

# Scrutiny of the Welsh Government's draft budget for 2024-25

February 2024



# 1. Background

## Introduction

1. On 19 December 2023 Rebecca Evans MS, the Minister for Finance and Local Government, published the Welsh Government's draft budget proposals for 2024-25. The proposals were accompanied by a narrative document, Budget Expenditure Lines (BELs), and tables supporting spending plans.<sup>1</sup>
2. Ahead of its publication, the Minister wrote to the Chair of the Finance Committee to request that Senedd committees report on the draft budget by 5 February 2024, to enable a debate on the draft budget to be held on 6 February 2024.<sup>2</sup> The Welsh Government has since scheduled the debate for this date.<sup>3</sup>

## Our remit and approach to scrutiny

3. The remit of the Legislation, Justice and Constitution Committee is to carry out the functions of the responsible committee set out in Standing Orders 21 and 26C. The Committee may also consider any matter relating to legislation, devolution, the constitution, justice, and external affairs, within or relating to the competence of the Senedd or the Welsh Ministers, including the quality of legislation.
4. On 2 October 2023, we agreed to conduct our scrutiny of the Welsh Government's draft budget for 2024-25 by exchange of correspondence. We also agreed for that scrutiny to focus on the draft budget's proposals for spending on justice matters and spending on improvements to the accessibility of the law.<sup>4</sup>
5. On 10 October 2023, we wrote to the Counsel General and Minister for the Constitution (the Counsel General) to seek detail on these matters within the forthcoming draft budget.<sup>5</sup>
6. On 17 January 2024, following the publication of the draft budget, we wrote again to the Counsel General to seek further information on its proposals.<sup>6</sup>

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<sup>1</sup> Welsh Government, [Draft Budget 2024 to 2025](#), 19 December 2023

<sup>2</sup> [Letter from the Minister for Finance and Local Government to the Chair of the Finance Committee](#), 12 September 2023

<sup>3</sup> Senedd Cymru, [Business Statement and Announcement](#), 23 January 2024

<sup>4</sup> Legislation, Justice and Constitution Committee, [2 October 2023 Minutes](#)

<sup>5</sup> [Letter to the Counsel General and Minister for the Constitution](#), 10 October 2023

<sup>6</sup> [Letter to the Counsel General and Minister for the Constitution](#), 17 January 2024

**7.** On 23 January 2024, the Counsel General responded to our requests for information.<sup>7</sup> As an annex to the response, the Counsel General provided an outline of the draft budget proposals which relate to justice-related activity by Main Expenditure Group (MEG), Spending Programme Area (SPA) and Budget Expenditure Line (BEL), alongside a narrative description of the types of activity funded by those allocations, and any year-on-year changes identified to that expenditure.

**8.** We considered the Counsel General's written evidence on 29 January 2024.<sup>8</sup>

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<sup>7</sup> [Letter from the Counsel General and Minister for the Constitution](#), 23 January 2024

<sup>8</sup> [LJC Committee, 29 January 2024, Minutes](#)

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## 2. The Welsh Government's draft budget for 2024-25

### Accountability of outcomes from spending on justice-related activity

**10.** Our consideration of previous draft budgets announced by the Welsh Government has examined how proposed spending on justice-related activity can be identified within them, and how the outcomes of that expenditure can subsequently be monitored.

**11.** As part of our scrutiny of the Welsh Government's draft budget for 2022-23, the First Minister told us:

*"... spending on justice related activity is not separately disaggregated in either our budget or annual accounts. This reflects the reality that the devolution settlement now in place does not fund the Welsh Government to have a justice function. It also reflects the cross-cutting nature of current justice related activity across Ministerial portfolios."*<sup>9</sup>

**12.** As a result of that scrutiny we recommended that the Welsh Government should work toward disaggregating spending on justice-related activity in future draft budgets.<sup>10</sup>

**13.** In February 2022, in response to our scrutiny of the 2022-23 draft budget, the Counsel General committed to:

- explore the ways in which the Welsh Government could improve the level of information it provides about expenditure on justice-related activity; and
- bring forward an annual report on its forthcoming Delivering Justice for Wales programme<sup>11</sup> setting out progress against its objectives.<sup>12</sup>

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<sup>9</sup> [Letter from the First Minister, 10 January 2022](#)

<sup>10</sup> [Letter to the First Minister and the Counsel General and Minister for the Constitution](#), 28 January 2022

<sup>11</sup> See the [relevant section later in this report](#) for further detail about this programme.

<sup>12</sup> [Letter from the Counsel General and Minister for the Constitution](#), 28 February 2022

**14.** We continued our scrutiny of this matter during our consideration of the Welsh Government's draft budget for 2023-24. At the time, the Counsel General stated that the Welsh Government, as part of its annual reporting on the Delivering Justice for Wales programme, would continue to explore ways in which it could improve the level of "granular information" it could provide on expenditure on justice-related activity.<sup>13</sup>

**15.** Within our report on our scrutiny of the 2023-24 draft budget, we noted that the Counsel General was content with the level of transparency provided by that budget, and that it reflected the current status of the devolution of powers in relation to justice.<sup>14</sup> We also stated that we awaited the publication of the Welsh Government's first annual report on its Delivering Justice for Wales programme; and in particular any detail it may contain on expenditure on justice-related activity against what was forecast, and evaluations of the outcomes of that expenditure.<sup>15</sup>

**16.** On 22 November 2023, in response to a written question, the Counsel General stated that the Welsh Government would "shortly" be publishing a "progress report" on the Delivering Justice for Wales programme.<sup>16</sup>

**17.** Within the draft budget for 2024-25, the presentation of spending proposals on justice-related activity is unchanged from previous years. To inform our scrutiny, we asked the Counsel General to provide a summary of any work undertaken to improve the level of information provided on planned spending on justice-related activity. He told us in response:

*"The questions raised by the Committee are fair ones and we recognise the public interest in there being answers available to them. We are grateful to the Committee for the attempts it has made, notwithstanding its significant other workload, to provide cross-cutting scrutiny of justice matters, and as the Committee is aware we have undertaken significant work within Welsh Government to give greater weight and prominence to justice considerations, for example through the Cabinet Sub-Committee on Justice.*

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<sup>13</sup> LJC Committee, LJC(6)-02-23 – [Paper 2 – Paper from the Counsel General and Minister for the Constitution, 21 December 2022](#), paragraph 2.9

<sup>14</sup> LJC Committee, [The Welsh Government's draft budget for 2023-24](#), February 2023, paragraph 31

<sup>15</sup> LJC Committee, [The Welsh Government's draft budget for 2023-24](#), February 2023, paragraph 35

<sup>16</sup> Senedd Cymru, [WQ89638](#), November 2023

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*We recognise the Committee's point that it is useful to the Welsh Government to be able to understand justice-related expenditure. We continue to explore whether there are ways in which we can improve the level of information we can provide about justice expenditure across government. We will, of course, publish an update on the Delivering Justice for Wales work programme which will provide an update on activity and outcomes as a result of Welsh Government investment in areas that have an impact on the justice system.*

*However, there remain significant structural limitations on the extent to which the Welsh Government can consider every issue through a "justice prism", in the absence of a Minister for Justice and a dedicated justice Main Expenditure Group (MEG). This in turn has been considered difficult to justify in the absence of an increase in the number of ministers, and with the current extent of direct "justice functions" held by Welsh Government, although it is of course hoped that both of these things will change in the relatively near future. Increased civil service capacity on justice would also be needed to support those changes, which is of course part of why any devolution of justice functions must be properly funded.*

*However, as things stand (and as I have indicated in my previous appearances before the Committee) it is not possible to provide comprehensive granular level information about justice expenditure as it remains the case that justice-related activity cuts across portfolios and is allocated from within a number of BELs. In some areas, where a BEL covers a range of different activities, the allocation of a draft settlement will not mean that final decisions have been taken as to how the funds within that BEL would then be prioritised, and further work will be needed to assess the extent to which they will be allocated to justice related expenditure."<sup>17</sup>*

**18.** The Counsel General also stated within his letter to us that the progress report on the Delivering Justice for Wales programme would be published "shortly".<sup>18</sup>

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<sup>17</sup> Letter from the Counsel General and Minister for the Constitution, 23 January 2024, pages 1-2

<sup>18</sup> Letter from the Counsel General and Minister for the Constitution, 23 January 2024, page 3

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## Our view

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**19.** We acknowledge the difficulties, as stated by the Counsel General, in disaggregating spending on justice-related activity within the Welsh Government's draft budgets in the absence of a minister for justice-related matters, and a dedicated MEC for those matters.

**20.** We therefore welcome the efforts which continue to be made to explore ways in which the level of information that is provided about justice-related expenditure across government can be improved in the future.

**21.** We believe it is imperative that the outcomes of any spending on any activities can be scrutinised in detail in order to inform future proposals for spending within those areas. As stated above, we awaited the publication of the Welsh Government's first annual report on its Delivering Justice for Wales programme following our consideration of the Welsh Government's draft budget for 2023-24. It is unfortunate that this report was not published in time for us to take into account progress and expenditure to date to inform our scrutiny of justice-related activity within the draft budget for 2024-25.

**22.** Therefore, and especially in light of the difficulties identified by the Counsel General in identifying spending on justice-related activity in advance, we expect to see as much detail as possible within the anticipated progress report in respect of previous expenditure on justice-related activity, and how this level of funding has improved outcomes. Should we believe that detail to be insufficient, we will consider conducting in-year budget scrutiny of spending on such activity.

**23.** We also believe that, for reasons of accountability, the Counsel General should provide a date by which the Welsh Government will publish its first progress report on the Delivering Justice for Wales programme.

**Recommendation 1.** The Counsel General should provide us with a date by which the Welsh Government will publish its first progress report on the Delivering Justice for Wales programme.

## The wider economic context

**24.** In Plenary on 9 January 2024, the Minister for Finance and Local Government stated:

*"... Wales is facing the toughest financial situation since the start of devolution ... Our settlement for 2024-25 is now worth up to*

*£1.3 billion less in real terms than expected at the time of the 2021 spending review. ... In making this draft budget, we have had to take incredibly difficult decisions, and they are the most stark and painful since devolution. We have worked over many months to radically reshape our budget so that we can focus funding on the services that matter most to people.”<sup>19</sup>*

**25.** We asked the Counsel General to set out the impact of price increases on proposals for spending on justice-related activity within the draft budget, and how these will be managed. In response, he first told us of the issues faced in making such an assessment:

*“The impact of price rises will have been considered to the extent relevant within the context of each individual MEG and indeed within individual Budget Expenditure Lines (BELs). It has not, however, been considered cumulatively in specific relation to expenditure on justice related activity, and to seek to do so would in our judgement be disproportionately resource intensive when set against the value it would offer.*

*In making that judgement we note the issue that has been raised in previous years' financial scrutiny, that in some areas, where a BEL covers a range of different activities, the allocation of a draft settlement will not mean that final decisions have been taken as to how the funds within that BEL would then be prioritised, and further work will be needed to assess the extent to which they will be allocated to justice related expenditure. This further complicates any assessment that could be made of the impact of price rises.”<sup>20</sup>*

**26.** He however went on to say:

*“... we have no reason to believe that the impact of price rises on justice expenditure will be significantly different from the impact of price rises on other areas of Welsh Government expenditure. ... a large proportion of justice related expenditure is on staff costs, including not just civil servants but the devolved judiciary, PCSOs and others. Staff costs have of course increased in cash terms more than initially forecast, and this is*

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<sup>19</sup> Plenary, [9 January 2024, Record of Proceedings](#) [265, 270, 271]

<sup>20</sup> Letter from the Counsel General and Minister for the Constitution, 23 January 2024, page 2



*itself a response to increased prices and the impact on the cost of living.”<sup>21</sup>*

## Our view

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**27.** We acknowledge the negative impacts of the wider economic context on the draft budget. We also note the Counsel General's assessment that the impact of price rises will not have a disproportionate impact on funding for justice-related activity compared to other areas of Welsh Government expenditure. However, given the acute pressures facing the criminal justice sector in Wales we hope the Counsel General and the Cabinet Sub-Committee on Justice will keep any potential impacts under review and work closely with the sector to mitigate any impacts as far as possible.

## Funding for non-devolved areas

**28.** The narrative document accompanying the draft budget proposals states:

*“Given the extraordinary fiscal constraints on our budget, we have reviewed all areas of our funding, including in non-devolved areas where we have stepped in to provide funding in the absence of support from the UK Government or to close gaps. In these difficult times, we have prioritised funding devolved areas for which we are responsible.”<sup>22</sup>*

**29.** The document sets out the reduced funding within the draft budget for Police Community Support Officers (PCSOs),<sup>23</sup> and that funding for the Wales police schools programme had been “reprioritised”.<sup>24</sup> The Counsel General provided further detail to us:

*“... one of the factors that we have taken into account is the extent to which planned funding was due to subsidise reserved areas. For example, we have reduced Welsh Government funding to the four Welsh police forces and British Transport Police for Police Community Support Officers (PCSOs), down from £21.459 million in 2023-24 to £15.488 million in 2024-25.*

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<sup>21</sup> Letter from the Counsel General and Minister for the Constitution, 23 January 2024, page 2

<sup>22</sup> Welsh Government, Draft Budget 2024-25, December 2023, paragraph 144

<sup>23</sup> Welsh Government, Draft Budget 2024-25, December 2023, paragraph 146

<sup>24</sup> Welsh Government, Draft Budget 2024-25, December 2023, paragraph 53

*We are still providing over £15m of funding for PCSOs despite this area being reserved to the UK Government. This money is provided over and above funding for police forces from the UK Government, providing additional investment in Welsh communities which is not available to forces in England.*

*We have engaged with policing colleagues across the budget process, as part of our longstanding approach to partnership working in Wales. Policing colleagues are now considering the impact of the budget and Welsh Government officials will meet with them to discuss and agree a joint approach to next steps once their initial assessment is complete.*

*We have also withdrawn our funding for the Wales Police Schools Programme. The Programme falls within the portfolio responsibility of the Deputy Minister for Mental Health and Wellbeing and has been funded from the Health and Social Services portfolio (the substance misuse budget) which is under particular pressure. I understand that the Deputy Minister will be writing to the Health and Social Care Committee with some further detail of choices made within the substance misuse budget and I will ask if that letter can be shared with the Committee."<sup>25</sup>*

## **Our view**

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**30.** We note the Welsh Government's decision to prioritise funding for activities within subject matters which are fully devolved over supplementary funding for activities within matters which are not devolved.

**31.** However, while we that accept difficult choices need to be made, we are concerned at the potential impact of these reduced levels of funding. When the Welsh Government and its stakeholders have conducted an initial assessment of the impacts of the reduction in funding for PCSOs, and the withdrawal of funding for the Wales Police Schools Programme, we believe this information should be shared with the Committee and other relevant Senedd committees.

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<sup>25</sup> Letter from the Counsel General and Minister for the Constitution, 23 January 2024, page 3

## The Delivering Justice for Wales programme

**32.** In May 2022, the Welsh Government announced its programme to reform the justice system in Wales.<sup>26</sup> The long-term ambition of the Delivering Justice for Wales programme is to prepare for the devolution of justice and policing “if those powers, and the appropriate levels of funding” were to be devolved.<sup>27</sup>

**33.** The Justice Transformation BEL within the draft budget provides resources so fund this programme. Although the level of funding provided to the BEL has been maintained<sup>28</sup> from that provided in the final budget for 2023-24, this will result in a real-terms cut in 2024-25 due to inflationary pressures.

**34.** In his written evidence, the Counsel General confirmed that the Justice Transformation BEL provides resources to the following justice-related activity:

- co-ordinating the ‘Justice Transformation’ programme across Government and the response to the recommendations of the Commission on Justice in Wales;
- pursuing and preparing for the devolution of justice;
- supporting engagement with the UK Government Justice Commission recommendations;
- developing the legal sector including engagement with the Law Council of Wales; and
- taking forward work relating to the Welsh Tribunals including proposals for their reform.<sup>29</sup>

**35.** As we have indicated earlier, in response to our scrutiny of the Welsh Government's draft budget for 2022-23, the Counsel General committed to bring forward an annual report setting out the Welsh Government's progress against the Delivering Justice for Wales programme's objectives.<sup>30</sup>

**36.** We asked the Counsel General to set out the practical implications of budgetary pressures on the programme. In response, he outlined the reduced

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<sup>26</sup> Welsh Government, [Delivering Justice for Wales](#), May 2022

<sup>27</sup> Welsh Government, [Delivering Justice for Wales](#), May 2022, page 8

<sup>28</sup> The allocation to this BEL is £480,000.

<sup>29</sup> Letter from the Counsel General and Minister for the Constitution, 23 January 2024, page 9

<sup>30</sup> Welsh Government, Letter from the Counsel General and Minister for the Constitution, 28 February 2022

funding for PCSOs and the withdrawal of funding for the Wales Police Schools Programme (see paragraph 29), and concluded:

*“Overall ... we believe we have achieved a proportionate balance between the requirement to respond to changing financial circumstances and the important ambitions in Delivering Justice for Wales.”<sup>31</sup>*

**37.** In evidence to the Finance Committee, Platform, an organisation which supports people who are experiencing mental health challenges and seeks to achieve social change, called for the Welsh Government to make urgent preparations in relation to the devolution of justice. It said:

*“We need to see urgent work by Welsh Government to begin the devolution of welfare and criminal justice systems, which are preventing Wales from taking action to address embedded systemic failure.”<sup>32</sup>*

**38.** We therefore asked the Counsel General to set out the degree to which preparatory work for the devolution of justice will continue in light of budgetary pressures. He told us in response:

*“Work to prepare for the devolution of justice is predominantly covered through the Justice Transformation BEL which will continue to receive £480,000 over the course of the financial year. The costs to be met from the Justice Transformation BEL are primarily staffing costs. However, this BEL is also expected to be used for commissioning external services such as research and analysis for the purposes of furthering our understanding of justice devolution. We expect preparatory work to continue over the next financial year.”<sup>33</sup>*

**39.** The Counsel General also told us that the Welsh Government's forthcoming progress report on the Delivering Justice for Wales programme would “set out ambitions for the year ahead” in respect of the devolution of justice.<sup>34</sup>

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<sup>31</sup> Letter from the Counsel General and Minister for the Constitution, 23 January 2024, page 3

<sup>32</sup> Finance Committee, [WGDB\\_24:25.41 Platform](#), December 2023

<sup>33</sup> Letter from the Counsel General and Minister for the Constitution, 23 January 2024, page 6

<sup>34</sup> Letter from the Counsel General and Minister for the Constitution, 23 January 2024, page 6

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## Our view

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**40.** We note, in light of concerns raised by stakeholders, that preparatory work for the devolution of justice will continue in 2024-25, and that there is no cash-terms reduction to the Justice Transformation BEL which will resource this work.

**41.** We look forward to the publication of the Welsh Government's first progress report on the Delivering Justice for Wales programme and will look to take oral evidence from the Counsel General on this matter in the near future. As we stated in our report on the Welsh Government's draft budget for 2023-24,<sup>35</sup> we will seek opportunities for joint scrutiny of the report with the Equality and Social Justice Committee.

## Impact on inequality and the socio-economic duty

**42.** Clinks, which represents voluntary organisations working in the criminal justice system, submitted evidence to the Finance Committee in respect of the draft budget. It raised concerns around the increased demand on the services provided by those organisations in the context of budgetary pressures, and the reliance of those organisations on funding provided by the Welsh Government. It concluded its response:

*“As a significant funder of the sector in Wales, the Welsh Government's budget can provide vital support for Welsh voluntary organisations through flexible, unrestricted, multi-year grants. By ensuring the Welsh criminal justice voluntary sector is adequately resourced, organisations can continue to work with people in contact with the criminal justice system to help them transform their lives, and so reduce reoffending. Insufficient funding will result in organisations having to make cutbacks to their services, even though demand for help and support from people in contact with the justice system continues to rise.”<sup>36</sup>*

**43.** We asked the Counsel General to provide information to us on any engagement undertaken with voluntary organisations and stakeholders working in the criminal justice system to inform the preparation of the draft budget. We also asked for information on how allocations on justice-related activity would contribute to the reduction of inequality, and how planned spend on such activity

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<sup>35</sup> LJC Committee, The Welsh Government's draft budget for 2023-24, February 2023, paragraph 35

<sup>36</sup> Finance Committee, [WGDB\\_24-25 39 Clinks](#), December 2023

in 2024-25 will fulfil the requirements of the Welsh Government's socio-economic duty. He told us in response:

*"All of these questions raise the same structural challenges ... about the extent to which the Welsh Government can consider every issue through a "justice prism", in the absence of a Minister for Justice and a dedicated justice Main Expenditure Group (MEG).*

*The impact on inequality and the socio-economic duty, and the need for engagement with stakeholders, will have been considered to the extent relevant within the context of each individual MEG and indeed within individual Budget Expenditure Lines (BELs). Some stakeholders have particularly broad areas of interest, and so for example we have engaged with policing colleagues across the budget process, as part of our longstanding approach to partnership working in Wales. ...*

*The questions raised have not, however, been considered cumulatively in specific relation to expenditure on justice related activity, and to seek to do so would in our judgement be disproportionately resource intensive when set against the value it would offer."<sup>37</sup>*

## **Our view**

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**44.** As we have stated in paragraph 19, we acknowledge the practical difficulties surrounding the consideration of expenditure on justice-related activity in a cumulative way.

**45.** We also acknowledge that the Welsh Government has engaged with representatives from the police forces in developing the draft budget. However, we believe that the Welsh Government should provide more information to us on the ways in which other organisations working in the criminal justice system in Wales – including those in the voluntary sector – are consulted in the preparation of the draft budget.

**46.** We note that evidence provided by stakeholders to the Finance Committee has highlighted the acute pressures faced by voluntary sector organisations specifically working on criminal justice in Wales. We note that Clinks, in particular,

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<sup>37</sup> Letter from the Counsel General and Minister for the Constitution, 23 January 2024, page 3

has identified the reliance of these organisations on Welsh Government funding and the increase in demand for complex support from service users. In light of this evidence, we do not agree with the Counsel General's view that engaging with organisations through mechanisms such as the Delivering Justice for Wales work programme would be 'disproportionately resource intensive'. We believe that this should be a necessary part of the Welsh Government's work and its consideration on spending for the 2024-25 year. Crucially, we believe that limited engagement with these stakeholder groups risks the loss of opportunities for the Welsh Government to maximise the funding available and to target resources at priority areas.

### **Imprisonment rates and preventative action**

**47.** In May 2023, Lord Bellamy, Parliamentary Under-Secretary of State at the Ministry of Justice, stated that prison capacity in the UK was "hovering around 99%".<sup>38</sup>

**48.** Dr Robert Jones from Cardiff University's Wales Governance Centre has identified that, in September 2023, the 'in-country' rate of imprisonment in Wales had increased to 177 per 100,000 people, compared to a rate of 146 per 100,000 people in England. He has also found that the imprisonment rate in Wales "now far exceeds the level recorded in any other country in western Europe."<sup>39</sup> His research has also identified that those belonging to a Black ethnic group in Wales were the most overrepresented ethnic group in prison in 2022.<sup>40</sup>

**49.** In addition to its concerns noted at paragraph 42, Clinks also raised concerns in its evidence to the Finance Committee that measures introduced to address the "acute challenges" of prison capacity are likely to further increase demand on the services provided by the voluntary organisation it represents.<sup>41</sup>

**50.** We asked the Counsel General if any specific changes had been made to planned spending for 2024-25 in response to the challenges related to prison capacity. In response he told us:

*"No specific changes to spending plans have been made, but there are clear risks arising from these challenges. For example,*

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<sup>38</sup> [H.L. Deb 16 May 2023, Volume 830, Col 216](#)

<sup>39</sup> Dr Robert Jones, Cardiff University, [Prisons in Wales: 2022 Factfile](#), November 2023, paragraphs 1.59-1.60

<sup>40</sup> Dr Robert Jones, Cardiff University, [Prisons in Wales: 2022 Factfile](#), November 2023, paragraphs 1.41

<sup>41</sup> Finance Committee, WGDB\_24-25 39 Clinks, December 2023

*the Welsh Government's budget for prisoner education in Wales is set through consequential funding, and the UK Government remains responsible for the budget for education in prisons. It is understood there are no plans to increase the budget in light of increasing numbers of prisoners, which represents a pressure on prison education funding in the coming years.*

*Homelessness services across Wales are impacted by prison capacity in two ways; the high numbers of prisoners within the prison system impacts the delivery of homelessness services across Wales. In addition to this, staffing shortages within the prison system and the organisations contracted to provide support and advice to people entering and being discharged from prison further exacerbates the issue.*

*Prisoners are, at times, discharged ahead of schedule making planning support and accommodation much more difficult for local authorities who are challenged in times of completing assessments to meet the needs of people with complex needs and who present a risk to themselves and the communities where they are being resettled.*

*This makes an already challenging situation more difficult for local authorities who already face a shortage of housing and support packages for people with high support needs. Due to low numbers of staff in prisons as well as the challenges of recruitment, WG officials have been advised that housing assessments are often delayed on admission to prison with the result that some prisoners on short sentences are at risk of losing their accommodation due to the lack of communication with their landlord who does not know they are in custody. We have no data to quantify this information. The factors referred to above have a financial implication for local authorities as well as a heightened risk for former prisoners."<sup>42</sup>*

**51.** We also asked the Counsel General for information on how draft budget allocations related to justice-related activity would support actions to reduce imprisonment rates in Wales, particularly amongst people with protected

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<sup>42</sup> Letter from the Counsel General and Minister for the Constitution, 23 January 2024, pages 4-5



characteristics. We also asked for information about preventative action that will be funded by proposed allocations on justice-related spending.

**52.** In response, the Counsel General told us that the Delivering Justice for Wales work programme contains “many commitments aimed at preventing and reducing imprisonment rates in Wales”, and set out how funding for Blueprints for Women’s Justice and Youth Justice, homelessness prevention, and funding for the prevention of violence against women, domestic abuse and sexual violence had been protected within the draft budget.<sup>43</sup>

## **Our view**

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**53.** We note the evidence provided by stakeholders to the Finance Committee in respect of the draft budget, and the Counsel General’s evidence on the matters which they raise in relation to prison capacity and preventative action to reduce offending rates.

**54.** We acknowledge the impact of spending decisions by the UK Government on consequential funding for prison education, and the impacts of prisoners being released ahead of schedule on the services available to them, and the similar impacts on local authorities in Wales which provide those services.

**55.** We are however concerned about the data on imprisonment rates in Wales and the issue of capacity within the prison service. We therefore intend to continue to scrutinise the work being undertaken by the UK Government and the Welsh Government in this area, and to monitor the Welsh Government’s progress on this matter through our scrutiny of the Delivering Justice for Wales work programme.

## **The Welsh Tribunals**

**56.** The administration and support of the Welsh Tribunals through the Welsh Tribunals Unit is resourced from the Tribunals BEL. Although the level of funding provided to the BEL has been maintained<sup>44</sup> from that provided in the final budget for 2023-24, this will result in a real-terms cut in 2024-25 due to inflationary pressures.

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<sup>43</sup> Letter from the Counsel General and Minister for the Constitution, 23 January 2024, pages 5–6

<sup>44</sup> The allocation to this BEL is £4,110,000.

**57.** In June 2023, the Welsh Government consulted on proposed reforms to the devolved tribunals in Wales. The consultation closed on 2 October 2023.<sup>45</sup>

**58.** Within our report on the draft budget for 2023-24, we recommended that the Counsel General should provide us with details of the anticipated resource requirements of these proposals.<sup>46</sup>

**59.** We therefore asked the Counsel General to provide an overview of the resources in the draft budget to take forward these proposals. He confirmed that this work will be resourced from the Justice Transformation BEL, and said:

*“We received 54 responses [to the consultation] from respondents from a range of backgrounds and covering the scope of the proposed reforms. We aim to publish a summary of the responses at the end of January.*

*A new, unified system of tribunals can only be put in place with primary legislation. The scheduling of that legislation is subject to its own separate processes, and we are taking forward preparatory work ahead of that legislation being formally timetabled.”<sup>47</sup>*

**60.** On 30 January 2024, the Welsh Government published a summary of responses to its consultation on proposed reform to the tribunals.<sup>48</sup>

## **Our view**

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**61.** We welcome the fact that the allocation within the draft budget for the administration of devolved tribunals is unchanged from the budget for 2023-24.

**62.** We note that the Welsh Government has published a summary of the responses to its proposed reform to the tribunals. We believe that when such information is available, the Welsh Government should provide an initial assessment of the expected costs of such reform, alongside a draft version of the proposed primary legislation.

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<sup>45</sup> Welsh Government, [A new tribunal system for Wales: white paper](#), 19 June 2023

<sup>46</sup> LJC Committee, The Welsh Government's draft budget for 2023-24, February 2023, Recommendation 2

<sup>47</sup> Letter from the Counsel General and Minister for the Constitution, 23 January 2024, pages 6-7

<sup>48</sup> Welsh Government, [Consultation: A new tribunal system for Wales: white paper](#)

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**Recommendation 2.** When such information is available, the Welsh Government should provide an initial assessment of the expected costs of reform to the Welsh Tribunals, alongside a draft version of the bill which will provide for that reform.

## **The Welsh Government's programme to improve the accessibility of Welsh law**

**63.** In September 2021, the Welsh Government published its programme to improve the accessibility of Welsh law.<sup>49</sup> The Welsh Government laid its most recent annual report on the programme's progress in November 2023,<sup>50</sup> and laid its revised programme on 19 January 2024.<sup>51</sup>

**64.** We asked the Counsel General to provide information on planned spending in the draft budget to deliver the programme. He told us that these costs are met, and will continue to be met in future, "from across a number of portfolios as part of the wider legislative activity of the organisation."<sup>52</sup>

**65.** The Counsel General also referred us to the annual report laid in November 2023 which set out details of additional staffing to support delivery of the programme,<sup>53</sup> and the "limitations of being able to quantify the full range of costs associated with wide range of staff resources involved in (particularly) preparation of the legislative projects, both primary and subordinate."<sup>54</sup>

**66.** The Counsel General however provided the following detail to us:

*"I am able to confirm that in 2024-25 the costs of Legislative Counsel and Legislative Translators working on the Legislation Bill and the Planning Bill and the work of the Legislative Codes Office to support the programme as a whole and deliver specific projects falls to BEL 6720 – Staff Costs.*

*There are also very modest IT costs associated with the support and maintenance of the Cyfraith Cymru/Law Wales website,*

<sup>49</sup> Welsh Government, [The future of Welsh law: accessibility programme 2021 to 2026](#), September 2021

<sup>50</sup> Welsh Government, [The future of Welsh law: annual report 2022 to 2023](#), November 2023

<sup>51</sup> Welsh Government, [The future of Welsh law: revised accessibility programme 2021 to 2026](#), January 2024

<sup>52</sup> Letter from the Counsel General and Minister for the Constitution, 23 January 2024, page 7

<sup>53</sup> Welsh Government, [The future of Welsh law: annual report 2022 to 2023, November 2023, Annex: Resourcing](#)

<sup>54</sup> Letter from the Counsel General and Minister for the Constitution, 23 January 2024, page 7

*expected to be less than £7,000 for 2024-25, which will fall to BEL 6860 – IT costs.”<sup>55</sup>*

**67.** In response to our request for information on planned spending to support the Welsh Government's ambition to increase provision of accessible bilingual legislation, the Counsel General told us that there was “no specific additional expenditure solely dedicated to increasing the provision of accessible bilingual legislation in the 2024-25 draft budget”, and that the programme as a whole “contributes to and supports this important ambition.”<sup>56</sup>

## **Our view**

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**68.** We note the Counsel General's evidence in respect of any allocations within the draft budget relating to the Welsh Government's programme to improve the accessibility of Welsh law.

**69.** We acknowledge his statement that there are limitations in being able to quantify the costs associated with the wide range of staff resources involved in the preparation of the legislative projects, both primary and subordinate.

**70.** We also note the Counsel General's statement that there is no specific additional expenditure in the draft budget solely dedicated to increasing the provision of accessible bilingual legislation.

## **The Independent Commission on the Constitutional Future of Wales**

**71.** The Independent Commission on the Constitutional Future of Wales published its final report on 17 January 2024.<sup>57</sup>

**72.** The Counsel General has previously told the Senedd that, following the publication of the Commission's final report, resources will be required to fund a programme of engagement on its findings followed by a process to “seek how you can convert those conclusions into practical change.”<sup>58</sup>

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<sup>55</sup> Letter from the Counsel General and Minister for the Constitution, 23 January 2024, page 7

<sup>56</sup> Letter from the Counsel General and Minister for the Constitution, 23 January 2024, page 7

<sup>57</sup> [Independent Commission on the Constitutional Future of Wales: final report](#), 17 January 2024

<sup>58</sup> Plenary, [1 March 2023](#), Record of Proceedings [100]

**73.** The draft budget proposes funding to support the Commission.<sup>59</sup> When asked to provide further information in respect of this allocation, the Counsel General told us in response:

*“The draft budget was necessarily determined prior to the report of the Constitutional Commission being received. However, it was considered prudent to retain budgetary provision for consideration and taking forward of the Commission’s recommendations in advance of knowing what those recommendations might be. We are now considering the Commission’s report, and will set out our plans for taking it forward in due course.”<sup>60</sup>*

### **Our view**

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**74.** We note the Counsel General’s evidence in respect of the allocation within the draft budget to fund future work arising from the findings of the Independent Commission on the Constitutional Future of Wales.

**75.** We believe that once the Welsh Government has completed its initial assessment of the Commission’s report, it should set out to the Senedd how this allocation will be used.

**Recommendation 3.** The Welsh Government should, following the conclusion of its initial assessment of the report of the Independent Commission on the Constitutional Future of Wales, provide the Senedd with detailed information on how the allocation in the draft budget for 2024-25 to progress the outcome of its work will be used.

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<sup>59</sup> The Constitutional Commission BEL within the Central Services and Administration MEG has a draft allocation of £997,000.

<sup>60</sup> Letter from the Counsel General and Minister for the Constitution, 23 January 2024, pages 7-8