

Jane Hutt AC / AM
Y Gweinidog Cyllid a Busnes y Llywodraeth
Minister for Finance and Government Business



Llywodraeth Cymru
Welsh Government

Jocelyn Davies AM
Chair, Finance Committee,
National Assembly for Wales
Cardiff Bay,
Cardiff
CF99 1NA

17 August 2015

Dear Jocelyn,

I am writing with regard to the implications of the late timing of the Spending Review on the 2015 Budget timetable.

In a normal year, and when we have certainty on future funding settlements, we would look to complete the budget process by the end of the Autumn term, providing early certainty for our partners on future spending plans. This year, of course, we will not know our settlement for 2016-17 and beyond until the UK Government's Spending Review. In light of this, we were working on the basis that we would be following a similar budget timetable to that which we followed in 2010, when the UK Coalition Government published its Spending Review on 20 October. This was the premise for the indicative timetable I provided to the Presiding Officer before the Summer recess.

Since then, the UK Government has announced its plans to conclude the Spending Review on 25 November. The late timing of the Spending Review presents us with significant challenges, both in terms of managing the impact of a further period of austerity as well as the implications for the Budget timetable. I wrote to the Presiding Officer on 6 August to provide an early indication that it is highly unlikely that we will be able to adhere to the indicative timetable as previously notified. I attach a copy of the correspondence for your information.

Given the potential constraints a late Spending Review may place on the scrutiny process, I would welcome the opportunity to discuss the implications of the timing of the Spending Review with you before agreeing a revised timetable. I will ask my office to set up an early meeting.

Yours sincerely

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Dame Rosemary Butler AM
Presiding Officer
Chair, Business Committee
National Assembly for Wales
Cardiff Bay,
CF99 1NA

6 August 2015

Dear Rosemary,

Before the Summer recess, I wrote to you with an indicative timetable for publishing the Draft Budget 2016-17 and the annual Budget motion. In doing so, I highlighted the provisional nature of the Budget timeline in the absence of certainty on the timing of the UK Government's Spending Review. I indicated that I would provide a firm timetable as soon as practicably after the UK Government announces a date for the Spending Review.

On 21 July, the UK Government announced that it will conclude the Spending Review on 25 November. In my Written Statement to members on 22 July, I highlighted the implications for Wales of the UK Government's Spending Review, including the challenges associated with the timing of the Spending Review announcement. One of the main considerations is the implications of a late Spending Review for the 2015 Budget timetable.

As I highlighted in my letter of 1 July, our indicative Budget timetable was based on the assumption that this year's Spending Review would be on similar timescales to 2010, when the UK Coalition Government concluded the Spending Review on 20 October. This year's Spending Review will be over a month later. In these exceptional circumstances, it is inevitable that we will need to revisit the Budget timetable and I wanted to give you an early indication that it is highly unlikely that we will be able to adhere to the indicative timetable as previously notified.

I will write to you as soon as I am in a position to provide a firm timetable.

*Best wishes,
Jane*

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