

4.1: The Welsh Assembly Government's budget: Standing Orders 27.0A – 27.6

See BC(3)32-10 (Paper 2): paragraphs 9 - 12

<p>27.0A <u>References to “the responsible committee” within this Standing Order means the committee established to deliver the functions specified in Standing Order 14.</u></p>	<p>Insert new Standing Order</p> <p>This amendment gives effect to the replacement of named committees in Standing Orders with function-based Standing Orders.</p> <p>Rather than stating that there must be a specific Finance Committee, the Business Committee must ensure that functions specified in Standing Order 14 (Finance) are undertaken by a committee.</p> <p>The Committee with responsibility for delivering the functions under Standing Order 14 would also be the “responsible committee” in relation to the functions currently undertaken by the Finance Committee under Standing Order 27, and is referred to as the “responsible committee” here.</p>
<p>Welsh Assembly Government</p>	
<p>27.0 B <u>In each year, the Minister with responsibility for government business must notify the Business Committee of the following:</u></p> <p>(i) <u>the date by which a Welsh Minister will lay the draft budget, in accordance with Standing Order 27.1; and,</u></p> <p>(ii) <u>the date by which a Welsh Minister will table the annual budget motion in accordance with Standing Order 27.17, and taking account of 27.0D.</u></p>	<p>Insert new Standing Order</p> <p>It has been necessary to suspend Standing Orders or agree a temporary Standing Order to adjust the timings, in three of the past four years of this Assembly. It is proposed therefore that Standing Orders should set out the principles that apply to the budget scrutiny process and the time allowed for each part of the scrutiny process, rather than having all</p>

	<p>dates enshrined in Standing Orders. This is proposed following the recommendation made by the Finance Committee.</p> <p>Any required dates would be removed from Standing Orders. The Welsh Government would retain control over the budget timetable, and would be required to notify the Business Committee of the two key dates – the date by which it intends to lay the draft budget and the date by which they will table the annual budget motion.</p> <p>It is anticipated that the Government would usually notify the Business Committee of specific dates on which they would lay the draft budget or table the motion.</p> <p>In exceptional circumstances, if the Government is unable to provide exact dates, for example due to a spending review, the Standing Order provides sufficient flexibility for the Government to provide indicative dates “by which” the Government would lay the draft budget or table the motion. Once the Government was able to confirm more precise dates, a revised timetable could be published under SO 27.0F below.</p> <p>In setting these two key dates, the Government would have to take account of the need to allow sufficient time for the responsible committee to report, in accordance with the time allowed in SO 27.0E. In practice, we anticipate that the Government would consult the responsible committee beforehand to ensure an agreed approach to the timetable.</p>
<p>27.0C The Minister must make the notification required under Standing Order</p>	<p>Insert new Standing Order</p>

<p><u>27.0B at least two weeks before the summer recess in each year.</u></p>	<p>If as proposed above, the key dates are no longer set out in Standing Orders, the responsible committee would nonetheless need sufficient notice and certainty about the timetable for scrutiny of the budget each year to allow them to plan their budget scrutiny process.</p> <p>In its response, the Finance Committee recommended that the dates should be published in the summer term each year.</p>
<p><u>27.0D Having been notified under Standing Order 27.0B and consulted the responsible committee, the Business Committee must establish and publish a timetable for the consideration of the Welsh Assembly Government budget, which must include:</u></p> <p>(i) <u>the dates notified in accordance with SO27.0B;</u></p> <p>(ii) <u>the deadline by which the responsible committee must report to the Assembly on the draft budget.</u></p>	<p>Insert new Standing Order</p> <p>The Business Committee would be responsible for publishing the budget scrutiny timetable. This would consist of the date notified to it by the Welsh Government under SO 27.0B. The Business Committee would have no say over the dates the Government propose to lay the budget, nor the debate on the draft budget, nor the date for tabling the annual budget motion. This is in line with the principle that the Government determines its own business.</p> <p>In agreeing the deadline for the responsible committee to report, the Business Committee would have to consult the responsible committee; take into account the dates notified to it by the government; and the minimum period the responsible committee must be given in accordance with Standing Order 27.0E.</p> <p>In practice, we anticipate that the Government would consult the responsible committee beforehand to ensure an agreed approach to the timetable and that the committee would be in a position to advise the</p>

	<p>Business Committee of the agreed date for them to report.</p>
<p>27.0E <u>In determining the timetable under Standing Order 27.0D(ii), the responsible committee must be given [at least 6 working] weeks to report on the draft budget.</u></p>	<p>Insert new Standing Order</p> <p>This new provision would ensure that the timetable allows the responsible committee a minimum time to report.</p> <p>Business Managers are invited to consider what the appropriate minimum timeframe should be. The Finance Committee recommended that this should be 6 working weeks.</p> <p>The Business Committee would need to agree the exact deadline to report as outlined above under SO 27.0D.</p>
<p>27.0F <u>At the request of the Minister with responsibility for government business, the Business Committee may make subsequent changes to the timetable established under Standing Order 27.0D, subject to Standing Orders 27.0B and 27.0E.</u></p>	<p>Insert new Standing Order</p> <p>This enables the Business Committee to publish a revised timetable only at the Government’s request. It would not give the Business Committee the right to change the Government’s timetable for consideration of the budget.</p> <p>Again, the role of the Business Committee would be to publish the revised dates notified to it by the Government, as per Standing Order 27.0B.</p> <p>If for some reason the Government had to postpone the laying of its draft budget or the debate on the annual budget motion, it follows that the deadline for the responsible committee to report may also have to be reconsidered. This Standing Order enables the Business Committee to determine that revised</p>

	deadline.
27.1 Not later than 7 October in In accordance with Standing Order 27.0B, a Welsh Minister must lay before the Assembly a draft budget setting out the amounts of resources and cash which the government proposes to use for the following financial year and provisional amounts for the subsequent two years or for such other period as the Minister considers appropriate.	<p>Amend this Standing Order</p> <p>The relevant date by which the Government has to lay its draft budget would be the date notified to the Business Committee by the Minister.</p>
27.2 No motion may be moved in plenary in respect of the draft budget for the government until <u>after the deadline by which the responsible committee is required to report</u> the Finance Committee has made its report on the draft budget under Standing Order 27.0D(ii).	<p>Amend this Standing Order</p> <p>It is proposed to remove the requirement that the responsible committee has to have reported before the Government may move the motion on the draft budget.</p> <p>The Government could not move the motion before the deadline for the committee to report. However, if the responsible committee has not reported by the deadline, there would be nothing preventing the debate on the Government's draft budget going ahead as planned.</p>
27.3 Committees <u>Any committee other than the Finance Committee responsible committee</u> may consider and make recommendations <u>report</u> to the <u>responsible committee</u> Finance Committee on the draft budget for the government no later than two weeks after it has been laid before the Assembly.	<p>Amend this Standing Order</p> <p>It is proposed that the requirements here are simplified: it is not necessary to specify "make recommendations" – this is covered by "report".</p> <p>It is proposed that there would be no deadlines for the other committees to report on the Government's draft budget, as the tight deadlines have caused problems for scrutiny committees in the past.</p> <p>It would be a matter for the committees themselves to manage the timeliness of their report having regard to</p>

	the timetable published by the Business Committee, and to ensure that they publish their report before the deadline for the responsible committee to report if they wish it to be considered by the responsible committee.
27.4 The Finance Committee must consider and report to the Assembly on the draft budget no later than four weeks after it has been laid before the Assembly. The Finance Committee's report must append any recommendations which the Finance Committee has received from other committees.	Delete this Standing Order This would be covered by SO27.0D and by SO 27.3.
27.5 The Finance Committee's <u>responsible committee's</u> report may recommend changes to the amounts proposed in the draft budget provided that the net effect of those changes would not increase or decrease the aggregate amounts of resources or cash proposed in the draft budget for the government.	Amend this Standing Order This amendment gives effect to the replacement of named committees in Standing Orders with function-based Standing Orders.
27.6 No later than two weeks after the Finance Committee has made the report required under Standing Order 27.4, In accordance with the timetable established and published by the Business Committee under Standing Order 27.0D or 27.0F, the Assembly must consider a motion tabled by a Welsh Minister that the Assembly takes note of the draft budget for the government. Any amendment to such a motion may only be tabled provided that the net effect of any changes would not increase or decrease the aggregate amounts of resources or cash proposed in the draft budget for the government.	Amend this Standing Order The date of the debate on the draft budget would be determined by the Government. In deciding this, they would need to take account of the deadline for the responsible committee to report as published by the Business Committee in accordance with either 27.0D or 27.0F. It is anticipated that the Government would allow for at least one week between the deadline for the responsible committee to report and the debate on the draft budget, to allow the Government sufficient time to consider the recommendations. The Government would not be required to notify the Business Committee of the date of the debate on the draft budget under SO27.0B, this allows them flexibility to determine the most appropriate date in

	<p>light of the progress of the budget scrutiny. However, the Government may wish to inform the Business Committee of their indicative date for the debate along with the other dates required before the beginning of the summer recess. This could also be published as part of the budget scrutiny timetable, but would not be a requirement.</p>
<p>4.2: The Assembly Commission's budget: Standing Orders 27.7 - 27.12A</p> <p>See BC(3)32-10 (Paper 2): paragraph 13</p>	
<p>The Commission</p>	<p>It is proposed to amend the deadline for laying the Commission budget to the 1 October.</p> <p>To allow the same amount of time for the consideration of the Commission's budget, the end date in SO27.11 and SO27.12 should therefore also be extended by 1 week to 27 November.</p> <p>The responsible committee would be given 3 weeks to report. In its response, the Finance Committee has indicated that this is sufficient time to report.</p> <p>After the responsible committee has reported, the Commission may lay its budget at any time, bearing in mind it has to get it agreed before 27 November.</p>
<p>27.7 Not later than 24 September <u>1 October</u> in each financial year, a member of the Commission must lay before the Assembly a draft budget for the Commission setting out the amounts of resources and cash which the Commission proposes to use for the following financial year and provisional amounts for the subsequent two years or for such other period as the Commission has agreed with the Welsh Ministers.</p>	<p>Amend this Standing Order</p> <p>It is proposed to amend the deadline for laying the Commission budget to the 1 October. This allows the Commission more leeway to decide when to lay its draft budget after the summer recess.</p>

<p>27.8 The Finance Committee <u>responsible committee</u> must consider and report to the Assembly on the draft budget for the Commission no later than three weeks after it has been laid before the Assembly. The Finance Committee's report may recommend variations in the amounts proposed in the draft budget provided that the net effect of those variations would not increase the aggregate amounts of resources or cash proposed in the draft budget for the Commission.</p>	<p>Amend this Standing Order</p> <p>This amendment gives effect to the replacement of named committees in Standing Orders with function-based Standing Orders.</p>
<p>27.9 No later than 30 October, a <u>A</u> member of the Commission must lay before the Assembly a budget for the Commission, together with a motion that the budget be agreed and incorporated in the annual budget motion under Standing Order 27.17(ii). The budget may not be laid until after the deadline by which the responsible committee is required to report on the draft budget.</p>	<p>Amend this Standing Order</p> <p>Remove date. It will be for the Commission to decide when to lay its budget and when to have the debate, bearing in mind that it has to get it agreed before 27 November (and allow time to agree any revised budgets if necessary).</p>
<p>27.9A <u>The Commission must table a motion that the budget laid under Standing Order 27.9 be agreed and incorporated in the annual budget motion under Standing Order 27.17(ii). No amendment to the motion may be tabled and the motion must be debated within five working seven days of it being tabled (not counting working days in a week when there is no plenary meeting of the Assembly).</u></p>	<p>Amend this Standing Order</p> <p>The requirement to lay the budget and the tabling of the motion have been separated. I.e. the Commission could, if it wished, lay its budget in advance of the motion (to give Members longer to consider if appropriate). The motion would be laid five days before the Commission wishes to have the debate. This gives provides more flexibility.</p> <p>The requirement to debate the motion within five working days is retained to ensure the Commission has plenary time to debate the budget. This ensures the Commission has control over the date of the debate.</p>
<p>27.10 If the final budget for the Commission is not agreed, then a member of the Commission must lay before the Assembly a revised budget for the Commission, together with a motion that it be agreed and incorporated in the annual budget motion under Standing Order 27.17(ii). No amendment to the motion may be tabled and the motion must be debated within <u>five</u></p>	<p>Amend this Standing Order</p> <p>This is amended to make it clear that any days falling within recess would not count.</p>

<p><u>working seven</u> days of it being tabled (<u>not counting working days in a week when there is no plenary meeting of the Assembly</u>).</p>	
<p>27.11 Further motions under Standing Order 27.10 may be tabled until such time as agreement has been reached but no such motion may be considered by the Assembly after 20 <u>27</u> November.</p>	<p>Amend this Standing Order</p> <p>It is proposed that the deadline for laying the Commission budget is amended to the 1 October.</p> <p>To allow the same amount of time for the consideration of the Commission's budget, the end date specified in this Standing Order and SO27.12 below should therefore also be amended by 1 week to 27 November.</p>
<p>27.12 If the budget for the Commission has not been agreed by 20 <u>27</u> November, then the budget for the Commission to be incorporated in the annual budget motion under Standing Order 27.17(ii) is to comprise, for each service or purpose for which resources or cash were authorised to be used by the Commission in the previous financial year, 95% of the amount so authorised.</p>	<p>Amend this Standing Order</p> <p>See SO 27.11 above.</p>
<p><u>27.12A In a financial year in which a UK Government or Welsh Government Spending Review takes place, the Commission may, with the agreement of the Business Committee, change the dates by which they must lay the draft budget in Standing Order 27.7 and consequently the date referred to in 27.11 and 27.12. If the Business Committee agrees, it must notify the Assembly by laying a report.</u></p>	<p>Insert new Standing Order</p> <p>In a year in which a UK Government or Welsh Government spending review was taking place, the Commission may propose to change the dates by which they must lay the draft budget in Standing Order 27.7 and consequently the date referred to in 27.11 and 27.12.</p> <p>This would require the agreement of the Business Committee, which would then notify the Assembly by laying a report.</p> <p>This introduces some flexibility to change the usual dates for the Commission's budget timetable and should avoid the need to agree a temporary Standing Order as has happened this year.</p>

4.3: Other provisions including supplementary budget motions: Standing Orders 27.13 – 27.31	
See BC(3)32-10 (Paper 2): paragraph 14	
Auditor General	
27.13 The Auditor General must submit the estimate of income and expenses required under paragraph 12 of Schedule 8 to the Act to the Audit Committee <u>Public Accounts Committee</u> as soon as practicable but in any event no later than 1 November in each financial year.	Amend this Standing Order This is a consequential amendment, following the Business Committee's agreement to amend SO 13, at its meeting of 9 November 2010.
27.14 The Audit Committee <u>Public Accounts Committee</u> must consider and lay before the Assembly, no later than 22 November, the estimate, with any modifications which the Committee, having consulted and taken into account any representations made by the Auditor General, considers appropriate.	Amend this Standing Order This is a consequential amendment reflecting the agreement to amend Standing Order 13.
Ombudsman	
27.15 The Ombudsman must submit the estimate of income and expenses required under paragraph 15 of Schedule 1 to the Public Services Ombudsman (Wales) Act 2005 to the responsible committee <u>Finance Committee</u> as soon as practicable but in any event no later than 1 November in each financial year.	Amend this Standing Order This amendment gives effect to the replacement of named committees in Standing Orders with function-based Standing Orders.
27.16 The responsible committee <u>Finance Committee</u> must consider and lay before the Assembly, no later than 22 November, the estimate, with any modifications which the Committee, having consulted and taken into account any representations made by the Ombudsman, considers appropriate.	Amend this Standing Order This amendment gives effect to the replacement of named committees in Standing Orders with function-based Standing Orders.
Annual Budget Motions	
27.17 An annual budget motion as required under section 125 of the Act must be tabled by a Welsh Minister, in accordance with Standing Order 27.0B or	Amend this Standing Order

<p>before 3 December. An annual budget motion must incorporate:</p> <ul style="list-style-type: none"> (i) the final budget for the government; (ii) the final budget for the Commission as agreed by the Assembly under Standing Order 27.9 or 27.10, or as determined under Standing Order 27.12; (iii) the estimate for the Auditor General, as laid before the Assembly under Standing Order 27.14; and (iv) the estimate for the Ombudsman as laid before the Assembly under Standing Order 27.16. 	<p>It is proposed to remove the date by which the Government have to table the annual budget motion from Standing Orders and allow the Government to decide on the appropriate date and notify Business Committee accordingly under SO 27.0B.</p> <p>This date would appear in the timetable as published under SO 27.0D or 27.0F.</p> <p>This Standing Order has been separated into two separate provisions – the second half of the Standing Order which states what must be incorporated in an annual budget motion now appears in SO 27.17A, with no changes.</p>
<p><u>27.17A</u> An annual budget motion must incorporate:</p> <ul style="list-style-type: none"> (i) the final budget for the government; (ii) the final budget for the Commission as agreed by the Assembly under Standing Order 27.9 or 27.10, or as determined under Standing Order 27.12; (iii) the estimate for the Auditor General, as laid before the Assembly under Standing Order 27.14; and (iv) the estimate for the Ombudsman as laid before the Assembly under Standing Order 27.16. 	<p>Insert new Standing Order</p> <p>To improve the presentation of the Standing Orders, it is proposed that the second part of 27.17 is presented as a separate Standing Order. There is no change to the drafting.</p>
<p>27.18 An annual budget motion may also incorporate any motion for a resolution to be made for the relevant financial year under section 120(2)(a) of the Act.</p>	<p>No amendment necessary</p>
<p>27.19 The information produced in support of an annual budget motion must include as a minimum:</p>	<p>No amendment necessary</p>

<ul style="list-style-type: none"> (i) the written statement required under section 125(3) of the Act; (ii) the resources agreed by the Treasury for the Welsh block budget for the financial year covered by the motion; (iii) a reconciliation between the resources allocated to the Welsh block budget by the Treasury and the resources to be authorised for use in the motion; (iv) a reconciliation between the estimated amounts to be paid into the Welsh Consolidated Fund by the Secretary of State and the amounts to be authorised for payment out of the Fund in the motion; and (v) a reconciliation between the resources to be authorised under section 125(1)(a) and (b) of the Act and the amounts to be authorised for payment out of the Welsh Consolidated Fund under section 125(1)(c). 	
<p>27.20 An annual budget motion may only be moved by a Welsh Minister. No amendment to an annual budget motion may be tabled.</p>	<p>No amendment necessary</p>

Supplementary Budget Motions	
27.21 A Welsh Minister may table a supplementary budget motion under section 126 at any time after the annual budget resolution has been passed.	No amendment necessary
27.22 The information provided in support of a supplementary budget motion must include any variations to that provided in accordance with Standing Order 27.19.	No amendment necessary
<p><u>27.22A If the supplementary budget motion proposes a variation to the budget of the Commission, the Commission must lay an explanatory memorandum stating why it is required.</u></p>	<p>Insert new Standing Order</p> <p>The Finance Committee examines the draft budgets for the Assembly Commission and the Ombudsman.</p> <p>However, if one of these requests a supplementary budget, the motion for this has to be laid by the Government – and, in turn, the duty to provide supporting information falls on Welsh Ministers. There is currently no duty on the Commission nor the Ombudsman to provide an explanation to the Finance Committee (or publicly) if they need a supplementary budget.</p> <p>Thus, if the Commission requires a supplementary budget motion, it is proposed that there should be a duty on the Commission to lay an explanatory memorandum explaining why. This would then be considered by the responsible committee when they report on the supplementary budget motion under 27.23.</p> <p>The same principle should apply to the Ombudsman</p>

	<p>(amended 27.26) and the Auditor General and Public Accounts Committee (amended 27.25).</p>
<p>27.23 A supplementary budget motion tabled under Standing Order 27.21 may not be moved until either:</p> <ul style="list-style-type: none"> (i) the Finance Committee <u>responsible committee</u> has reported on the motion; or (ii) if the Finance Committee <u>responsible committee</u> has not reported on the motion, three weeks have elapsed after it has been tabled. 	<p>Amend this Standing Order</p> <p>These amendments give effect to the replacement of named committees in Standing Orders with function-based Standing Orders.</p> <p>NB The Finance Committee has noted in its response that three weeks is sufficient time for it to report on supplementary budget motions.</p>
<p>27.24 The Finance Committee <u>responsible committee's</u> report may recommend changes to the amounts proposed in the supplementary budget motion provided that the net effect of those variations would not increase or decrease the aggregate amounts of resources or cash proposed in the supplementary budget motion.</p>	<p>Amend this Standing Order</p> <p>This amendment gives effect to the replacement of named committees in Standing Orders with function-based Standing Orders.</p>
<p>27.25 If the supplementary budget motion proposes a variation to the budget for the Auditor General:</p> <p><u>(i) the Auditor General must provide revised estimates to the Public Accounts Committee and an explanatory memorandum stating why it is required;</u></p> <p><u>(ii) the Public Accounts Committee</u> Audit Committee may report on the proposed variation within three weeks of the supplementary budget motion being tabled. The report may propose any modifications to the proposed variation which the <u>Public Accounts Committee</u> Audit Committee, having consulted and taken into account any representations made by the Auditor General, considers appropriate.</p>	<p>Amend this Standing Order</p> <p>27.25 (i) – it is proposed that where the supplementary budget motion proposes a variation to the budget for the Auditor General, they must provide an explanation to the Public Accounts Committee so that they may consider it as they report under SO 27.25.</p> <p>This would be in line with the proposals in relation to supplementary budgets requested by the Commission or Ombudsman (new 27.22A and amended 27.26).</p> <p>27.25 (ii) - These are consequential amendments reflecting the agreement to amend Standing Order 13.</p>

<p>27.26 If the supplementary budget motion proposes a variation to the budget for the Ombudsman:</p> <p>(i) <u>the Ombudsman must provide revised estimates to the responsible Committee and an explanatory memorandum stating why it is required;</u></p> <p>(ii) the Finance Committee <u>responsible committee</u> may lay before the Assembly a report on the proposed variation within three weeks of the supplementary budget motion being tabled. The report may propose any modifications to the proposed variation which the Finance Committee, having consulted and taken into account any representations made by the Ombudsman, considers appropriate.</p>	<p>Amend this Standing Order</p> <p>If the supplementary budget motion varies the budget of the Ombudsman, it is proposed that there should be a duty on the Ombudsman to submit an explanation to the responsible committee. This would then be considered by the responsible committee when they report on the supplementary budget motion under 27.26.</p> <p>This would be in line with the proposals in relation to supplementary budgets requested by the Commission (new 27.22A) or the Auditor General (amended 27.25).</p>
<p>27.27 A supplementary budget motion may only be moved by a Welsh Minister. Any amendment to such a motion may only be tabled to vary the supplementary budget motion. No amendment may be tabled or moved except by a Welsh Minister.</p>	<p>Amend this Standing Order</p> <p>It is proposed that to simplify this provision, as the restriction is unnecessary.</p>
<p>Excess Use of Resources</p>	
<p>27.28 Standing Order 27.29 applies if the audited accounts of the Commission, the Auditor General or the Ombudsman for any financial year record an excess of resources used to the amounts authorised or deemed under the Act to be authorised by Assembly budget resolutions.</p>	<p>No amendment necessary</p>
<p>27.29 A Welsh Minister must, if requested to do so by the Commission, the Auditor General or the Ombudsman, table a supplementary budget motion seeking retrospective authorisation for excesses recorded in that person's audited accounts.</p>	<p>No amendment necessary</p>
<p>27.30 A supplementary budget motion tabled under Standing Order 27.29 may not be moved until either:</p> <p>(i) the Audit Committee <u>Public Accounts Committee</u> has reported</p>	<p>Amend this Standing Order</p> <p>This is a consequential amendment reflecting the agreement to amend Standing Order 13.</p>

<p>on the motion; or</p> <p>(ii) if the Audit Committee <u>Public Accounts Committee</u> has not reported on the motion, 6 months have elapsed after it has been tabled.</p>	
<p>27.31 Standing Orders 27.21 to 27.26 do not apply to motions tabled under Standing Order 27.29.</p>	<p>No amendment necessary</p>