

National Assembly for Wales
Children and Young People Committee

Children's Budgeting in Wales

October 2009



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CHAIR'S FOREWORD



There are very few promises, programmes or policies that any government can deliver, without backing them up with money. For things to happen, well meaning words and assurances usually have to be followed through with cold hard cash.

Unfortunately, the way in which budgets are constructed in Wales, and indeed many other countries, actually makes it very difficult to determine whether and when this happens.

That is what Children's Budgeting is all about, examining the resources that national and local government allocate to polices and services that affect children and young people, assessing the impact they have, and looking at whether these adequately reflect the needs of children and young people. It is to Wales' credit that it is the only country in the UK whose Government have initiated work in this field. However, by the Welsh Government's own admission, it is still early days for such budgetary analysis.

In calling for greater transparency over budget setting on issues that affect children and young people, we are not presuming that there are any skeletons in the closet of Wales' decision making processes that need discovering. Nor are we unaware that analysing how Wales spends its money, and how effectively it does so, will itself involve costs, albeit ones which we believe sensible planning and imaginative processes can minimise.

However, we are convinced that money needs to be spent strategically towards promoting the rights and well-being of children and young people in Wales, that we need to know what the long-term objectives of such expenditure is, and that we need to have informed discussions about whether such expenditure is adequate for the task. We believe a greater public understanding of Wales' budgetary decisions, and their impacts, will ultimately lead to better decisions. Indeed, by putting such budgetary analyses into the public domain, by saying 'we had £X million, this is how we spent it, this is what we hoped would happen, and this is what did happen,' we believe effective governments can earn public confidence and trust.

A Government could have the best stated policy in the world, but if we do not know where the resources are going, we will not be able to trace whether the investment has been made. Ultimately, for Governments to demonstrate what their real priorities are, we need to be able to 'follow the money.'

A handwritten signature in dark ink that reads "Helen Mary Jones". The signature is written in a cursive, flowing style.

Helen Mary Jones AM
Chair, Children and Young People Committee

INTRODUCTION

“Diwedd y gân yw'r geiniog”

“At the end of the song comes the penny.”¹

In January 2009, we announced that we were going to conduct a focused inquiry into Children’s Budgeting in Wales.

What is Children’s Budgeting?

In ‘First introduction to Working for Child Rights, from a budget perspective,’ Save the Children Sweden comment that child rights budget work:

“emerged out of collaboration between child rights advocates, researchers and economists with an interest in children and their rights... child rights budget work has become a powerful means to monitor governments’ commitment to children.”²

We believe that Children’s Budgeting is about looking at how much, and how well, money is being spent by government to help children and young people.

It is about examining the resources that national and local government allocate to polices, programmes and services that benefit children and young people, and about whether these adequately reflect their needs.

It is about assessing whether children’s rights are effectively enabled by a government’s budgetary decisions.

It is about looking at whether the policy promises that governments make are backed up with money to make them happen.

Why did we want to look at Children’s Budgeting?

The remit of the Children and Young People Committee is to “consider and report on issues affecting children and young people in Wales. In particular, the Committee may, within its remit examine the **expenditure**, administration and policy of the Welsh Assembly Government and associated public bodies and consider reports of the Children's Commissioner for Wales.”

However, for some time, we have been concerned that the ways in which budgets are constructed in Wales made it difficult for us to effectively examine the Welsh Government’s expenditure on children and young people.

¹ Common Welsh Language Proverb, expressing that money is needed for things to happen. A comparable concept is expressed in English Language Proverbs such as: “There’s no such thing as a free lunch,” “You don’t get owt for nowt,” or “It always comes down to money.”

² Save the Children Sweden, First introduction to Working for Child Rights from a budget perspective, published by Sida (Swedish International Development Cooperation Agency), page (p.) 6.

For example, in our October 2008 report to the Finance Committee, on the Welsh Government's draft 2009-10 budget proposals, we commented that there was:

"A lack of clarity and transparency about the draft budget spend on children and young people."³

Similarly, in our May 2009 report into "Parenting in Wales and the delivery of the Parenting Action Plan" we recommended that the Welsh Government:

"identify the overall level of expenditure on parenting support and ensure there is greater transparency and clarity about spend across departments at national and local level as part of the yearly budget setting and allocating process."⁴

Moreover, we had heard concerns from key stakeholders that they were concerned that children's rights were not being prioritised in budgetary decision making. We heard in November 2007 that Children in Wales were:

"very worried at the moment about how children will be prioritised in many departments. Within the Assembly, we have seen capacity issues within the children's division. At local authority level, there are not many people with a passion for children's issues in senior positions any more. So, I think that the way that local agencies spend money on children is important."⁵

However, the Welsh Government had stated to us that it was developing work on Children's Budgeting. For example, in October 2008, when asked in Committee about children's budgeting and overall spend on children, the Minister for Children, Education, Lifelong Learning and Skills told us that:

"Papers will shortly be in the public domain showing our analysis that, overall, 28 per cent of the Assembly Government's expenditure in 2006-07 was allocated to children. That cuts across all the budgets that I mentioned, but particularly mine, social justice, and health and social services. The social justice budget is important because a lot of money goes out to local government, and it would be good if we could create a framework for children's budgeting that would encourage our partners to take it up at the local authority level."⁶

³ Finance Committee, Reports from Committees of the National Assembly for Wales regarding the draft budget of the Welsh Assembly Government, http://www.assemblywales.org/bus-home/bus-committees/bus-committees-third1/bus-committees-third-fin-home/bus-committees-third-fin-agendas/fin_3_15-08_p2_reports_from_other_committees.pdf?langoption=3&ttl=FIN%283%29-15-08%20%3A%20Paper%20%20%3A%20reports%20from%20other%20Committees%20%28pdf%2C%20179kb%29, p. 6

⁴ Children and Young People Committee, Parenting in Wales and the delivery of the Parenting Action Plan, <http://www.assemblywales.org/bus-home/bus-guide-docs-pub/bus-business-documents/bus-business-documents-doc-laid/cr-ld7514-e.pdf?langoption=3&ttl=CR-LD7514%20-%20Parenting%20in%20Wales%20and%20the%20delivery%20of%20the%20Parenting%20Action%20Plan>, page 37.

⁵ Record of Proceedings (RoP), Children and Young People Committee, 15.11.07, p.5-6

⁶ RoP, Children and Young People Committee, 14.10.08, p.9

Given that this work was being developed by the Welsh Government, we considered that it would be appropriate to conduct an inquiry to scrutinise this effort in greater detail.

We were therefore pleased that, early in this inquiry, the Welsh Government provided us with a paper setting out their methodology in developing their children's budgeting analyses, and published on 10 March 2009 a statistical article that sought to detail the percentage of each of its Budgetary Lines that was considered to be allocated towards children.

The Minister also acknowledged in oral evidence to us that it "is early days in terms of the work that we have done so far,"⁷ and commented that the Committee's inquiry "will help to guide us."⁸

⁷ RoP, Children and Young People Committee, 31.3.09., p.5.

⁸ Ibid., p.5.

BACKGROUND: THE DEVELOPMENT OF CHILDREN'S BUDGETING IN WALES

In 2002, the UN Committee on the Rights of the Child recommended that, to ensure compliance with Article 4 of the UN Convention on the Rights of the Child, budget analysis be conducted to:

- show spending on children,
- identify priorities and
- allocate resources to the maximum extent available.

Subsequently, Save the Children commissioned a review of public expenditure on children in Wales which was published in 2003.⁹ The aim of the review was to identify trends in the national government's spending on children and young people, and to assess to what extent the child-centred policy decisions of the Welsh Government were backed up by money to deliver improved services and address the obstacles faced by the most marginalised children in Wales.¹⁰

The review showed a growth in spending on children over the period 1996-97 to 2000-01. As well as an increase in spending on education over the period, there had been a significant increase in the share of the social services budget spent on children in Wales.

However, the study also raised more questions. It illustrated substantial variations in the levels of spending between local authorities and health authorities, not all of which seemed attributable to demographic and socio-economic factors.

It also highlighted the difficulties in accessing information on public spending on children and young people, particularly in non-children specific services and in determining how much is spent on children.

The Welsh Government told us that, following this report:

"In 2006, the then Cabinet Sub-Committee on Children and Young People commissioned work to identify the proportion of the Assembly Government budget spent on children. That commission was in response to a requirement to understand the resources that are spent on children, in order to inform policy development and to comply with a responsibility under the United Nations Convention on the Rights of the Child to report on the amount and percentage of national budgets spent on children."¹¹

⁹ Tom Sefton, (2003), Save the Children Wales, *A Child's Portion: Public Spending on Children in Wales*

¹⁰ [Save the Children Wales \(2004\): Where's the money going? Monitoring government and donor budgets.](#)

¹¹ Welsh Government, Welsh Assembly Government's Written Evidence of Children's Budgeting, http://www.assemblywales.org/cyp_3_child_budgeting_submission_from_welsh_assembly_government_e-2.pdf, p. 1.

Subsequently, as Save the Children observed, when reporting:

“to the UN Committee in 2007, the Welsh Assembly Government included a crude analysis of the proportion of its budget spent on children (the only nation in the UK to do so) and reported that it planned to do further work to enable a more sophisticated analysis to come forward.”¹²

In 2008, the four UK Children’s Commissioners reported to the UN Committee that the allocation of resources in the UK was not dependent on assessed need, was not transparent, and was often of a short term nature with its impact on outcomes for children not always evaluated.¹³

The UN Committee subsequently reported on the UK and devolved administrations on 3 October 2008, saying that they noted with appreciation the increase in expenditures on children in recent years, but:

“Nevertheless, the Committee is concerned that the increases are not sufficient to eradicate poverty and tackle inequalities and that the lack of consistent budgetary analysis and child rights impact assessment makes it difficult to identify how much expenditure is allocated to children across the State party and whether this serves to effectively implement policies and legislation affecting them.”¹⁴

Following the launch of this inquiry, on 10 March 2009 the Welsh Government published a statistical article that sought to detail the percentage of each of its Budgetary Expenditure Lines (BEL) that was considered to be allocated towards children. Encouragingly, this detailed that 28% of its expenditure in 2006-07 had been spent towards children and young people, estimated that 28% had also be spent in 2007-08, and estimated that 28% would be spent in 2008-09, and 2009-10. This compared to 21.6% of the population being estimated to be children and young people. However, sections of this article - where statistics on the users of particular budget lines were not available - were acknowledged by the Welsh Government to be based purely on “a population breakdown to ascertain how much of the particular BEL is attributable to children.”¹⁵

The Welsh Government also acknowledged to us that this would inevitably mean significant sections of the article were inaccurate, but commented that:

¹² Save the Children, Children’s Budgeting: Briefing for the Children and Young People Committee, http://www.assemblywales.org/bus-home/bus-committees/bus-committees-third1/bus-committees-third-cyp-home/bus-committees-third-cyp-agendas/cyp_3_-03-09_p1_save_the_children.pdf?langoption=3&ttl=CYP%283%29-03-09%20%3A%20Paper%201%20%3A%20Children%27s%20Budgeting%20%3A%20submission%20from%20Save%20the%20Children%20%20%28pdf%2062%2C2kb%29, p. 2.

¹³ UK Children’s Commissioner, Report to the UN Committee on the Rights of the Child, June 2008

¹⁴ CRC/C/GBR/CO/4, Committee on the Rights of the Child, Forty-ninth session, 3 October 2008 [Concluding Observations United Kingdom of Great Britain and Northern Ireland](#)

¹⁵ Welsh Government, Welsh Assembly Government’s Written Evidence of Children’s Budgeting, http://www.assemblywales.org/cyp_3_child_budgeting_submission_from_welsh_assembly_government_e-2.pdf, p. 3.

“The reason we publish it is so that we can be open and transparent to gain that sort of feedback and to engage in those sorts of discussion.”¹⁶

Consequently, while we welcome the Welsh Government’s commitment to Children’s Budgeting, we are also keen to assist it in making its Children’s Budgeting work more accurate and effective.

¹⁶ RoP, Children and Young People Committee, 31.3.09., p.8.

KEY ISSUES

Having taken evidence and carried out our inquiry, we are now able to provide a set of conclusions and evidence-based recommendations to the Welsh Government, and to relevant others. A summary of our recommendations is detailed at Annex 1.

During our inquiry, we took evidence from a wide range of witnesses, including: the Minister for Children, Education, Lifelong Learning and Skills, local government, academic experts, organisations that work closely with young people and children and young people themselves. We took evidence primarily from Wales based witnesses, but also took evidence from witnesses resident in England and South Africa.

We also received 18 responses to our call for written evidence, detailed at Annex 2. A schedule of the five Committee meetings in which oral evidence was taken is also detailed at Annex 2.

Our witnesses broadly agreed on the potential benefits of analysing public expenditure on children and young people in principle. Save the Children, for example, recommended the “establishment of a children’s budget - a document that sets out what is spent on children at both the national and local government level, as recommended by the UN committee.”¹⁷ Save the Children also suggested that such work could “deliver transparency and accountability around public spending for children.”¹⁸ Other witnesses considered that children’s budgets could enable improved opportunities for public participation and informed policy development, all positive aspects of good governance.

However, we heard different ideas and opinions from witnesses about the practical challenges associated with conducting such analyses, concerns about whether the benefits of such Budgets justified their potential costs, and different ideas about how such analyses could be constructed. We have therefore split this report into four themes:

- Benefits of effective Children’s Budgeting, in principle
- Practical challenges for effective Children’s Budgeting
- Practical steps for effective Children’s Budgeting
- Participatory Budgeting

¹⁷ RoP, Children and Young People Committee, 10.2.09., p.12.

¹⁸ Save the Children, briefing paper, p.2.

TERMS OF REFERENCE FOR THE INQUIRY

The Children and Young People Committee agreed the following terms of reference for this inquiry:

1. To examine current arrangements for allocating and monitoring public expenditure on children and young people in Wales at national and local level.
2. To identify overall Welsh Government spending on children and young people.

BENEFITS OF EFFECTIVE CHILDREN'S BUDGETING (IN PRINCIPLE)

Improving Transparency and Accountability at a national level

*"Those who have a responsibility to provide have a duty to ensure that the best interests of children and young people are considered, and civil society has to be able to hold those people to account."*¹⁹

- **Anne Crowley**, *Save the Children*

Witnesses agreed that effective Children's Budgeting Statements could potentially improve the transparency of budgetary processes in Wales, enabling the public - particularly children and young people - to have a much clearer idea of what was actually being prioritised by government in its budgetary decisions.

Save the Children commented, for example, that Children's Budgeting Statements could "deliver transparency and accountability around public spending on children."²⁰

Similarly, Torfaen County Borough Council commented that - at a national government level - Children's Budget Statements could enable the public to assess Wales' "financial focus on children in comparison to other countries in Europe and elsewhere."²¹

There was also widespread agreement amongst witnesses that budgets at a national level in Wales were currently not transparent, and that there was therefore significant room for improvement, through Children's Budgeting Statements. For example, Disabled Children Matter's written evidence quoted a young person's comments that:

"Those who have been involved in giving evidence to various WAG committees in recent years will be thinking where is the investment to back the promises made."²²

However, several respondents suggested that Wales' national budgets were at least marginally more transparent than those of other UK nations. For example, the Children's Commissioner for Wales identified some progress, and in his response referred to a report for the United Nations Committee on the Rights of the Child which said that in Wales "attempts have been made to ensure that budgetary spend on children is more clearly identified and more transparent at a national level than in England."²³

¹⁹ RoP, Children and Young People Committee, 10.2.09., p.9.

²⁰ Save the Children Wales, Briefing Paper, p.2.

²¹ Torfaen County Borough Council, Inquiry into Children's Budgeting: Response from Torfaen, p.2.

²² Disabled Children Matter, Written Evidence, p.1

²³ Children's Commissioner for Wales, Written response on behalf of Children's Commissioner for Wales, p.2.

Nevertheless, most witnesses concurred with the evidence of Save the Children, who commented that “while there has been some progress in Wales, it has been slow.”²⁴

Improving transparency and accountability at a local level

Furthermore, the majority of our witnesses considered that there was actually less transparency in local authority budgets than at national level, particularly because they are un-hypothecated.²⁵ For example, in his written response to our call for evidence, the Children’s Commissioner for Wales commented that:

“The picture in relation to children’s budgeting is less clear at a local authority level. Any increase of funding is widely publicised but any withdrawal of funding often receives very little publicity.”²⁶

Similarly, the National Child Minding Association commented that:

“Whilst it is relatively easy to research Welsh Assembly Government funding for the third sector (i.e. the Children and Families Organisation Grant (CFOG)), local authority funding for the third sector tends to be less transparent. When the Welsh Assembly Government provides additional money to local authorities it is often impossible to find out how each local authority has allocated and spent this additional money.”²⁷

Indeed, The Association of Voluntary Organisations in Wrexham were concerned about the broader process of budgetary decision making at local government level, commenting that “many of the decisions that take place appear to be based on historical formulas which have not been updated for many years.”²⁸

However, a number of witnesses did point to examples of good practice in enabling transparency over local government budgets. For example Conwy local authority’s review of their Cymorth programme was praised by Estyn, and the Welsh Local Government Association (WLGA) noted that work was underway “to update the Section 52 (the return which is completed by local authorities on how funding is allocated to schools and education services).”²⁹ The WLGA also considered that Children and Young People’s Partnerships would have an increasingly important role in setting local authority budget priorities, and argued that while:

²⁴ RoP, Children and Young People Committee, 10.2.09., p.4.

²⁵ ‘Hypothecated’ funding means money that is ‘ring-fenced,’ or dedicated for a particular use. For example, grants can be provided from central to local government for a specific purpose, with their receipt dependent upon funding being spent in a particular way.

²⁶ Children’s Commissioner for Wales, Written response on behalf of Children’s Commissioner for Wales, p.2.

²⁷ National Child Minding Association, Written Evidence, p.1.

²⁸ The Association of Voluntary Organisations in Wrexham, Written Evidence, p.1.

²⁹ WLGA, Written Evidence, p.3.

“it is often difficult to demonstrate the degree to which children and young people are taken into account at a local level in policy areas that are not directly relevant to them... authorities do routinely consider the effect that planning permission for a large housing estate would have on the community in general and on educational provision in particular. Some authorities have taken this further through, for example, drafting supplementary planning guidance for planning obligations to include obligations towards meeting children’s needs.”³⁰

Indeed, the Royal National Institute for the Deaf Cymru (RNID Cymru) credited Children and Young People Partnerships with involving voluntary sector representatives in core groups, in part to improve the transparency of decisions made by such Partnerships. However, they noted that:

“often information is not disseminated from the voluntary sector representative back to those they are representing, so organisations are not aware of what is happening in core groups and in other groups such as the Partnership Board, Joint Commissioning Group etc.”³¹

Nevertheless, the WLGA acknowledged that there was room for improvement in improving the transparency of local government’s budgeting, conceding that:

“different authorities go into different levels of detail on the services that they provide... we are not exactly where we would like to be across the whole of Wales, but we are improving the position.”³²

Consequently, witnesses broadly agreed that - in principle - Children’s Budgeting Statements could deliver greater transparency to local government budgeting. For example, Torfaen County Borough Council commented that effective children’s budgeting reports at a local government level, which enabled comparisons between local authorities, “would enable local council tax payers to assess value for money.”³³

Similarly, Professor David Reynolds commented that Children’s Budgeting Statements which detailed local government budgets would be extremely valuable because:

“the whole issue of where you live also has enormous salience. So, all-Wales figures are fine, as that gets you some way. It is better to have all-Wales figures for children than not, but you would need also to look within Wales. As an example, if you are in Ceredigion, you are in a very

³⁰ WLGA, Written Evidence, p.3.

³¹ RNID Cymru, Written Evidence, p.1.

³² RoP, Children and Young People Committee, 17.3.09., p.6.

³³ Torfaen County Borough Council, Inquiry into Children’s Budgeting: Response from Torfaen, p.2.

high spending education authority. However, it is a different experience in other authorities. If a child happens to be going to a small rural primary school—to take the usual controversial issue—he or she will be consuming many more thousands of pounds of educational resources, rightly or wrongly, than if he or she went to a 400-pupil school in a city.”³⁴

Enabling public participation

“Young disabled people across Wales will look at this draft budget and wonder what will this mean for us.”³⁵

- *Lee from Swansea (Disabled Children Matter written evidence)*

Witnesses also considered that appropriately prepared Children’s Budgeting statements could enable children and young people to be more effectively involved in governmental budgetary decision making. For example, Nicollette Shercliff, Disabled Children Matter, commented that in order for young people like her to participate more in discussions around budgetary decisions, they “would want a clear breakdown of the spending, but, equally, we want to understand.”³⁶

There was widespread agreement among other witnesses that additional effort towards enabling children and young people to participate in budget setting and resource allocation would be a sign of good governance. Asked whether children and young people should be participating in budgeting decisions, the Minister for Children, Education, Lifelong Learning and Skills, for example, commented that: “It’s definitely their business...if you are going to give young people rights, they will also want to take responsibility.”³⁷

We concur with this view, and support the concept that the involvement of people affected by budgetary decisions - including children and young people - can actually make for more effective and equitable decisions. This view also had widespread support from witnesses, with only the WLGA challenging whether there was necessarily a “need to get children and young people more involved in the budget-setting process.”³⁸

Several witnesses also suggested that Children’s Budgeting Statements could avoid raising children and young people’s expectations unrealistically, and thereby prevent them becoming disillusioned by politics when their expectations were not met. Witnesses also noted that, in addition to having relevant information so that they could make an informed contribution, in

³⁴ RoP, Children and Young People Committee, 27.1.09., p.5.

³⁵ Disabled Children Matter, Written Evidence, p.1.

³⁶ RoP, Children and Young People Committee, 3.3.09., p.11.

³⁷ RoP, Children and Young People Committee, 31.3.09. p.11.

³⁸ RoP, Children and Young People Committee, 17.3.09., p.14.

order for children and young people to participate in budgetary decisions effectively:

- the age and background of the child or young person needs to be considered so that they can participate effectively;
- it is important that the participation of children and young people with disabilities is facilitated.

Informing the Development of Government Policy

“Any remotely successful business anywhere in the world understands exactly where every single penny that it gets goes and the return that it earns.”³⁹

- **Angela Burns AM**

Various witnesses suggested that a key benefit of Children’s Budget Statements was that they could inform the development of future government policy. Save the Children Sweden commented that the “ultimate aim of analysing government budgeting from a child rights perspective is to identify where changes are needed.”⁴⁰

Indeed, the Minister for Children, Education, Lifelong Learning and Skills advocated this as a key function of Children’s Budgeting, and observed that as a result of the Welsh Government’s initial work on Children’s Budgeting, the Government was already reviewing its policies “at particular aspects, such as disabled children.”⁴¹

Improving inter-governmental forward planning and communication

Several witnesses also commented that the lack of transparency in national and local government budgets hindered communication between National and Local Government departments about the intended outcomes of funding. Most witnesses felt strongly that there was little evidence of joined up budget allocations and policy planning between different government departments, or between central and local government.

Save the Children commented, for example, that even “the policy leads within the Assembly Government were not really aware of how things are allocated” and observed that in their work on children’s budgeting “there was no obvious place to go to find out what is being spent on children.”⁴²

Similarly, Disabled Children Matter commented that at national level:

³⁹ Ibid., p.13.

⁴⁰ Save the Children Sweden, First introduction to Working for Child Rights from a budget perspective, p.64.

⁴¹ RoP, Children and Young People Committee, 31.3.09., p.5.

⁴² RoP, Children and Young People Committee, 10.2.09., p.5.

“we could run through many different examples of where there have been announcements of funding without prior discussion of the mechanisms for putting that funding through.”⁴³

Moreover, witnesses suggested that sometimes different lines of funding from the Welsh Government appeared to be intended to have similar outcomes, which created unnecessary bureaucracy and red tape in applying for both sets of funding. The Welsh Local Government Association, for example, commented that two programmes with apparently similar intended outcomes:

“Stronger Families and Strengthening Families, have been developed by different directorates within the Assembly Government, in relative isolation with little communication with local government - as a result the opportunities to bid for these two separate funding streams has caused confusion and concern to those in frontline services responsible for delivery.”⁴⁴

Moreover, concerns were raised that because Welsh Government funding streams were sometimes announced with limited prior communication with local government:

“initiatives seem to appear from time to time with ridiculous turn around periods resulting potentially in ill thought out submissions.”⁴⁵

Similarly, Conwy local authority said “too many grants are given to us late in the year and must be spent by March”⁴⁶ and that a rush to spend money before the end of the financial year did not help with strategic forward planning.

Witnesses commented that this lack of forward planning could also have knock-on consequences for agencies contracted by local authorities, with the National Child Minding Association noting that:

“Funding is often allocated at the last minute with inadequate thought to forward planning. Local authorities publish tender notices at very short notice, often less than two months before current project funding ends. This can often have huge adverse affects on the third sector who are unable to undertake accurate forward planning.”⁴⁷

In addition, witnesses considered that the Welsh Government funding streams did not appear to take into account outcomes that had been identified as local priorities. For example, Blaenau Gwent commented that:

⁴³ RoP, Children and Young People Committee, 3.3.09., p.9.

⁴⁴ WLGA, Written Evidence, p.4

⁴⁵ John Gallanders Chief Officer, Association of Voluntary Organisations in Wrexham, and Chair of the Wrexham Young Peoples Partnership, Written Evidence, p.1.

⁴⁶ Conwy Local Authority, Written Evidence, p.1.

⁴⁷ National Child Minding Association, Written Evidence, p.1.

“Children and young people services would benefit from a more coordinated strategic approach.”⁴⁸

We heard positive evidence that - at local levels - Children and Young People Partnerships were beginning to enable a joined up approach to expenditure on children and young people, but that communication within local government departments could still be improved. The National Child Minding Association commented that “in general, departments within local authorities are very protective about their allocations.”⁴⁹ Similarly, the Association of School and College Leaders observed that:

“in Wales, schools still operate in a context of smoke and mirrors where additional funding to a school for a specific purpose may be undermined by a reduction in funding elsewhere in the budget formula.”⁵⁰

Several witnesses, including Disabled Children Matter, also commented that the Welsh Government’s increasingly frequent use of “pilot projects” appeared to be hampering long term forward planning. Indeed, the Children’s Commissioner for Wales said that:

“the use of non-recurring funding streams often causes more problems than solutions.”⁵¹

Indeed, the WLGA strongly argued that the proliferation of specific grants - particularly education specific grants - was seriously hampering local authorities ability to effectively plan ahead. This concern was also re-iterated in their evidence to the National Assembly for Wales’ Finance Committee on 11 February 2009.

Witnesses also agreed that while the Welsh Government’s efforts to introduce three year budgetary statements were a welcome effort at improving forward planning, years 2 and 3 remained only indicative, which could still create uncertainty. One witness identified the Big Lottery funding as a good example of three year funding. Homestart Cymru commented that they:

“would like to see a move to three year rolling programmes agreed with full consultation in all areas of Wales. Avoiding slippage and spending budgets by the end of March. This encourages spending money simply because of a deadline, rather than efficient use of funds.”⁵²

⁴⁸ Blaenau Gwent, Written Evidence, p.1.

⁴⁹ National Child Minding Association, Written Evidence, p.1.

⁵⁰ Association of School and College Lecturers, Written Evidence, p.3

⁵¹ Children’s Commissioner for Wales, Written response on behalf of Children’s Commissioner for Wales, p.2.

⁵² Homestart, Written Evidence, p.1.

Increasing the use of cost-benefit analyses⁵³

A final key aspect of Children's Budgeting is to retrospectively look at "what outcomes have been achieved for children as a result of government budgeting,"⁵⁴ enabling more accurate cost-benefit analyses.

There was universal agreement between those who gave oral and written evidence that few examples of cost-benefit analysis of expenditure on children and young people currently exist.

For example, Save the Children said that "cost-benefit analysis is pretty much in its infancy in terms of children's services."⁵⁵

There was almost complete agreement from respondents to the Call for Evidence that there is very little evidence at either National or Local Education Authority level that cost benefit analyses were being undertaken in this way.

Respondents also agreed that they would like cost benefit analysis to be done routinely and that this would help to make the impact of policy decisions more transparent. It was also suggested that cost benefit analyses would support a more consistent approach.

The Wrexham Framework Partnership cautioned that cost benefit analyses can be very complex and there is a need to ensure that the data used in such analysis is robust and of value. Collecting the data should not become an onerous burden. However, examples of isolated cost benefit analyses were supplied by Wrexham Framework Partnership and by the Children's Commissioner for Wales.

⁵³ Our understanding of the term 'cost benefit analysis,' in relation to public sector expenditure, is that such an analysis seeks to systematically identify the consequences of a particular policy or form of expenditure, followed by a valuation of these benefits against their costs (both social and financial). Such analysis can then be used as a decision making tool, with a decision maker thereby able to consider the costs both of implementing- and not implementing- a particular policy or budgetary expenditure, in the future.

⁵⁴ Save the Children Sweden, First Introduction to Working for Child Rights from a budget perspective, p. 60.

⁵⁵ RoP, Children and Young People Committee, 10.2.09., p.11.

PRACTICAL CHALLENGES FOR EFFECTIVE CHILDREN'S BUDGETING

*"There is a traditional view that it is all too complicated and bureaucratic, and so people wonder why we want to know about it."*⁵⁶

- **Anne Crowley**, *Save the Children*

Many witnesses identified practical difficulties in undertaking children's budgeting analyses. In his evidence to the Committee, Professor David Reynolds confirmed the Minister for Children, Education, Lifelong Learning and Skills' statement that Wales is the only part of the UK which has tried to undertake a children's budgeting exercise on national budgets, commenting that:

"no-one else in the UK is doing anything like this. They are not doing it because it is just seen as too hard."⁵⁷

Analysing 'Direct' Expenditure on Children and Young People

However, in her evidence to the Committee, the Minister for Children, Education, Lifelong Learning and Skills, said that analysing data on direct expenditure, at national level, on children - for example in education related and social services expenditure - is comparatively straight forward, although slightly complicated by the un-hypothecated nature of local authority expenditure.

The Welsh Government's written evidence explained that Budgetary Expenditure Lines (BELs)⁵⁸ which were directly aimed at children and young people (aged 0- 17) "are assumed to benefit children 100 per cent. Hence, the whole BEL is allocated to children."⁵⁹ Consequently the Welsh Government was able to give precise values on its expenditure towards children and young people in certain areas.

Indeed, the WLGA agreed that it is a reasonable task to monitor and analyse direct expenditure on children and young people. For local authorities this includes school budgets, education support budgets, children's social services budgets, youth budgets and young people's inclusion budgets.

⁵⁶ RoP, Children and Young People Committee, 10.2.09., p.5.

⁵⁷ RoP, Children and Young People Committee, 27.1.09., p.4.

⁵⁸ A 'BEL' details an amount of Welsh Government expenditure dedicated towards realising a specific activity.

Currently, in its budget statements, the Welsh Government have different, overarching, 'Main Expenditure Groups,' such as the Social Justice and Local Government group, or the Economy and Transport group.

These overarching groups of budgetary expenditure are made up of more defined spending programmes- for example, within the Economy and Transport' expenditure group, are programmes such as the 'Maintaining the Trunk Road Network' programme and the 'Improving Integration and Delivery of Local Transport' programme.

These spending programmes are themselves then made up of individual Budgetary Expenditure Lines (BELs) which define the amount of money which the Welsh Government has available to spend on specific issues or activities within these programmes. For example, within the 'Maintaining the Trunk Road Network' programme, are BELs allocated towards 'Routine Maintenance' and for 'Purchase of Vehicles and Equipment.'

⁵⁹ Welsh Government, Written Evidence, p3.

Analysing 'Indirect' Expenditure on Children and Young People

*"One could argue that a good employment programme would put money in the hands of parents, which would help children more than spending on something that directly goes to children. This is not a simple analysis."*⁶⁰

- **Debbie Budlender**, Community Agency for Social Inquiry

Several witnesses, including the WLGA suggested that identifying 'indirect' expenditure on children and young people - such as expenditure on transport, housing or economic development - is much harder than identifying direct expenditure. They asserted that the majority of local authority expenditure does have an impact on children and young people, but monitoring the indirect expenditure on children is complex, requiring, for example, identification of the proportion and impact on children of expenditure on subsidised bus routes, or improvements to council housing.

The Welsh Government's written paper detailed the two methodologies it had used to analyse indirect expenditure on children and young people:

2. Indirectly. Those BELs which are aimed at the population in general, use a population breakdown to ascertain how much of the particular BEL is attributable to children.

3. Using statistical data. Those BELs for which data is available (with an age breakdown). The decision of who benefits from each BEL was agreed with departmental business areas."

However, when we scrutinised these methodologies, we were concerned that using a population breakdown to ascertain how much of a particular BEL was attributable to children and young people would inevitably produce results of dubious accuracy. Noting that the percentage of the population of Wales under 18 was estimated to be 21.6%, Committee Chair Helen Mary Jones observed that:

"To explore another example of where you are using 21.6 per cent as the basic percentage, such as the renewal of roads and bridges and bus revenue support lines, it could be argued that children and young people use a lot more public transport than the average base of the population, and therefore, arguably, they would get less from the expenditure that benefits primarily private vehicles, such as cars. I would be interested to explore the extent to which the 21.6 per cent

⁶⁰ RoP, Children and Young People Committee, 10.2.09., p.14.

basic figure needs more unpacking if we are to get an accurate picture.”⁶¹

The Minister acknowledged our concerns and commented that:

“It would be more difficult with regard to transport, which is a very good example. We know that children, young people and elderly people make the most use of our buses. We should also be able to tell how many young disabled people and carers use buses, because they are entitled to a free bus pass. This is where we need to unpick some of the information that we have, because we have not got into that kind of detail, but we could.”⁶²

Indeed, witnesses agreed that it can be very difficult to undertake a children’s budgeting exercise without suitable data. For example, Professor David Reynolds commented that historical data - collected prior to a resolution to conduct Children’s Budgeting Analyses - will often be inappropriate for the purpose, because it will not provide sufficient detail. He commented that:

“if you try to get data about historical spend from systems that were never designed to do that, you risk all kinds of problems.”⁶³

The WLGA agreed with this observation, and commented that:

“The difficulty is trying to look backwards to see what has happened before now. Data have not previously been collected in this way, and so it would be difficult to try to use other data to fit neatly into the boxes that we are currently using.”⁶⁴

Professor Reynolds also commented that much historical data concentrates on the category of expenditure rather than the category of recipient. Additionally, although some such data would have an ‘age indicator’ to facilitate age related analysis, this would not routinely have been collected for all forms of expenditure. Consequently, Professor Reynolds recommended that:

“what you need to do is to interrogate your data systems with the new requirements that you have to collect data, for example, about children, and then use the data that comes out”⁶⁵

⁶¹ RoP, Children and Young People Committee, 31.3.09. p.7.

⁶² Ibid., p.8.

⁶³ RoP, Children and Young People Committee, 27.1.09., p.5.

⁶⁴ RoP, Children and Young People Committee, 17.3.09., p.13.

⁶⁵ RoP, Children and Young People Committee, 27.1.09., p.5.

Indeed in “Full Introduction to Working for Child Rights from a budget perspective”, Save the Children Sweden note that “many child rights budget studies have advocated for better budget data, and for such data to be disaggregated to show what is being targeted to children.”⁶⁶

Consequently, Committee Chair Helen Mary Jones commented that:

“one thing that we could ask the Government to ensure is that those initial data are being collected about who uses public services. We need to make sure that we are finding out how old service users are, and perhaps not just in the traditional areas of health and social services, but also in sampling who uses public transport, for example, to make sure that the data are age-sensitive.”⁶⁷

Data Collection: Outcomes

We consider that neither the Welsh Government’s written paper to Committee, nor its statistical article of 10 March 2009, clearly set out the desired policy outcomes, implications or impacts of its expenditure towards children and young people, as opposed to adults.

However, several witnesses, including Professor Reynolds, Debbie Budlender and the WLGA, emphasised that it is essential to look not just at the planned or actual expenditure of government budgetary lines, but also at the anticipated outcomes of such budgetary expenditure. For example, Professor Reynolds commented that:

“countries that have tried allocating expenditure by client group, like children or older people, across budget headings, have generally found that to collect data on the inputs without data on the outcomes is a serious error of judgment. Expenditure on its own has no meaning unless it is tagged to what that expenditure produces.”⁶⁸

Moreover, they suggested that such outcome related analysis is realistically achievable, with Debbie Budlender noting that:

“South Africa’s budget books do not provide numbers only in respect of financial amounts. They also provide “output” estimates that serve as indicators of physical delivery... For the 2008/09 budget a list of indicators was developed by national government and each province was expected to submit the full list as an annex in their budget submissions.”⁶⁹

⁶⁶ Save the Children Sweden, Full Introduction to Working for Child Rights from a budget perspective, p.55

⁶⁷ RoP, Children and Young People Committee, 27.1.09., p.11.

⁶⁸ Ibid., p.4.

⁶⁹ Debbie Budlender and Paula Proudlock, “Analysis of the 2008/09 Budgets of the 9 provincial departments of Social Development: Are the budgets adequate to implement the Children’s Act?” p.26.

Indeed, in the WLGA's view, no assessment of 'inputs' could replace the benefits of a coherent and timely evaluation of their impact. They commented that the identification of key performance indicators and targets was essential to monitoring effectiveness and efficiency of expenditure. The WLGA were also concerned that it would currently be difficult to assess the outcomes of budgetary expenditure, because these did not exist in a strategic fashion. They observed that:

"We would like to see a switch of emphasis onto outcomes, and to establish an agreed set of outcomes between the Assembly Government and authorities. We could then agree on a way of measuring whether authorities have achieved those outcomes."⁷⁰

Similarly, Blaenau Gwent asserted that "any system should focus upon "outcomes" that are achieved for children and young people."⁷¹

However, the WLGA also cautioned that in the past, analysis of the effectiveness of government expenditure against desired outcomes had proven difficult. The WLGA suggested that it was still too "early to say whether RAISE funding is having a significant impact on attainment in deprived areas,"⁷² for example.

Indeed, the Association of Voluntary Organisations in Wrexham noted that analysis of outcomes may be complicated by expenditure not directly within governmental control, observing that:

"One of the key issues that is outside the remit of WAG control but cannot, and should not be overlooked is the contribution being made to finances through the Third Sector - there are many millions of pounds generated from charitable trusts, self financing, donations, etc."⁷³

Data Collection: sub groups

Several witnesses, including Professor Reynolds, suggested that identifying service provision for 'children' as a homogenous group would not be detailed enough to promote full understanding, and that expenditure on children of different ages, needs and circumstances may be required. He noted that the use of health services is very different for young (pre-school children) compared to older teenagers, for example.

⁷⁰ RoP, Finance Committee, 11.2.09., p.21. (The WLGA stated during their meeting with the Children and Young People Committee, on 17.3.09. that they wished their evidence submitted at their meeting with the Finance Committee to be considered as part of the Children and Young People Committee's inquiry).

⁷¹ Blaenau Gwent, Written Evidence, p.1.

⁷² WLGA, Written Evidence, p.1.

⁷³ Association of Voluntary Organisations in Wrexham, Written Evidence, p.4.

Similarly, Disabled Children Matter suggested that data should be collected on expenditure towards services for disabled children and young people, while Debbie Budlender commented that:

“Budgets are all about prioritisation, so it is often useful to disaggregate what is happening to boys as opposed to girls, kids from wealthy or less wealthy families, kids from single-parent families, or other kinds of family, and kids from different localities. Budgets are about distribution, and not just distribution between kids and adults, but distribution between different groupings of kids.”⁷⁴

Save the Children agreed that because of the way that government budgets are constructed it is especially difficult to identify expenditure on vulnerable children and young people, and children in poverty. They noted that they had commissioned an analysis of budgets across Wales, England, Northern Ireland and Scotland to assess the extent of pro-poor spending on children at a national level (UK and countries), making comparisons where appropriate between countries of the UK and examining changes since 1997. The study is focusing on key sectors including early years, education, social security and social care. At the time of our report’s publication, their final report had not been published, but in their oral evidence, Save the Children said that:

“the report has a lot more information about England and shows that pro-poor spending in the early years there has been extremely successful. There has been a huge rise in spending on pre-school Sure Start childcare, and there is information to suggest that that is getting to the poorest people. We cannot say that in Wales, because we do not know.”⁷⁵

The proposed Children and Families Measure was due to be published at the same time as we were taking oral evidence and several witnesses referred to this Measure and its proposed provisions for addressing child poverty. For example, in his written response to our Call for Evidence the Children’s Commissioner for Wales said that:

“The proposed Children and Families Measure (Wales) introduced by the Welsh Assembly Government places a duty on public authorities to make and demonstrate their contribution towards eradicating child poverty. If they are to do this, one would assume that evidence of child budgeting would be a necessity so that we can examine more robustly how budget allocations reflect political priority.”⁷⁶

We hope that the Measure will indeed lead to Local Authorities collecting data on outcomes, to enable Children’s Budgeting Statements, as part of

⁷⁴ RoP, Children and Young People Committee, 10.02.09. p.15.

⁷⁵ Ibid., p.6.

⁷⁶ Children’s Commissioner for Wales, Written response on behalf of Children’s Commissioner for Wales, p.5.

demonstrating their commitment to eradicating child poverty. As such we consider that such work needs to go beyond looking purely at spending on children and young people as a single collective. Indeed, Debbie Budlender commented that the danger of looking at children and young people as a collective group is that:

“it could be that we spend 50 per cent of the budget on children, but that we spend it on the wrong programme, or that we spend it on programmes that mostly benefit the wealthiest 20 per cent of children in the country.”⁷⁷

Finally, several witnesses suggested that it would be valuable to analyse data at both a national level, and regionally, between different local authorities, with Professor Reynolds commenting that there could be variations between education funding in different local authority areas, for example. Additionally, Professor Reynolds observed that the basic principles of Children’s Budgeting could also be applied to other groups of people beyond children and young people, such as older people.

Data Collection: Costs

Several witnesses noted that collecting and analysing data on the outcomes - and users - of government expenditure could itself require financial expenditure. Consequently, Blaenau Gwent commented that they “would express caution in implementing any system that took resources away from frontline services delivery.”⁷⁸ Similarly, the WLGA commented that they “would not want to see something that created any additional bureaucratic or administrative burden without there being an obvious benefit to it.”⁷⁹

We acknowledge these concerns, and agree that the collection and analysis of data to enable Children’s Budgeting work would need to be effectively planned and co-ordinated. We consider that this would enable the costs involved in such data collection and analysis to be minimised, and its benefits - such as transparency, accountability, governmental planning and public participation - to be maximised. Our consideration of the practical steps towards realising such efficiencies is detailed in the following chapter.

However, in recognising the need for data collection and analysis to be conducted efficiently, we were concerned by comments from the Wrexham Children and Young People Partnership that local authorities were sometimes currently:

⁷⁷ RoP, Children and Young People Committee, 27.2.09., p.14.

⁷⁸ Blaenau Gwent, Written Evidence, p.1.

⁷⁹ RoP, Children and Young People Committee, 17.3.09., p.8.

“asked to provide information to one Welsh Assembly Government Department which we know is already held by another. Such information is generally required in a slightly different format meaning that it must be reworked before sending off. Similarly, with monitoring information that would be needed to conduct cost-benefit analyses, much of the monitoring information authorities are asked for is of doubtful value and it is suspected is not really used by the Assembly Government.”⁸⁰

We are concerned that expenditure invested in data collection and analysis needs to be utilised efficiently, without duplication of work. Consequently, we consider that any requirement placed by the Welsh Government on local authorities for additional data collection needs to take account of, and strategically co-ordinate, any routine requests for data from different Welsh Government departments.

We were also concerned by comments from the WLGA that there is:

“an issue about consistency across local authorities in the way that they currently present their budgets... We know, for example, that some authorities might include school transport in their education budgets, whereas others might not.”⁸¹

Again, we are concerned that expenditure invested in data’s collection and presentation needs to be utilised efficiently, as inconsistencies in the types of data being presented, could prevent effective analysis of data across Wales as a whole. Consequently, we consider that any future requirement placed by the Welsh Government on local authorities for additional data collection needs to be accompanied by guidance specifically setting out the types of data being sought after.

We also recognise that the collection of age-related data may be a sensitive issue in some areas of government expenditure: age indicators on housing data, for example, could potentially be criticised for enabling age related discrimination.

⁸⁰ Wrexham Children and Young People Partnership, Written Evidence, p.3.

⁸¹ RoP, Children and Young People Committee, 17.3.09., p.13.

PRACTICAL STEPS FOR EFFECTIVE CHILDREN'S BUDGETING

The need for a framework for the children's budgeting process

In evidence to the Committee, Debbie Budlender outlined a five step approach to Children's Budgeting, commenting that:

"First, you will start with the problem, which could be in a particular sector and could relate to children. I was in China last month, and the biggest problem facing Chinese women is migrant labour. So, if the problem is migrant labour, the second step is to identify what are the Government's programmes and policies that address women migrant labourers, and to assess whether those policies and programmes are addressing the problems that you have identified that these women have, including, for example, no access to healthcare because they are registered in the rural areas but are now living in the urban areas. So, the question is whether the programmes and policies address that issue. If not, you must change them. If they do address that issue, you must assess how much money is given to implement those programmes and policies. Only in the third step do you go on to the budget; you must have good programmes and policies in place first. The third step is how much money is allocated. If the allocation comes at the beginning of the budget year, it is a promise that it might not happen. So, the fourth step is asking whether the money was used for what it was allocated for and whether it reached the people who really needed it, or whether it went to the wrong people or was floated away in corruption. The final step is to do with outcomes and whether it made a difference to the problems that you identified in the first place. Sometimes, we devise policies that we think will solve a problem, but they do not."⁸²

We considered that this five step system appears to be a sensible approach to Children's Budgeting, which we have summarised as:

- A. Identification of a Problem
- B. Identification of a Desired Outcome
- C. Identification of how much money was allocated by government towards achieving that outcome
- D. Identification of whether the money was actually used
- E. Assessment of the impacts of such expenditure on the desired outcome of the expenditure.

⁸² RoP, Children and Young People Committee, 10.2.09., p.15.

Although Debbie Budlender was the only witness who explicitly summarised the Children’s Budgeting process in this fashion, other witnesses offered comment which related to specific steps along this process. We have therefore considered their evidence in relation to these specific steps below.

Identification of problems, and identification of desired outcomes

To start then, what problems face children and young people in Wales, and what outcomes does government in Wales wish to achieve, through expenditure, to resolve these problems?

The Welsh Government's strategic document, *Children and Young People: Rights to Action (2004)* sets out its seven core aims for children and young people, based on the United Nation Convention on the Rights of the Child. These desired outcomes are that children and young people:

- “ · have a flying start in life;
- have a comprehensive range of education and learning opportunities;
- enjoy the best possible health and are free from abuse, victimisation and exploitation;
- have access to play, leisure, sporting and cultural activities;
- are listened to, treated with respect, and have their race and cultural identity recognised;
- have a safe home and a community which supports physical and emotional wellbeing;
- are not disadvantaged by poverty.”⁸³

The Welsh Government's Child Wellbeing Monitor, "which pulls together statistics and research from a range of different sources and reports on a variety of child well-being indicators"⁸⁴ is also based around the structure of these seven core aims. Save the Children advocated that:

“Some sort of budget analysis, undertaken by Government, which followed that structure would be useful.”⁸⁵

Indeed, the Minister for Children, Education, Lifelong Learning and Skills commented that structuring the Welsh Government's Children's Budgeting work along the lines of the Child Wellbeing Monitor "would be a helpful

[illegible]

⁸⁴ Welsh Government webpage, Children and Young People's well-being monitor, <http://wales.gov.uk/about/aboutresearch/social/ocsropage/2008monitor?lang=en>, p.1.

⁸⁵ RoP, Children and Young People Committee, 10.2.09., p.12.

suggestion from the committee, as a tool for us to use as the basis for analysis.”⁸⁶

We are also conscious, however, that, beyond these seven core aims, the Welsh Government also has a number of strategic documents which set out desired outcomes for children and young people in greater detail. For example, in relation to its seventh core aim, that children and young people are not disadvantaged by poverty, we understand that the Welsh Government will be developing a strategy for eradicating child poverty in Wales. Given the number of such strategies, we consider that the Welsh Government should therefore produce an overarching document which links all its strategic objectives, for children and young people, to the expenditure invested in realising these aims.

Recommendation 1:

We recommend that the Welsh Government publishes a single strategy detailing the expected outcomes of its expenditure towards children and young people, accompanied by an action plan for realising this strategy.

We anticipate that this will:

- link objectives to expenditure related to children and young people.
- be based around its seven core aims for children and young people.
- incorporate previously determined objectives for expenditure related to children and young people, such as those that will be set out in its strategy for eradicating child poverty in Wales, as required by the proposed Children and Families (Wales) Measure.
- set out a strategic process, by which Welsh Government Departments will consult with each other, and local government, to forward plan the budgetary implications of any new policy announcement that is intended to have an impact towards children and young people. We anticipate that this might build upon its existing Policy Integration Tools.⁸⁷
- have an action plan which sets out appropriate deadlines and responsibilities for actions.

⁸⁶ RoP, Children and Young People Committee, 31.3.09., p.7.

⁸⁷ Further information about the Welsh Government's Policy Integration Tool can be found at http://wales.gov.uk/docrepos/40382/dhss/socialservices/consultations/Preface_to_Consultation_Sum1.pdf?sessionid=BRJ0JhGTfnzjk4GWvhkNpQDytj0GVthyTJY23HJjSJ1GC9fpGhHl-582746490?lang=en

However, while “Children and Young People: Rights to Action” (2004) sets out the Welsh Government’s seven core aims for children and young people, representatives of local government expressed concerns to us that locally determined problems and desired outcomes had not been adequately considered by the Welsh Government. For example, Blaenau Gwent noted that:

“Budget allocation is often determined nationally and based on national strategic priorities. These may be different priorities than those which were identified in the Local Authority’s Children’s Plan.”⁸⁸

Similarly, the Association of Voluntary Organisations in Wrexham asked:

“Why is it a requirement for each Local Authority area to produce a single Children and Young Peoples Plan to reflect all aspects and to develop an action plan to meet the identified needs, when in complete isolation the Welsh Assembly Government encourages Community First Partnerships to develop projects which have no fit in the strategic thinking of an area?”⁸⁹

Moreover, in evidence to the National Assembly for Wales’ Finance Committee, the WLGA advocated:

“discussion between local government and the Assembly Government about what we identify as the key outcomes we want to achieve and then by agreeing on a set of indicators that show that those outcomes have been achieved.”⁹⁰

We concur with these views, and consider that it would be beneficial for central and local government in Wales to establish such a set of desired key outcomes.

Recommendation 2

We recommend that the Welsh Government set with Local Authorities outcomes that are designed to result from local government’s budgetary expenditure towards children and young people.

We anticipate that these will:

- be based around the Welsh Government’s seven core aims for children and young people.

⁸⁸ Blaenau Gwent, Written Evidence, p.1.

⁸⁹ Association of Voluntary Organisations in Wrexham, Written Evidence, p.1.

⁹⁰ RoP, Finance Committee, 11.2.09., p.27.

- be flexible to local authorities' individual circumstances, but enable sufficient consistency to enable comparison to be made between local authorities.
- incorporate previously agreed performance orientated targets, including locally determined targets, such as those set out by Children and Young People Plans.

Identification of how much money is allocated by government towards achieving outcomes

We welcome the work done by the Welsh Government to identify the proportion of its planned budget expenditure on children and young people. However, as the Welsh Government itself acknowledged, because it lacked age-related statistical data in relation to the end-users of some of its budgetary expenditure lines, it sometimes had to make estimates - based purely on population percentages - of the planned expenditure on children and young people

We believe that it is critical - if accurate Children's Budgeting Statements are to be produced - that data is available in the future with which to provide reasonable estimates of the proportions of particular budgetary lines' spend towards children and young people.

As noted in the previous chapter, we are also conscious that this data should include information on expenditure on 'sub-groups' of children and young people, including:

- Children and young people within different age groups
- Disabled children and young people
- Children and young people experiencing child poverty
- Male and female children and young people

We also note concerns raised - particularly by representatives of local government - that the collection of data may not be without expense, which could potentially detract from front-line services. We are convinced however, that Children's Budgeting is a valuable tool worth investing in, enabling policy development, transparency, accountability, public participation, and potentially improved inter-governmental communication. We are also convinced that it would be far more reasonable to establish the kinds of data that is being sought from different agencies, and allow them to develop systems to collect such data in the future, than to try to retrospectively conduct analyses of data that was collected in an unsuitable format for this purpose.

We also consider that, for some types of data, sampling studies may offer a relatively low-cost means of accessing the use of particular services by children and young people. In this context, we also note the interesting suggestion of Professor Reynolds that children and young people themselves could act as data collectors on the use of public services, commenting that:

“You can now use young people as data collectors in ways that people tried previously using hard-copy diaries. However, you could look across Wales at the extent to which young people are consuming resources or what their needs are if they are not consuming those resources. You could use young people as informants and get them to do ‘a day in the life of’ or ‘a week in the life of’. So, for example, the young person would get up in a house and that house would have a street light outside, and that is an expenditure on that young person indirectly. They would travel on a road: indirect expenditure. They would go into a school: direct expenditure. That evening they might go out to a youth club or something: direct expenditure. You can actually try to use the natural tendency of young people to want to talk about themselves and mobile technologies of various kinds to begin to see what the experiences and needs are. You can then get a sense about what money you would allocate in your budget.”⁹¹

Professor Reynolds also suggested that such data collection could be performed through mobile phone technologies, rather than computer based technologies, which could be less accessible for groups of children and young people from disadvantaged socio-economic backgrounds. Professor Reynolds commented that:

“mobile technologies reach, for better or worse, across income groups and social class groups. It must be 95 per cent; maybe it is close to 100 per cent of children who would have a mobile. It would be possible to get samples of children on their mobile texting to a format every hour about what that young person was doing, where they were, what they feel about the experience, that kind of thing. That might be useful. The danger again, though, is that although one would not start it wanting this to happen, what one might get is unrepresentative samples of young persons bothering to use their mobile to tell us what they are doing, what their needs are, what their interaction with the council was and what it was like, what their day at school was like. The danger is of volunteer samples.”⁹²

We also note that some types of data are already being collected by different statutory agencies in Wales, but that the same degrees of data are not

⁹¹ RoP, Children and Young People Committee, 27.1.09., p.5.

⁹² Ibid., p.13.

consistently being collected. For example Disabled Children Matter noted to us that:

“It would make getting information on disabled facilities grants spending much easier if there were a clear requirement to keep the data for under-18s and over-18s separate: it would be quite a simple thing to do. Some local authorities do that, but others have been not doing it in such a straightforward way, which then makes it a big exercise to separate the information out. If the Welsh Assembly Government were to make it much clearer that we want data kept in that manner, that would be helpful.”⁹³

We note the comments of the Minister for Children, Education, Lifelong Learning and Skills, when we discussed with her the option of requiring statutory agencies to collect separate data on expenditure towards adults and children, that she was:

“not convinced, at the moment, of the need to require them to produce that data. We need to get a voluntary agreement first, and I am sure that that will come forth.”⁹⁴

The Minister also noted that, in relation to tackling child poverty local authorities:

“signed a voluntary agreement with Brian Gibbons last Thursday. Moving forward to a duty for them to demonstrate how they are tackling child poverty is a huge step forward in legislation. To do that, they will have to have statistical analysis, as we will.”⁹⁵

We also consider that it is critical that data collection is ‘right first time,’ to avoid local authorities having to review their data collection systems in the future. We have therefore chosen to recommend that - following pilot work with a designated number of local authorities - the Welsh Government issue statutory guidance to local authorities on providing suitably detailed data for the production of Children’s Budgeting statements.

Noting the evidence of Wrexham Children and Young People Partnership, that data collection requests from the Welsh Government can come in an ad-hoc and non-strategic fashion, we are also keen that such guidance encompasses all requirements for data collection from local authorities relating to children and young people, to avoid additional burden on local authorities.

⁹³ RoP, Children and Young People Committee, 3.3.09., p.11.

⁹⁴ RoP, Children and Young People Committee, 31.3.09., p.8.

⁹⁵ Ibid., p.9.

Identification of whether planned expenditure towards children and young people is actually expended towards children and young people

The majority of witnesses agreed that it was better to look at actual expenditure on children and young people, than planned expenditure, because it would be more accurate. The Minister for Children, Education, Lifelong Learning and Skills commented that:

“estimations of budgets have to be checked, and not only through the use of formulae, but also data”⁹⁶

Similarly, Save the Children Sweden Comment in ‘A First Introduction to Working for Child Rights from a budget perspective’ that:

“sometimes there may be large and persistent discrepancies between what a government plans to spend on children – and what it actually does spend.”⁹⁷

Indeed, this issue was noted in our May 2009 report of our “Scrutiny of developments in the provision of advocacy services to children and young people in Wales.” Prior to this short inquiry, the Welsh Government had previously committed to establish a one off grant, to enable consortiums of Children and Young People Partnerships to establish joint advocacy commissioning arrangements. However, during our inquiry, we were told by the Welsh Government that:

“Unfortunately, it [the grant] came from the social services budget, and it was last year. The timescale for that has run out, and neither we nor our partners were in a position to get to the point at which we could use that money.”⁹⁸

We would also acknowledge that when non-governmental organisations have conducted Children’s Budgeting work, they have established precedents for looking purely at planned expenditure. Notably Debbie Budlender herself adopted this approach in a children’s budgeting case study submitted to the Committee,⁹⁹ on the basis that she anticipated the planned expenditure considered in the work would not be significantly different to the actual.

Nevertheless, we are grateful to the Minister for her enthusiasm for checking estimations of budgets against actual data, with a view to identifying any consistent deficiencies.

⁹⁶ Ibid., p.10.

⁹⁷ Save the Children Sweden, A First Introduction to Working for Child Rights from a budget perspective

⁹⁸ RoP, Children and Young People Committee, 31.3.09., p.20.

⁹⁹ Debbie Budlender and Paula Proudlock, *Analysis of the 2008/09 Budgets of the 9 provincial departments of Social Development: Are the budgets adequate to implement the Children’s Act?*

Assessment of the impacts of budgetary expenditure, against its desired outcomes.

As previously noted, many of our witnesses considered that the impacts of expenditure needed to be assessed against the original desired outcome of such expenditure.

In recognising this, we also note that a significant timescale can be involved in determining the outcomes of particular forms of expenditure, with the WLGA concerned that policies to impact on child poverty - for example - need to be considered in the long-term. Indeed, Christine Chapman AM noted that:

“you do not see the results for many years and, often, when people set budgets, they do not always see into the future”¹⁰⁰

We also note concerns raised by some witnesses, particularly in local government, regarding the potential costs of monitoring the impact of budgetary expenditure against outcomes. The WLGA commented that:

“there is also a need to ensure that any analysis adds value, that there is a benefit to it, and that it is not undertaken just for the sake of it. As Members will know, in the past, we have expressed concerns about the administrative and bureaucratic burden placed on local authorities. In the current financial circumstances...when things are tight, we need to make sure that we use public funding as efficiently and effectively as possible and that value is added to the quality and scope of front-line service delivery.”¹⁰¹

However, the WLGA also commented in evidence that “the challenge for local government is to convince you, as Assembly Members, and the Assembly Government, that it can deliver and that it can be trusted,”¹⁰² as a step towards enabling “a reduction in inspection and a move towards a joined up inspection regime,”¹⁰³ and fewer specific grants. We recommend that local government should consider Children’s Budgeting, based on robust data, as a tool by which it can seek to demonstrate that budgets affecting children and young people are utilised effectively.

¹⁰⁰ RoP, Children and Young People Committee, 10.2.09., p.12.

¹⁰¹ RoP, Children and Young People Committee, 17.3.09., p.5.

¹⁰² RoP, Finance Committee, 11.2.09., p.25.

¹⁰³ WLGA, Written Evidence, p.4.

Recommendation 3

We recommend that the Welsh Government issues statutory guidance on the collection of data by local partners, including local authorities and local health boards, to enable the production of Children and Young People's Budget Statements, and sets out timescales for producing such.

We anticipate such guidance would:

- be initially tested through use of pilot work in local authorities,
- enable consistent types of data to be collected, in a consistent, uniform format, by different local authorities on the users of public services, in an appropriately sensitive way.
- enable consistent data to be collected, in a consistent format, by different local authorities, on the outcomes of their budgetary expenditure for children and young people.
- enable correlation of data between different local authorities.
- encourage use of existing data collection practices where possible, and enable the co-ordination all forms of data collection related to children and young people, required by the Welsh Government from local authorities, to minimise burdens on local authorities. This might be facilitated through Local Service Boards.
- facilitate analysis of expenditure, and outcomes, on children and young people, including:
 - Children and young people within different age groups
 - Disabled children and young people
 - Children and young people experiencing Child Poverty.
 - Male and female children and young people
- enable - while maintaining the consistency required for comparisons to be made - locally appropriate forms of data collection, including use of sampling.

Production of Children's Budgeting Statements

Through the process outlined above, we believe the Welsh Government, and local authorities, can produce effective Children's Budgeting Statements, over a long term basis. We consider this to be the key recommendation of this report.

Based on our previous experience of considering Welsh Government annual budgets, we would also advocate that these statements should include narratives, offering comment on the statistical evidence they detail.

Recommendation 4 (Key recommendation)

We recommend that the Welsh Government publishes Children and Young People's Budget Statements.

We anticipate that these will:

- be published at least every third financial year, and in co-ordination with existing budgeting processes.
- detail the anticipated outcomes of Welsh Government expenditure towards children, structured along the lines of the Welsh Government's Child Well-being Monitor.
- include a detailed narrative to accompany the statistical data contained in the statement.
- detail the planned and actual percentage of each Welsh Government Budgetary Expenditure Line, which had direct or indirect impact - particularly indirect areas such as transport, planning and housing - over the previous three financial years, on children and young people, both as a collective whole, and on different groups of children and young people, including:
 - Children and young people within different age groups
 - Disabled children and young people
 - Children and young people experiencing Child Poverty.
 - Male and female children and young people
- detail the actual outcomes of each Budgetary Expenditure Line, against their stated anticipated outcomes.
- detail the forecasted percentage of each Welsh Government Budgetary Expenditure Line which is expected to have an impact, over the current financial year, and subsequent two years, on children and young people, and relevant sub-divisions of children and young people.

Recommendation 5

We recommend that the Welsh Government provides statutory guidance to local authorities on the production of local authorities' own Children and Young People's Budget Statements, and sets out timescales for producing such.

We anticipate that this guidance will detail that such statements should:

- be published in every third financial year.
- detail the planned outcomes of their expenditure towards children and young people, possibly structured along the lines of the Welsh Government's Child Well-being Monitor.
- include a detailed narrative to accompany the statistical data contained in the statement.
- detail the planned and actual percentages of the Local Authority's Budgetary Expenditure, which had impact, over the previous three financial years, on children and young people, both as a collective whole, and on sub-divisions of children and young people, including:
 - children and young people within different age groups
 - Disabled children and young people
 - Children and young people experiencing Child Poverty.
 - Male and female children and young people
- detail the actual outcomes of the Local Authority's Budgetary expenditure against its previously stated expected outcomes.
- detail the forecasted percentage of the Local Authority's Budgetary Expenditure which is expected to have an impact, over the current financial year, and subsequent two years, on children and young people, and relevant sub-divisions of children and young people.
- enable comparisons to be made between local authorities.

Monitoring of Children's Budgeting Statements

We also note that one witness, Save the Children, asked us “whether there might be a role for you as the Children and Young People Committee to monitor the proportion of expenditure on children.”¹⁰⁴

We consider that while we will have a keen interest in considering Child Budget Statements, at both national and local government levels, there are other bodies which may be more appropriate in considering such.

Recommendation 6

We recommend that the Auditor General monitors the publication of Children and Young People's Budget Statements, by the Welsh Government and Local Authorities.

¹⁰⁴ RoP, Children and Young People Committee, 10.2.09., p.12.

PARTICIPATORY BUDGETING

Many of our witnesses noted that clear, transparent Children's Budget Statements could assist children and young people to become more involved in budgetary decision making. As previously noted, many of our witnesses also considered that there should be increased opportunities for children and young people to participate in budgetary decision making. For example, Disabled Children Matter commented to us that "a little more upfront discussion about finances and resources would be helpful."¹⁰⁵

We also note and concur the comments of Play Wales, who advised that any participation that children and young people "have in decision-making is meaningful and does not necessarily curtail their time and freedom to play."¹⁰⁶

Participatory Budgeting at National Levels

*"young people who have meetings with Ministers feel that there is no discussion about money that they can understand and relate to."*¹⁰⁷
- **Nicollette Shercliff**, Disabled Children Matter

Several witnesses indicated support for children and young people to have the opportunity to realistically participate in budgetary decision making at a national level, enabled by transparent children's budget statements. For example, Disabled Children Matter commented that at a national level a "lot of the discussion with young people tends to be about the issues, and there is very little discussion about the money"¹⁰⁸ which made it difficult for young people to indicate which issues were of greater priority to them.

Indeed, Disabled Children Matter agreed with Angela Burns AM's observation that: "if Ministers say, 'Yes, we would like to try to help', you would almost rather them say, 'But we only have £x million, so we can only do this much.'"¹⁰⁹

In light of this evidence, we were pleased that the Welsh Government indicated support for increasing opportunities for young people to participate in budgetary decision making.

One Welsh Government official commented to us, for example, that "we will provide advice to the Minister about ways in which we might be able to

¹⁰⁵ RoP, Children and Young People Committee, 3.3.09, p.6.

¹⁰⁶ Play Wales, Written Evidence, p.3.

¹⁰⁷ RoP, Children and Young People Committee, 3.3.09., p.6.

¹⁰⁸ Ibid, p.6.

¹⁰⁹ Ibid, p.7.

gradually increase the involvement of children and young people in all the budgeting processes, because it gives them skills.”¹¹⁰

The Welsh Government also indicated that involving children and young people in such work could actually lead to improved decisions, observing that children and young people “are quite realistic in the lines they suggest we should take forward.”¹¹¹

We are keen that the Welsh Government continues to progress this important work.

Recommendation 7

We recommend that the Welsh Government makes a commitment to enabling appropriate participation of children and young people in budget monitoring and setting, to the maximum extent possible.

We anticipate that in making this commitment:

- children and young people engaged by the Welsh Government in such budget setting would be supported by appropriately comprehensive background information on budget processes, democracy and governance.
- the Welsh Government will establish a cross-departmental working group to develop opportunities for enabling participation of children and young people in national budget monitoring and setting.
- the Welsh Government will develop an action plan for engaging children and young people in budget monitoring and setting

Participatory Budgeting at Local Levels

Several witnesses provided examples of good practice in enabling children and young people to participate in budgetary decision making, at local levels. For example, the Participatory Budgeting Unit¹¹² described how in France, as part of ‘The High School (Lycees) Participatory Budget’ project:

“Every pupil, parents, teachers and employees in each school are invited to debate about the projects they consider as priorities “in order to live and work better at school “. The total amount allocated to this budget is 10 millions Euro.”¹¹³

¹¹⁰ RoP, Children and Young People Committee, 31.3.09.,p.11.

¹¹¹ Ibid, p.11.

¹¹² The Participatory Budgeting Unit is a project of the charity Church Action on Poverty, which also receives funding from the UK Government’s Department for Communities and Local Government to support the rolling out of Participatory Budgeting practices in England.

¹¹³ Participatory Budgeting Unit, Written Evidence, p.3

The Participatory Budgeting Unit also described how, in the UK:

“80 people from across Heywood armed with voting handsets cast the deciding vote on how the council and police should spend £20,000 addressing community safety concerns.”¹¹⁴

Similarly, the Association of Voluntary Organisations in Wrexham described that:

“A local example of young people being involved but not with any Welsh Assembly Government funding was a Participatory Budget project in a village called Coepdoeth on the outskirts of Wrexham. A level of funding was secured by the Community Council who held public meetings which young people took part in to arrive at local projects.”¹¹⁵

We are therefore keen that the Welsh Government provides support and guidance to local authorities in Wales on the utilisation of Children’s Budget Statements in participatory budgeting. We also note that the proposed Children and Families (Wales) Measure places a general duty on local authorities to make arrangements to promote and facilitate participation by children and young people in decisions of the local authority which affect them. It also requires local authorities to publish and keep up to date information about its arrangements for participation. We consider that guidance associated with the Children and Families (Wales) Measure should include reference to enabling children and young people to engage in participatory budgeting, and budget monitoring.

Recommendation 8

We recommend that the Welsh Government’s statutory guidance to local authorities, emanating from the Children and Families (Wales) Measure, should include information about enabling children and young people’s engagement in participatory budgetary decision making.

We anticipate such guidance would:

- be initially tested through use of pilot work in local authorities,
- be based on existing good practice in the UK in enabling participatory budgeting.

¹¹⁴ Participatory Budgeting Unit, Handout, p.4.

¹¹⁵ Association of Voluntary Organisations in Wrexham, Written Evidence, p.3.

The role of school councils in participatory budgeting

We also note that school councils can provide a valuable vehicle for children and young people to engage with budgeting decisions. Indeed, the WLGA observed that:

“Research undertaken by Welsh Assembly Government and Estyn reports, have shown that local authorities in Wales are running particularly effective School Councils which allow children and young people to become involved in decision making about their school. There are also strong links between the School Councils and Governing Bodies which set budgets for schools.”¹¹⁶

Similarly, the Minister for Children, Education, Lifelong Learning and Skills noted that:

“if you talk to the children and young people on school councils who have been asked to budget, as some of them have, you will know that they have to decide between priorities.”¹¹⁷

However, we understand that there is currently no requirement for school councils to be involved in budgetary decision making, or for school budgetary fora to take account of representations from school councils, with the WLGA acknowledging that “the situation varies from authority to authority.”¹¹⁸

We consider that this good practice, of enabling school councils to have a role in budgetary decision making and monitoring, could usefully be made consistent across local authorities in Wales.

Recommendation 9

We recommend that the Welsh Government issues statutory guidance to local education authorities on the participation of school councils in budgetary decision making and monitoring, and sets out timescales for producing such,

We anticipate such guidance would provide advice on practical issues, such as when in the budgeting process school councils should be engaged.

¹¹⁶ WLGA, Written Evidence. p.1.

¹¹⁷ RoP, Children and Young People Committee, 31.3.09., p.11.

¹¹⁸ RoP, Children and Young People Committee, 17.3.09., p.7.

Budget Literacy

Many of our witnesses identified the development and promotion of budget literacy, through education, in order to facilitate participation of children and young people in budget setting processes. Save the Children, for example, commented that:

“We need to have a larger programme to make the budget process and budgets more transparent to civil society generally. There needs to be education on budget literacy in our schools, right through the school system.”¹¹⁹

Similarly, Professor David Reynolds suggested that:

“we would have to incorporate some provision of knowledge within things such as PSE to help”¹²⁰

While that WLGA acknowledged that:

“Perhaps there is role for personal, social and health education here to encourage children and young people to understand the issues that local authorities and governments face in delivering services and developing policy.”¹²¹

We are therefore pleased that the Minister for Children, Education, Lifelong Learning and Skills informed us that existing education curricula would link with Children’s Budgeting work more broadly, commenting that:

“we have financial literacy firmly embedded in the curriculum, they will also expect much more engagement. So, the financial inclusion strategy and the financial education unit that we are setting up will all pave the way to a much greater interest in children’s budgeting.”¹²²

Indeed, we note that a new curriculum was introduced in September 2009 with financial literacy education components within the Personal and Social Education (PSE) and Mathematics curricula, for ages 7 to 19 and 7 to 16 respectively.

Recommendation 10

We recommend that the Welsh Government continues to enable a greater focus on budget literacy within the Education curriculum, improving understanding of budgetary decision making processes among children and young people.

¹¹⁹ RoP, Children and Young People Committee, 10.2.09., p.5.

¹²⁰ RoP, Children and Young People Committee, 27.1.09., p.14.

¹²¹ RoP, Children and Young People Committee, 17.3.09., p.14.

¹²² RoP, Children and Young People Committee, 31.3.09., p.14.

We also note that, following consultation, the Minister for Social Justice and Local Government has published a Financial Inclusion Strategy for Wales Action Plan which includes the following action:

- Establish Welsh Financial Education Unit to identify examples of best practice and to support teachers and schools in the delivery of financial education in the curriculum. (Action 4.3)

To assist them in achieving this action, we consider that the Welsh Government could usefully provide web-based materials as a resource for teachers introducing children's budget literacy to their classes. Indeed we note that the Welsh Government previously agreed to develop a website explaining the school funding processes through a School funding website, following a recommendation of the National Assembly for Wales' Second Assembly Committee on School Funding.¹²³

Although we understand that, as a result of this recommendation, a website on school funding has been established by the Welsh Government, and is available at <http://new.wales.gov.uk/topics/educationandskills/learningproviders/schools/schoolfunding/?lang=en>, we are not convinced that in its present form it would be easily accessible for children and young people. We are concerned that it currently contains high levels of financial and governmental jargon for example.

We also agree with comments from the WLGA that this website could usefully provide:

“explanation of the funding of other services for children and young people, in line with the publication and implementation of the Children and Young People's Plans.”¹²⁴

Recommendation 11

We recommend that the Welsh Government provide improved on-line information and guidance on school funding, written with children and young people in mind, with minimal financial or governmental jargon, as a resource for teaching about budgetary decision making.

We anticipate that:

- the accessibility and usefulness of this on-line information would be monitored, with feedback sought from children and young people using it.
- the on-line information would be supported with interactive exercises to engage children and young people in the processes.

¹²³ National Assembly for Wales, Committee on Schools Funding, [Report on School Funding arrangements in Wales](#), June 2006.

¹²⁴ WLGA, Written Evidence, p.1.

Annex 1

Recommendation 1:

We recommend that the Welsh Government publishes a single strategy detailing the expected outcomes of its expenditure towards children and young people, accompanied by an action plan for realising this strategy.

Recommendation 2

We recommend that the Welsh Government set with Local Authorities outcomes that are designed to result from local government's budgetary expenditure towards children and young people.

Recommendation 3

We recommend that the Welsh Government issues statutory guidance on the collection of data by local partners, including local authorities and local health boards, to enable the production of Children and Young People's Budget Statements, and sets out timescales for producing such.

Recommendation 4 (Key recommendation)

We recommend that the Welsh Government publishes Children and Young People's Budget Statements.

Recommendation 5

We recommend that the Welsh Government provides statutory guidance to local authorities on the production of local authorities' own Children and Young People's Budget Statements, and sets out timescales for producing such.

Recommendation 6

We recommend that the Auditor General monitors the publication of Children and Young People's Budget Statements, by the Welsh Government and Local Authorities.

Recommendation 7

We recommend that the Welsh Government makes a commitment to enabling appropriate participation of children and young people in budget monitoring and setting, to the maximum extent possible.

Recommendation 8

We recommend that the Welsh Government's statutory guidance to local authorities, emanating from the Children and Families (Wales) Measure, should include information about enabling children and young people's engagement in participatory budgetary decision making.

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Annex 2

TERMS OF REFERENCE FOR THE INQUIRY:

The Children and Young People Committee agreed the following terms of reference for this inquiry:

1. To examine current arrangements for allocating and monitoring public expenditure on children and young people in Wales at national and local level.
2. To identify overall Welsh Government spending on children and young people.

SCHEDULE OF EVIDENCE

Oral Evidence was taken as follows:

27 January 2009

- Professor David Reynolds, Plymouth University

10 February 2009

- Debbie Budlender, Community Agency for Social Enquiry
- Rhian Croke, Save the Children
- Anne Crowley, Save the Children

3 March 2009

- Keith Bowen, Disabled Children Matter
- Zoe Richards, Disabled Children Matter
- Nicollette Shercliff, Disabled Children Matter

17 March 2009

- Dr Chris Llewelyn, Welsh Local Government Association
- Vanessa Phillips, Welsh Local Government Association

31 March 2009

- Jane Hutt AM, Minister for Children, Education, Lifelong Learning and Skills
- Piers Bisson, Welsh Government
- Suzanne Chisholm, Welsh Government
- Ruth Studley, Welsh Government

Written evidence was received from:

- Association of School and College Leaders
- Association of Teachers and Lecturers
- Association of Voluntary Organisations in Wrexham
- Blaenau Gwent County Borough Council
- British Red Cross
- Caring for Carers

- Children's Institute
- Community Agency for Social Inquiry
- Conwy Local Authority, Children and Family Services
- Home Start
- National Child Minding Association
- National Deaf Children Society Cymru
- Participatory Budgeting Unit
- Play Wales
- Royal National Institute for the Deaf
- Save the Children
- The Children's Commissioner for Wales
- The National Assembly for Wales' Finance Committee
- Torfaen County Borough Council
- Wales Audit Office
- Welsh Government
- Welsh Language Board
- Wrexham Framework Partnership