

Julie Morgan AM

Deputy Minister for Health and Social Services

27 January 2020

Dear Deputy Minister,

### **Children (Abolition of Defence of Reasonable Punishment) (Wales) Bill**

Thank you for your letter of 7 January 2020 confirming that you have laid a revised Explanatory Memorandum (EM) in relation to the Children (Abolition of Defence of Reasonable Punishment) (Wales) Bill (the Bill).

On 13 September 2019, you wrote to the Committee responding to the recommendations made in our report on the financial implications of the Bill. The Committee was pleased to note your acceptance of the majority of our recommendations and conclusions.

The Committee appreciates that some of the revisions in the EM are as a direct result of you implementing the Committee's recommendations and that additional data has become available since the publication of the original EM introduced in March 2019. However, we are concerned that the total cost of the Bill has increased from a range of between £2.3m - £3.7m to £6.2m - £7.9m.

The Committee accepts that this is the nature of the scrutiny process and we are grateful to the Welsh Government for informing us of changes made to EMs, in line with our recommendation in our report on Financial Estimates accompanying Legislation.

However, some of the costs in the Bill have risen significantly since the original EM was laid and new costs have been identified, including:

- the revised Regulatory Impact Assessment (RIA) provides a total cost of awareness raising activity of £2.8m, previously this was a range of £1.3m - £2.7m);
- information on out of court disposals schemes was not originally costed and is estimated to cost between £810,000 to £2.5m over the appraisal period (in line with our Recommendation 5);



- costs for staff working in a safeguarding roles who will need to familiarise themselves with new guidance has been included - £882,000 over the appraisal period (in line with our Recommendation 7);
- costs of the Task and Finish/implementation group of £620,000 (over 2020-21 and 2021-22);
- costs of the post-implementation review have also been included - £100,000 over the appraisal period (in line with Recommendation 9).

Whilst recognising that some of the revised costs relate to changes agreed during the amending stages, others relate to costs that should have been anticipated during the development of the original RIA. The Committee expects the RIA that accompanies a Bill on introduction to be fully costed and robust.

The Committee is concerned that the Assembly is asked to approve the Financial Resolution of a Bill prior to Stage 2, yet costs can significantly increase following amending stages. The Committee understands the need for the Assembly to provide a financial commitment for a Bill to proceed, however, we are increasingly seeing Bills that are heavily amended at later stages when there is not a requirement for additional financial scrutiny.

The Assembly must be able to make an informed decision in relation to committing resources. We will keep a watching brief of this situation as we approach the end of this Assembly and if necessary we will consider making representation to the Business Committee to consider the process.

I am copying this letter to the First Minister, Children, Young People and Education Committee and the Business Committee for information.

Yours sincerely,



Llyr Gruffydd AM  
Chair of the Finance Committee

