

[26] 'the issue of transparency was a concern raised by the Committee during the 2008-09 budget setting process and it therefore asks the Government to seek the Committee's views before making any further changes of this nature.'

[27] I do not see why we 'therefore' have to ask. I am sorry; it might be a style of grammar.

[28] **Angela Burns:** We will change those two sentences. Providing that everyone is satisfied, we will also agree this report and ask for both reports to be published.

[29] Before I ask the committee to agree that we go into a private session under Standing Order No. 10.37 to discuss our draft interim report on public-private partnerships, I would like to put on record my thanks to the Members' research service, especially to Eleanor for her briefing on PPP. It was excellent and far clearer than most of the stuff that we have heard from some of the specialists who have been here. She did an absolutely cracking job. I was really impressed. I extend my thanks and those of the committee to her for that briefing.

9.39 a.m.

Cynnig Trefniadol
Procedural Motion

[30] **Ann Jones:** I propose that

the committee resolves to exclude the press and public from the remainder of the meeting in accordance with Standing Order No. 10.37(vi).

[31] **Angela Burns:** I see that the committee is in agreement.

Derbyniwyd y cynnig.
Motion carried.

Daeth rhan gyhoeddus y cyfarfod i ben am 9.39 a.m.
The public part of the meeting ended at 9.39 a.m.