



Llywodraeth Cymru
Welsh Government

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Welsh Government

Supplementary Budget 2013-2014

Explanatory Note



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1. Introduction

- 1.1** The Welsh Government today tabled the Second Supplementary Budget for 2013-14 in accordance with Standing Order 20. This Supplementary Budget amends the previous Supplementary Budget approved by the Assembly on 16 July 2013.
- 1.2** The main change reflected in this Supplementary Budget comprises the reprioritisation of resources to manage in-year pressures. As a result of careful financial management, Welsh Government Departments have identified £90.1m in Fiscal Resource funding, to help manage pressures in other areas.
- 1.3** This Supplementary Budget also reflects reprioritisations within portfolios, budget transfers between portfolios and makes a number of allocations from Reserves. Adjustments have also been made to the Wales DEL Budget to reflect transfers with UK Government Departments and the impact of the UK Government's Autumn Statement announced on 5 December 2013.
- 1.4** This Supplementary Budget also makes an adjustment to increase the Income Ambit of the Welsh Government by £348.7m to provide cover for funding from the EU received into the Natural Resources and Food MEG in respect of the Rural Development Plan and Market Support Schemes.
- 1.5** Changes proposed in this Supplementary Budget are summarised in Tables 1.1 to 1.4. Further details are available in the Departmental Chapters.
- 1.6** This document supports the detailed Action Tables available on the Welsh Government's website.
- 1.7** A separate reconciliation showing the recurrent implications of allocations being made from Reserves in this Supplementary Budget is provided at

Annex B. These allocations have already been reflected in the Final Budget 2014-15.

Table 1.1 – Allocation of the Wales DEL – Supplementary Budget

MAIN EXPENDITURE GROUPS (MEGs)	£000s			
	Budget ¹ 2013-14	Changes	Revised Budget 2013-14	
Departmental Expenditure Limits (DEL)				
Health and Social Services	6,182,203	199,915	6,382,118	
Local Government	4,737,828	-9,744	4,728,084	
Communities and Tackling Poverty	212,006	-8,915	203,091	
Economy, Science and Transport	852,609	50,796	903,405	
Education and Skills	1,860,792	309,699	2,170,491	
Natural Resources and Food	413,902	-6,910	406,992	
Housing and Regeneration	465,930	38,388	504,318	
Culture and Sport	139,722	380	140,102	
Central Services and Administration	342,672	-15,410	327,262	
Total Allocated to Welsh Government Departments	15,207,664	558,199	15,765,863	
Resource	Fiscal Resource DEL	73,714	-22,943	50,771
Reserves	Non-Fiscal Resource DEL	70,777	-19,689	51,088
Capital Reserves		80,160	-72,411	7,749
Assembly Commission		49,450	-700	48,750
Auditor General for Wales		5,244	187	5,431
Public Services Ombudsman for Wales		4,144	0	4,144
Direct Charges to the Welsh Consolidated Fund		645	0	645
Total Expenditure within the Wales DEL Budget	15,491,798	442,643	15,934,441	

¹ Budget figures as per Supplementary Budget Motion approved July 2013.

Table 1.2 – Changes to the Welsh Government Resource DEL

MAIN EXPENDITURE GROUPS (MEGs)	£000s			£000s		
	Fiscal Resource			Non-Fiscal Resource		
	Budget 2013-14 ²	Changes	Revised Budget 2013-14	Budget 2013-14 ³	Changes	Revised Budget 2013-14
Health and Social Services	5,770,553	202,644	5,973,197	170,000	-1,900	168,100
Local Government	4,714,501	-9,487	4,705,014	407	-257	150
Communities and Tackling Poverty	187,556	-11,665	175,891	0	0	0
Economy, Science and Transport	425,288	-11,000	414,288	110,000	18,491	128,491
Education and Skills	1,554,627	-23,201	1,531,426	104,031	332,900	436,931
Natural Resources and Food	323,938	-28,088	295,850	3,340	5,486	8,826
Housing and Regeneration	175,905	-3,312	172,593	0	0	0
Culture and Sport	121,821	-480	121,341	3,677	0	3,677
Central Services and Administration	302,859	-17,739	285,120	16,000	2,500	18,500
Total Allocation to Welsh Government Departments	13,577,048	97,672	13,674,720	407,455	357,220	764,675

² Budget figures as per Supplementary Budget Motion approved July 2013.

³ Budget figures as per Supplementary Budget Motion approved July 2013.

Table 1.3 – Changes to the Welsh Government Capital DEL

MAIN EXPENDITURE GROUPS (MEGs)	£000s		
	Budget ⁴ 2013-14	Changes	Revised Budget 2013-14
Health and Social Services	241,650	-829	240,821
Local Government	22,920	0	22,920
Communities and Tackling Poverty	24,450	2,750	27,200
Economy, Science and Transport	317,321	43,305	360,626
Education and Skills	202,134	0	202,134
Natural Resources and Food	86,624	15,692	102,316
Housing and Regeneration	290,025	41,700	331,725
Culture and Sport	14,224	860	15,084
Central Services and Administration	23,813	-171	23,642
Total Allocation to Welsh Government Departments	1,223,161	103,307	1,326,468

⁴ Budget figures as per Supplementary Budget Motion approved July 2013.

Table 1.4 – Wales AME Budget

MAIN EXPENDITURE GROUPS (MEGs)	£000s		
	Budget ⁵ 2013-14	Changes	Revised Budget 2013-14
Health and Social Services	136,890	22,446	159,336
Local Government	21,856	-3,349	18,507
Communities and Tackling Poverty	0	0	0
Economy, Science and Transport	47,918	-556	47,362
Education and Skills	176,869	64,998	241,867
Natural Resources and Food	0	3,600	3,600
Housing and Regeneration	-71,000	-2,000	-73,000
Culture and Sport	2,740	0	2,740
Central Services and Administration	1,551	-78	1,473
Total Welsh Government AME Budget	316,824	85,061	401,885
Assembly Commission	500	700	1,200
Public Services Ombudsman for Wales	-202	0	-202
Total Welsh AME Budget	317,122	85,761	402,883

⁵ Budget figures as per Supplementary Budget Motion approved July 2013.

2. Key Allocations from Reserves⁶

2.1 This Supplementary Budget makes a number of allocations from Reserves, many of which are in line with previous announcements made by the Welsh Government during the course of the year. The key allocations are summarised below.

Increased NHS Funding

2.2 In October 2013, the Minister for Finance announced an additional funding package for the Welsh NHS of £570m over three years, which included £150m in the current financial year to meet new demands and the recognised service pressures arising from the Francis Review. This Supplementary Budget provides for the allocation of £150m in 2013-14, comprising £142.6m from Reserves and £7.4m from the Invest-to-Save Fund.

2.3 When this funding package was announced, the Minister for Health and Social Services was clear that it would not remove the need for further significant changes in the NHS, nor would it relieve all of the pressures that the service currently faces. Since then, the Minister for Health and Social Services has kept health budgets under close review and continued to monitor pressures across the Health and Social Services MEG.

2.4 The Minister for Health and Social Services has worked closely with Local Health Boards to enable an improved financial outturn. However, there remain some financial risks. In order to ensure that there is sufficient budgetary cover to manage these risks within the DEL position, we are allocating an additional £50m to be held within the Health and Social Services MEG, as a contingency measure, in the event that some Local Health Boards are unable to achieve a breakeven position.

⁶ Figures in this section have been rounded to one decimal place. These allocations are reflected in the Action Tables on the Welsh Government website.

Support for Careers Wales

- 2.5** In addition to the Fiscal Resource allocation set out above, this Supplementary Budget also provides for the allocation of £3.1m to fund specific projects in relation to Careers Wales.

Wales Infrastructure Investment Plan Allocations

- 2.6** This Supplementary Budget provides for the allocation of £79.3m to support the priorities set out in the Wales Infrastructure Investment Plan for Growth and Jobs, which includes allocations announced alongside the Draft Budget 2014-15 in October 2013.
- 2.7** The allocation of £79.3m includes traditional capital funding of £10.3m and financial transactions funding of £69m.
- 2.8** The allocations comprise:

Improving Transport Networks

- **South East Wales Integrated Transport** - additional capital of £3.5m. This was announced in October as part of a £62m package over three years to provide a new and potentially transformational scheme to create a South East Wales metro system, through better bus and rail links.
- **Barry Island Link Road** - financial transactions funding of £2m for a repayable ten-year loan to the Vale of Glamorgan Council, which will accelerate delivery of the new Barry Island Link Road as part of the wider strategic regeneration scheme.

Investing in Housing

- **Help to Buy Cymru Shared Equity Scheme** - financial transactions funding of £34.5m. This £174.5m scheme, announced in October 2013,

will help qualifying home buyers to purchase a new build home with a low loan-to-value mortgage and provide a boost to the construction industry in Wales over the next three years.

- **Social Housing Grant** - additional capital of £5m. The additional funding is expected to deliver between 60 and 100 new affordable homes and create or support over 100 jobs during the construction phase as well as providing longer-term economic and social benefits.
- **Gypsy Traveller Sites** - additional capital of £0.8m to provide further support for new and refurbished sites for Gypsies and Travellers.

Developing our Enterprise Zones and Economic Development

- **Investment Funds for SMEs** - financial transactions funding of £32.5m to new and existing Finance Wales Investment Funds to provide access to finance for SMEs, support business growth, boost exports and create/safeguard jobs. This was announced in October as part of an £82m package for Finance Wales Investment Funds over three years.

Delivering More Efficient and Economical Public Services

- **National Library of Wales** - additional capital of £1.1m to contribute towards remedial work following a fire at the National Library of Wales.

2.9 In addition to the allocations above, a number of Departments have made transfers between their resource and capital budgets to provide additional capital support, including funding of £4.9m for the Flood and Coastal Erosion Risk Management Programme, to enable planned work to be undertaken on flood schemes already identified as a priority to reduce the risk of flooding to homes, businesses and vital infrastructure.

3. Key Changes in the Supplementary Budget⁷

The key changes are summarised below:

Adjustments to Resource and Capital Baselines:

Fiscal Resource

3.1 There is a net increase to the Fiscal Resource DEL baseline of £74.2m, comprising:

- An increase of £1.5m from HM Treasury in respect of Wales' share of the Coastal Community Fund;
- An increase of £0.04m⁸ from the Ministry of Justice in respect of the abolition of the Administrative Justice and Tribunals Council; An increase of £0.2m from the Department for Education for the funding of students in Wales on Initial Teacher Training courses with the Open University;
- An increase of £0.6m from consequentials received in the Autumn Statement in December 2013; and
- An increase of £71.9m in respect of funding brought forward under the Budget Exchange System.

Non-Fiscal Resource

3.2 There is a net increase to the Non-Fiscal Resource DEL baseline of £337.6m, comprising:

- An increase to the Non-Fiscal Resource DEL baseline of £326.5m in respect of a transfer from HM Treasury to cover the student loan stock charge and an increase in the Resource Accounting and Budgeting (RAB) charge rate; and
- An increase of £11.1m in respect of funding brought forward under the Budget Exchange System.

⁷ Figures in this section have been rounded to one decimal place. These allocations are reflected in the Action Tables on the Welsh Government website.

⁸ This figure has been rounded to two decimal places given the value of the transfer.

Capital

- 3.3** There is a net increase to the Capital DEL baseline of £31m, comprising:
- An increase of £7.8m following a transfer from the Department of Energy and Climate Change in respect of the Green Deal;
 - An increase of £22m from the Department for Culture, Media and Sport (DCMS) in respect of the Next Generation Broadband Wales project; and
 - An increase of £1.2m in respect of funding brought forward under the Budget Exchange System.
- 3.4** In addition, a number of Departments have made transfers between their Resource and Capital budgets. This does not affect the Wales DEL baseline position as the transfers are being managed within total resources. Further details are provided in the Departmental Chapters.

Allocations to Welsh Government Departments from Reserves

Fiscal Resource DEL

- 3.5** There is a net transfer from Reserves of £219.4m, including:
- £192.6m to the Health and Social Services MEG;
 - £22m to the Economy, Science and Transport MEG in respect of the Next Generation Broadband Wales project;
 - £3.3m to the Education and Skills MEG comprising:
 - £3.1m to fund specific projects in relation to Careers Wales; and
 - £0.2m to fund students in Wales on Initial Teacher Training courses with the Open University;
 - £1.5m to the Housing and Regeneration MEG in respect of Wales' share of the Coastal Community Fund; and
 - £0.04m⁹ to the Central Services and Administration MEG in respect of the abolition of the Administrative Justice and Tribunals Council.

⁹ This figure has been rounded to two decimal places given the value of the transfer.

Non-Fiscal Resource DEL

3.6 There is a net transfer from Reserves of £357.5m, comprising:

- £18.5m to the Economy, Science and Transport MEG in respect of additional depreciation charges, following an internal review of non-fiscal resource requirements;
- £331m to the Education and Skills MEG to cover the student loan stock charge and an increase in the Resource Accounting and Budgeting (RAB) charge rate;
- £5.5m to the Natural Resources and Food MEG in respect of additional depreciation charges, following an internal review of non-fiscal resource requirements; and
- £2.5m to the Central Services and Administration MEG for increased depreciation and impairment charges against administrative assets.

Capital DEL

3.7 There is a net transfer from Reserves of £87.2m, comprising:

- £0.8m to the Communities and Tackling Poverty MEG in respect of new and refurbished sites for Gypsies and Travellers;
- £36m to the Economy, Science and Transport MEG, comprising:
 - £3.5m for the South East Wales Integrated Transport project – Phase 1 to create a metro system through better rail and bus links; and
 - £32.5m in respect of financial transactions funding to support investment funds to provide access to finance, support business growth, exports and create / safeguard jobs;
- £7.8m to the Natural Resources and Food MEG, in respect of the Green Deal;
- £41.5m to the Housing and Regeneration MEG, comprising:
 - £34.5m to provide funding for the Help to Buy Wales scheme;
 - £5m to provide additional support through the Social Housing Grant; and
 - £2m to accelerate delivery of the Barry Island Link Road.

- £1.1m to the Culture and Sport MEG as a contribution towards the remedial costs following a fire at the National Library of Wales.

Amounts transferred to Reserves by Welsh Government Departments

Fiscal Resource

3.8 A net transfer to Reserves of £91m, comprising:

- £90.1m in respect of savings identified to manage in-year pressures, comprising:
 - £9.5m from the Local Government MEG;
 - £11.7m from the Communities and Tackling Poverty MEG;
 - £11m from the Economy, Science and Transport MEG;
 - £26.4m from the Education and Skills MEG;
 - £18.8m from the Natural Resources and Food MEG;
 - £4.8m from the Housing and Regeneration MEG;
 - £0.6m from the Culture and Sport MEG;
 - £7.3m from the Central Services and Administration MEG.
- £0.9m from the Natural Resources and Food MEG in respect of wind farm income received by Natural Resources Wales.

Non-Fiscal Resource

3.9 A transfer to Reserves of £0.3m from the Local Government MEG in respect of a reduced requirement to fund depreciation costs in Estyn and Valuation Tribunals.

Capital

3.10 A transfer to Reserves of £14.7m from the Economy, Science and Transport MEG in respect of in-year loan repayments on borrowings made by Finance Wales plc.

4. Budget Exchange System¹⁰

- 4.1** As part of the agreement between the Devolved Administrations and the UK Government, the Welsh Government is able to carry forward underspends, up to an agreed cap, during the Spending Review period. The agreed cap is 0.6% of the Resource DEL budget and 1.5% of the Capital DEL budget. In addition, this year the Devolved Administrations have agreed a special arrangement with the UK Government to carry forward up to 20% of the financial transactions funding available in 2013-14.
- 4.2** For 2013-14, this means that the cap will be £85m for Resource DEL, which includes £82.2m Fiscal Resource DEL and £2.8m Non-Fiscal Resource DEL, £18.3m for traditional capital and £16.1m for financial transactions funding.
- 4.3** Reserves are available to cover any late pressures. This currently comprises £101.9m Resource DEL, which includes £50.8m Fiscal Resource DEL and £51.1m Non-Fiscal Resource DEL, and £7.7m Capital DEL, which includes £1.3m financial transactions funding.
- 4.4** We will carry forward any further unused Reserves or underspends up to the agreed cap under the Budget Exchange System. The final amount carried forward will be published in the Outturn Report.

¹⁰ Figures in this section have been rounded to one decimal place.

5. Health and Social Services

Overall Budget Changes

5.1 There has been a net increase in the Health and Social Services DEL of £199,915k, comprising an increase in Resource of £200,744k and a decrease in Capital of £829k.

AME

5.2 The AME budget has increased by £22,446k to reflect latest forecasts in respect of provisions and impairments in the NHS.

Resource Changes

5.3 The net impact of transfers from Reserves is an increase of £192,600k.

This comprises:

- £142,600k as part of the £150,000k funding package announced by the Minister for Finance in October 2013 to meet new demands and the recognised service pressures arising from the Francis Review; and
- £50,000k to be held within the Health and Social Services MEG, as a contingency measure, in the event that some Local Health Boards are unable to achieve a breakeven position.

5.4 The net impact of transfers with other MEGs is an increase of £8,144k.

This comprises the following adjustments above £250k:

- £12,224k in from the Invest-to-Save Fund Action within the Central Services and Administration MEG to the Delivery of Core NHS Services Action in respect of Invest-to-Save investments. This includes £7,432k announced as part of the £150,000k funding package announced by the Minister for Finance in October 2013 to meet new demands and the recognised service pressures arising from the Francis Review;

- £1,014k out to the Invest-to-Save Fund Repayment of Investments Action from the Delivery of Core NHS Services Action in respect of the repayment of investments;
- £547k out to the Staff Costs Action within the Central Services and Administration MEG from the Delivery of Targeted NHS Services Action in respect of the running costs of the National Leadership and Innovation Agency for Healthcare (NLIAH);
- £619k out to the Academi Wales Action (formerly the PSMW Action) within the Central Services and Administration MEG from the Delivery of Targeted NHS Services Action in respect of the operational costs of the NLIAH; and
- £1,900k out to the Post-16 Learner Support Action within the Education and Skills MEG from the Delivery of Core NHS Services Action to cover payments to Cardiff University (via HEFCW) to support medical and dental training.

5.5 There have also been a number of transfers within the MEG, the net impact of which is neutral. The action tables show the net impact of these on each Action. Below is a breakdown of transfers above £250k:

Delivery of Core NHS Services Action

- A net transfer in of £181,532k, including:
 - £169,740k in from the Delivery of Targeted NHS Services Action to reflect the transfer of the depreciation budget;
 - £6,900k in from the Delivery of Targeted NHS Services Action in respect of funding for the GMS contract and completed Primary Care Estates Forum (PCEF) schemes;
 - £1,261k in from the Delivery of Targeted NHS Services Action in respect of funding for the Skipton Fund and the Caxton Foundation;
 - £567k in from the Delivery of Targeted NHS Services Action in respect of the Dental contract;

- £500k in from the Delivery of Targeted NHS Services Action in respect of the Pharmacy contract;
- £3,500k in from the Support Mental Health Policies and Legislation Action in respect of LHB core allocation to fund the Mental Health Measure;
- £1,575k in from the Targeted Health and Immunisation Action in respect of vaccine costs into the GMS contract;
- £1,525k out to the Delivery of Targeted NHS Services Action in respect of Wales Eye Care services;
- £617k out to the Sponsorship of Public Health Bodies Action in respect of Abdominal Aortic Aneurysm screening into the Public Health Wales core allocation; and
- £589k out to the Delivery of Targeted NHS Services Action in respect of Shared Services.

Delivery of Targeted NHS Services Action

- A net transfer out of £169,891k, including:
 - £169,740k out to the Delivery of Core NHS Services to reflect the transfer of the depreciation budget;
 - £6,900k out to the Delivery of Core NHS Services Action in respect of funding for the GMS contract and completed PCEF schemes;
 - £4,417k out to the Sponsorship of Public Health Bodies Action in respect of the transfer of NLIAH functions into core allocation for Public Health Wales;
 - £1,849k out to the Effective Health Emergency Preparedness Arrangements Action in respect of the costs of re-processing expired pandemic flu drugs;
 - £1,261k out to the Delivery of Core NHS Services Action in respect of funding for the Skipton Fund and the Caxton Foundation;

- £567k out to the Delivery of Core NHS Services Action in respect of the Dental contract;
- £500k out to the Delivery of Core NHS Services Action in respect of the Pharmacy contract;
- £1,525k in from the Delivery of Core NHS Services Action in respect of Wales Eye Care services out of the LHB core allocation;
- £589k in from the Delivery of Core NHS Services Action in respect of Shared Services; and
- £12,712k in from a number of Actions following an in-year budget review exercise to manage in-year pressures, comprising:
 - o £3,755k in from the Support Education and Training of the NHS Workforce Action;
 - o £1,178k in from the Support Mental Health Policies and Legislation Action;
 - o £404k in from the Hospice Support Action;
 - o £460k in from the Deliver the Substance Misuse Strategy Implementation Plan Action;
 - o £548k in from the Sponsorship of Public Health Bodies Action;
 - o £1,464k in from the Deliver Targeted Health Protection and Immunisation Activity Action;
 - o £2,291k in from the Promote Healthy Improvement and Healthy Working Action; and
 - o £2,612 in from the Develop and Implement Research and Development for Patient and Public Benefit Action.

Support Education and Training of NHS Workforce Action

- o A net transfer out of £3,670k, including £3,755k out to the Delivery of Targeted NHS Services in respect of savings identified to manage in-year pressures.

Support Mental Health Policies and Legislation Action

- A transfer out of £5,015k, including:
 - £1,178k out to the Delivery of Targeted NHS Services in respect of savings identified to manage in-year pressures; and
 - £3,500k out to the Delivery of Core NHS Services Action as a result of the funding to meet the costs of delivering the Mental Health Measure transferring into the LHB allocation.

Hospice Support Action

- A transfer out of £404k to the Delivery of Targeted NHS Services Action in respect of savings identified to manage in-year pressures.

Deliver the Substance Misuse Strategy Implementation Plan

- A transfer out of £460k to the Delivery of Targeted NHS Services Action in respect of savings identified to manage in-year pressures.

Sponsorship of Public Health Bodies Action

- A net transfer in of £4,486k, including:
 - £4,417k in from the Delivery of Targeted NHS Services Action in respect of the transfer of NLIAM functions to Public Health Wales;
 - £617k in from the Delivery of Core NHS Services Action in respect of Abdominal Aortic Aneurysm; and
 - £548k out to Delivery of Targeted NHS Services Action in respect of savings identified to manage in-year pressures.

Deliver Targeted Health Protection and Immunisation Action

- A net transfer out of £3,039k, comprising:

- £1,464k out to the Delivery of Targeted NHS Services Action in respect of savings identified to manage in-year pressures; and
- £1,575k out to the Delivery of Core NHS Services Action in respect of vaccine costs transferring into the GMS budget allocation.

Promote Health Improvement and Healthy Working Action

- A transfer out of £2,376k, including £2,291k to the Delivery of Targeted NHS Services Action in respect of savings identified to manage in-year pressures.

Effective Health Emergency Preparedness Arrangements Action

- A transfer in of £1,849k from the Delivery of Targeted NHS Services Action in respect of the costs of re-processing expired pandemic flu drugs.

Develop and Implement Research and Development for Patient and Public Benefit Action

- A transfer out of £2,612k to the Delivery of Targeted NHS Services Action in respect of savings identified to manage in-year pressures.

Social Services Strategy Action

- A transfer in of £378k from the Care Council for Wales Action to support training costs associated with the implementation of the Social Services and Wellbeing Bill.

Care Council for Wales Action

- A transfer out of £378k to the Social Services Strategy Action, available as a result of realigning the published Care Council Wales budget with their actual annual allocation

Capital Changes

5.6 The net impact of transfers with other MEGs is a decrease of £829k, which comprises the following adjustments above £250k:

- £1,000k out to the Communities and Tackling Poverty Action within the Communities and Tackling Poverty MEG in respect of developing the infrastructure to deliver Flying Start.

Table 5.1 – Health and Social Services SPA Allocations

DEL	£000s			£000s		
	2013-14 Resource			2013-14 Capital		
	Budget ¹¹	Changes	Revised Budget	Budget ¹²	Changes	Revised Budget
NHS Delivery	5,494,916	212,385	5,707,301	227,375	-829	226,546
Health Central Budgets	228,904	-9,549	219,355	5,072	0	5,072
Public Health and Prevention	157,392	-2,092	155,300	4,492	0	4,492
Social Services	49,179	0	49,179	4,711	0	4,711
CAFCASS Cymru	10,162	0	10,162	-	-	-
Total DEL	5,940,553	200,744	6,141,297	241,650	-829	240,821
AME						
NHS Impairments	136,890	22,446	159,336	-	-	-
Total Managed Expenditure (TME)	6,077,443	223,190	6,300,633	241,650	-829	240,821

¹¹ Budget figures as per Supplementary Budget Motion approved July 2013.

¹² Budget figures as per Supplementary Budget Motion approved July 2013.

6. Local Government

Overall Budget Changes

6.1 There has been a decrease in the Local Government DEL, comprising a decrease in Resource of £9,744k. There are no adjustments to Capital.

AME

6.2 The AME budget within the Funding Support for Local Government Action has decreased by £3,349k to reflect actual costs in respect of Fire Service Pensions.

Resource Changes

- 6.3** The impact of transfers with Reserves is a decrease of £9,744k, comprising:
- A transfer out of £9,487k as a contribution to manage in-year pressures. This comprises the following transfers:
 - £5,174k from the Funding Support for Local Government Action;
 - £242k from the Fire and Rescue Services Resilience Action;
 - £696k from the Fire and Rescue Services National Framework Action;
 - £29k from the Domestic Abuse Action;
 - £144k from the Youth Justice Action;
 - £226k from the Building Local Democracy Action;
 - £504k from the Local Government Improvement Action;
 - £998k from the Supporting Collaboration and Reform Action
 - £549k from the Care and Social Services Inspectorate Action; and
 - £925k from the Estyn Action.
 - A transfer out of £257k non-fiscal resource in respect of a reduced requirement to fund depreciation costs, including £250k from the Estyn Action.

6.4 There have been a small number of transfers within the MEG, the net impact of which is neutral. The action tables show the impact of these on each Action. There are no transfers above £250k.

Capital Changes

6.5 There have been a small number of transfers within the MEG, the net impact of which is neutral. The Action Tables show the net impact of these on each Action. Below is a breakdown of transfers above £250k:

Violence Against Women and Domestic Abuse Action

- A transfer in of £332k from the Fire and Rescue Resilience Action for improvements to domestic abuse one-stop shops.

Fire and Rescue Resilience Action

- A transfer out of £332k to the Violence Against Women and Domestic Abuse Action available from grants not fully utilised this year.

Table 6.1 – Local Government SPA Allocations

DEL	£000s			£000s		
	2013-14 Resource			2013-14 Capital		
	Budget ¹³	Changes	Revised Budget	Budget ¹⁴	Changes	Revised Budget
Local Government Funding	4,628,294	-4,997	4,623,297	20,000	0	20,000
Safer Communities	16,373	-1,111	15,262	2,639	150	2,789
Improving Services, Collaboration and Delivery	40,825	-1,544	39,281	-	-	-
Care and Social Services Inspectorate	14,461	-549	13,912	-	-	-
Healthcare Inspectorate Wales	2,591	171	2,762	-	-	-
Estyn	12,364	-1,714	10,650	281	-150	131
Total DEL	4,714,908	-9,744	4,705,164	22,920	0	22,920
AME						
Local Government Funding	21,856	-3,349	18,507	-	-	-
Total Managed Expenditure (TME)	4,736,764	-13,093	4,723,671	22,920	0	22,920

¹³ Budget figures as per Supplementary Budget Motion approved July 2013.

¹⁴ Budget figures as per Supplementary Budget Motion approved July 2013.

7. Communities and Tackling Poverty

Overall Budget Changes

7.1 There has been a net decrease in the Communities and Tackling Poverty DEL of £8,915k, comprising a decrease in Resource of £11,665k and an increase in Capital of £2,750k.

Resource Changes

7.2 The net impact of transfers to Reserves is a decrease of £11,665k as a contribution to manage in-year pressures, comprising:

- £2,000k from the Children, Young People and Families Action;
- £551k from the Third Sector Action; and
- £9,114k from the Tackling Poverty Action.

7.3 There have been a small number of transfers within the MEG, the net impact of which is neutral. The action tables show the net impact of these on each Action. Below is a breakdown of transfers above £250k:

Children, Young People and Families Action

- A transfer in of £568k from the Tackling Poverty Action to provide additional funding for play.

Tackling Poverty Action

- A transfer out of £568k to the Children, Young People and Families Action, arising from the initial phase of the Discretionary Assistance Fund.

Capital Changes

7.4 There has been a transfer from Reserves of £750k to the Communities and Tackling Poverty Action in respect of new and refurbished sites for Gypsies and Travellers.

7.5 The net impact of transfers with other MEGs is an increase of £2,000k, which comprises the following adjustments above £250k:

- A transfer in of £1,000k to the Communities and Tackling Poverty Action from the Capital Action within the Central Services and Administration MEG in respect of new and refurbished sites for Gypsies and Travellers; and
- A transfer in of £1,000k to the Communities and Tackling Poverty Action from the NHS Delivery Action in the Health and Social Services MEG in respect of developing the infrastructure to deliver Flying Start.

Table 7.1 – Communities and Tackling Poverty SPA Allocations

DEL	£000s			£000s		
	2013-14 Resource			2013-14 Capital		
	Budget ¹⁵	Changes	Revised Budget	Budget ¹⁶	Changes	Revised Budget
Children, Young People and Families	117,538	-1,432	116,106	-	-	-
Supporting Communities and People	67,097	-10,407	56,690	-	-	-
Sustainable Development and Equality	2,921	174	3,095	-	-	-
Communities and Tackling Poverty	-	-	-	24,450	2,750	27,200
Total DEL	187,556	-11,665	175,891	24,450	2,750	27,200
Total Managed Expenditure (TME)	187,556	-11,665	175,891	24,450	2,750	27,200

¹⁵ Budget figures as per Supplementary Budget Motion approved July 2013.

¹⁶ Budget figures as per Supplementary Budget Motion approved July 2013.

8. Economy, Science and Transport

Overall Budget Changes

8.1 There has been an increase in the Economy, Science and Transport DEL of £50,796k, comprising an increase in Resource of £7,491k and an increase in Capital of £43,305k.

AME

8.2 There is a net decrease to the AME budget of £556k, comprising a decrease of £12,708k in respect of the re-profiling of the completion of road schemes and an increase of £12,152k in respect of impairments on the property portfolio, joint ventures and investments.

UK Government Transfers

8.3 There is a transfer in of £21,955k to the Deliver ICT Infrastructure Action from the Department for Culture, Media and Sport (DCMS) in respect of the Next Generation Broadband Wales project.

Resource Changes

8.4 The net impact of transfers with Reserves is an increase of £7,491k, which comprises the following adjustments:

- A transfer to Reserves of £11,000k as a contribution to manage in-year pressures, comprising the following transfers:
 - £3,415k from the Entrepreneurship and Business Information Action;
 - £1,533k from the Innovation Action;
 - £1,606k from the Deliver ICT Infrastructure Action;
 - £466k from the Deliver Property Related Infrastructure Action;
 - £147k from the Corporate Programmes Action;
 - £500k from the Finance Wales Action;
 - £2,963k from the Sustainable Travel Action; and
 - £370k from the Improve Road Safety Action.

- A transfer in from Reserves of £18,491k in respect of additional depreciation charges, following an internal review of non-fiscal resource requirements within the EST portfolio, comprising:
 - £1,491k into the Delivery ICT Infrastructure - Non-Fiscal Resource Action; and
 - £17,000k into the Improve and Maintain Trunk Road Network (Domestic Routes) - Non-Fiscal Resource Action.

8.5 There have also been a number of resource transfers within the MEG, the net impact of which is neutral. The action tables show the net impact of these on each Action. Below is a breakdown of specific transfers above £250k:

Sustainable Travel Action

- A transfer out of £5,000k to the Rail and Air Services Action, to reflect a reprofiling in the required expenditure for concessionary fares from resource to capital.

Rail and Air Services Action

- A transfer in of £5,000k from the Sustainable Travel Action to support inflationary pressures associated with the rail franchise.

Innovation Action

- A net transfer out of £4,906k following the increased drawdown of EU income, comprising:
 - £2,906k out to the Sectors Action; and
 - £2,000k out to the Marketing Action.

Sectors Action

- A transfer in of £2,906k from the Innovation Action to deliver resource priorities for the Life Science Hub and the Wales Rally GB.

Marketing Action

- A transfer in of £2,000k to support additional promotion activity to support growth and jobs.

Capital Changes

8.6 The net impact of transfers with Reserves is an increase of £21,350k, which comprises the following adjustments above £250k:

- A transfer out of £14,650k from the Finance Wales Action in respect of in-year loan repayments on borrowings made by Finance Wales plc:
- A transfer in of £36,000k, comprising:
 - £3,500k for the South East Wales Integrated Transport project – Phase 1 to create a metro system through better rail and bus links, comprising £1,730k to the Road and Rail Schemes Action and £1,770k to the Sustainable Travel Action; and
 - £32,500k financial transactions funding to the Sectors Action to support investment funds to provide access to finance, support business growth, exports and create / safeguard jobs.

8.7 There have been a number of capital transfers within the MEG, the net impact of which is neutral. The action tables show the net impact of these on each Action. Below is a breakdown of specific transfers above £250k:

Legacy SIF Action

- A transfer out of £2,500k to the Motorway and Trunk Road Operations Action available as a result of reducing commitments for the legacy programme.

Sectors Action

- A transfer in of £20,000k from the Deliver ICT Infrastructure Action to deliver capital projects for Growth and Jobs.

Deliver ICT Infrastructure Action

- A transfer out of £26,000k following the re-profiling of the Next Generation Broadband UK funding, comprising:
 - £20,000k to the Sectors Action; and
 - £6,000k to the Motorway and Trunk Road Operations Action.

Motorway and Trunk Road Operations Action

- A transfer in of £8,500k to comply with our statutory duties to maintain the safety of the motorway and trunk road network, comprising:
 - £6,000k from the Deliver ICT Infrastructure Action; and
 - £2,500k from the Legacy SF Action.

Road and Rail Schemes Action

- A transfer out of £5,000k to the Sustainable Travel Action following a re-profiling of major projects.

Sustainable Travel Action

- A transfer in of £5,000k from the Road and Rail Schemes Action to support the indicative capital requirement for concessionary fares funding.

Table 8.1 – Economy, Science and Transport SPA Allocations

DEL	£000s			£000s		
	2013-14 Resource			2013-14 Capital		
	Budget ¹⁷	Changes	Revised Budget	Budget ¹⁸	Changes	Revised Budget
Sectors and Business	51,089	-509	50,580	56,519	50,000	106,519
Science and Innovation	14,269	-6,439	7,830	3,613	0	3,613
Major Events	4,740	0	4,740		-	
Infrastructure	20,642	-581	20,061	36,456	-4,045	32,411
Strategy and Corporate Programmes	10,138	1,353	11,491	59	-14,650	-14,591
Motorway and Trunk Road Network Operations	174,212	17,000	191,212	48,551	8,500	57,051
Rail and Air Services	173,179	5,000	178,179	-	-	-
Road and Rail Investment	-	-	-	109,916	-3,270	106,646
Sustainable Travel	82,302	-7,963	74,339	41,640	6,770	48,410
Improve and Maintain Local Roads Infrastructure	-	-	-	13,667	0	13,667
Improve Road Safety	4,717	-370	4,347	6,900	0	6,900
Total DEL	535,288	7,491	542,779	317,321	43,305	360,626
AME						
Infrastructure	20,000	12,152	32,152	-	-	-
Motorway and Trunk Road Network Operations	27,918	-12,708	15,210	-	-	-
Total Managed Expenditure (TME)	583,206	6,935	590,141	317,321	43,305	360,626

¹⁷ Budget figures as per Supplementary Budget Motion approved July 2013.

¹⁸ Budget figures as per Supplementary Budget Motion approved July 2013.

9. Education and Skills

Overall Budget Changes

9.1 There has been an increase in the Education and Skills DEL, comprising an increase in Resource of £309,699k. There are no adjustments to Capital.

AME

9.2 There is a net increase to the AME budget of £64,998k, comprising a decrease in Resource AME of £11,195k and an increase in Capital AME of £76,193k. These figures reflect the latest Student Loan forecasts and the pension adjustments associated with Careers Wales since it became a wholly owned subsidiary of the Welsh Government from 1 April 2013.

UK Government Transfers

9.3 The impact of transfers with the UK Government is an increase of £326,618k, comprising:

- A transfer in of £168k to the Higher Education Action from the Department for Education for the funding of students in Wales on Initial Teacher Training courses with the Open University; and
- A transfer in of £326,450k non-fiscal resource to the Post-16 Learner Support Action from HM Treasury to cover the student loan stock charge and an increase in the Resource Accounting and Budgeting (RAB) charge rate.

Resource Changes

9.4 The net impact of transfers with Reserves is an increase of £4,271k comprising:

- A total transfer out of £26,379k as a contribution to manage in-year pressures comprising:
 - £408k from the Literacy and Numeracy Action;
 - £65k from the Curriculum Action;

- £9,506k from the Post-16 Education Action;
 - £250k from the Education Structures Action;
 - £11,000k from the Employment and Skills Action;
 - £2,100k from the Post-16 Learner Support Action;
 - £2,900k from the Pupil Deprivation Grant Action; and
 - £150k from the Pupil Engagement Action.
- A transfer in of £3,100k to the Education and Careers Choice Action to fund specific projects in relation to Careers Wales; and
 - A transfer in of £4,450k non-fiscal resource to the Post-16 Learner Support Action to cover the student loan stock charge and an increase in the Resource Accounting and Budgeting (RAB) charge rate.

9.5 The net impact of transfers with other MEGs is an increase of £1,810k which comprises the following adjustment above £250k:

- A transfer in of £1,900k non-fiscal resource to the Post-16 Learner Support Action from the Delivery of Core NHS Services Action in the Health and Social Services MEG to cover payments to Cardiff University (via HEFCW) to support medical and dental training.

9.6 There have been a small number of transfers within the MEG, the net impact of which is neutral. The action tables show the net impact of these on each Action. Below is a breakdown of specific transfers above £250k:

Literacy and Numeracy Action

- A transfer out of £485k as a contribution to manage in-year pressures within the MEG, available as a result of reduced activity and costs, in relation to marketing and communications and evaluation reviews.

Curriculum Action

- A net transfer in of £5,404k, including:
 - £577k out as a contribution to manage in-year pressures within the MEG, available as a result of reduced activity and costs, following the rapid review of proposed activities within the 14-19 Regional Network Development Plans; and
 - £5,926k in from the Delivery Support Action to provide additional resource to the National Support Programme.

Teaching and Leadership Action

- A transfer out of £2,985k as a contribution to manage in-year pressures within the MEG, available as result of lower than budgeted take up of the Masters Programme and reduced costs earmarked for leadership development programmes.

Post-16 Education Action

- A net transfer out of £2,606k including:
 - £2,294k out as a contribution to manage in-year pressures within the MEG, available as a result of reducing the post-19 Adult Skills budget; and
 - £350k out to the Delivery Support Action to contribute towards the Skills Cymru activity.

Higher Education Action

- A net transfer out of £1,700k, including:
 - £2,500k in to manage the pressure on provision of Education for the University of the Heads of the Valleys; and

- £4,200k out to the Post-16 Learner Support Action for the funding of the Welsh National Bursary Scheme.

ICT and Information Management Systems Action

- o A transfer in of £3,203k to manage the pressure of funding the Learning in Digital Wales broadband project.

Youth Engagement and Employment Action

- o A transfer out of £2,265k, including £2,040k as a contribution to manage in-year pressures within the MEG, available as a result of reduced costs for a project to up-skill unemployed graduates and train them for a career in I.T. and higher than budgeted income drawn down against defrayed expenditure from the closure of the Reach the Heights Project in the final claim.

Wellbeing of Children and Young People Action

- o A transfer out of £1,440k as a contribution to manage in-year pressures within the MEG, available as a result of changes to the timetable for Additional Learning Needs legislation and research on primary school counselling.

Post-16 Learner Support Action

- o A net transfer in of £3,502k, including;
 - £800k out as a contribution to manage in-year pressures within the MEG, available as a result of the realignment of payments on Financial Contingency Funds to a termly basis; and
 - £4,200k in from the Higher Education Action for the funding of the Welsh National Bursary Scheme.

Welsh in Education Action

- A net transfer out of £532k. There are no transfers above £250k.

Welsh Learning Action

- A net transfer in of £946k, including £545k in to manage the pressure against the Technology Fund and specific projects to support the Welsh Language.

Delivery Support Action

- A net transfer out of £623k including:
 - £1,108k out as a contribution to manage in-year pressures within the MEG, arising due to reduced activity on marketing and communications and research evidence budgets; and
 - £350k in from the Post 16 Education Action to contribute towards the Skills Cymru activity.

Table 9.1 – Education and Skills SPA Allocations

DEL	£000s			£000s		
	2013-14 Resource			2013-14 Capital		
	Budget ¹⁹	Changes	Revised Budget	Budget ²⁰	Changes	Revised Budget
Education and Training Standards	1,200,051	-12,449	1,187,602	202,134	0	202,134
Skilled Workforce	74,903	-10,355	64,548	-	-	-
Improving Wellbeing, Reducing Inequality and Increasing Participation	354,579	332,712	687,291	-	-	-
Welsh Language	25,076	414	25,490	-	-	-
Delivery Support	4,049	-623	3,426	-	-	-
Total DEL	1,658,658	309,699	1,968,357	202,134	0	202,134
AME						
Improving Wellbeing, Reducing Inequality and Increasing Participation	-87,261	-17,195	-104,456	-	-	-
Skilled Workforce	0	6,000	6,000	-	-	-
Total Managed Expenditure (TME)	1,571,397	298,504	1,869,901	202,134	0	202,134

¹⁹ Budget figures as per Supplementary Budget Motion approved July 2013.

²⁰ Budget figures as per Supplementary Budget Motion approved July 2013.

10. Natural Resources and Food

Overall Budget Changes

10.1 There has been a net decrease in the Natural Resources and Food DEL of £6,910k, comprising a decrease in Resource of £22,602k and an increase in Capital of £15,692k.

Budget Structure Changes

10.2 The former Protecting and Improving Animal Health and Welfare SPA has been split into two actions to improve budget transparency. The two new Actions are the Support and Delivery of the Animal Health and Welfare Programme/Strategy Action and the Management and Delivery of TB Eradication and Other Endemic Diseases Action.

AME

10.3 The AME budget has increased by £3,600k to reflect latest forecasts in respect of the pension liability for Natural Resources Wales.

UK Government Transfers

10.4 There has been a transfer in of £7,792k to the Develop and Implement Climate Change, Emission Prevention and Fuel Poverty Policy, Communications, Legislation and Regulation Action (Capital) from the Department of Energy and Climate Change in respect of the Green Deal.

Resource Changes

10.5 The net impact of transfers with Reserves is a decrease of £14,185k, comprising:

- A transfer in of £5,365k non-fiscal resource to the Sponsor and Manage Delivery Bodies Action to cover increased cover for depreciation of Natural Resources Wales;

- A transfer in of £29k non-fiscal resource to the Developing an Appropriate Evidence Base to Support the Work of the Department Action to cover increased cover for depreciation of Pwllpeiran;
- A transfer in of £92k non-fiscal resource to the Management and Delivery of TB Eradication and other Endemic Diseases Action to cover depreciation of Office of the Chief Veterinary Officer assets;
- A transfer out of £871k to Reserves from the Sponsor and Manage Delivery Bodies Action in respect of Windfarm income received by Natural Resources Wales;
- A transfer out of £18,800k to Reserves as a contribution to manage in-year pressures. This comprises the following transfers:
 - £100k from the Develop and Implement Climate Change, Emission Prevention and Fuel Poverty Policy, Communications, Legislation and Regulation Action;
 - £1,800k from the Manage and Implement the Waste Strategy and Waste Procurement Action;
 - £400k from the Manage and Implement Environment Improvement Action;
 - £9,800k from the Management and Delivery of TB Eradication and other Endemic Diseases Action; and
 - £6,700k from the Delivering the Programmes within the Rural Development Plan Action.

10.6 The net impact of transfers with other MEGs is a decrease of £517k, which includes the following transfer above £250k:

- A transfer out of £450k from the Sponsor and Manage Delivery Bodies Action to the Staff Costs Action within the Central Services and Administration MEG in respect of the pay costs of former Forestry Commission staff who have transferred into the Welsh Government.

10.7 There have been a number of transfers within the MEG, the net impact of which is a decrease in resource of £7,900k due to a resource to capital transfer. The action tables show the net impact of these on each Action. Below is a breakdown of the specific transfers above £250k.

Develop and Implement Climate Change, Emission Prevention and Fuel Poverty Policy, Communications, Legislation and Regulation Action

- A transfer out of £941k, including:
 - £736k to the Manage and Implement Environmental Improvement Action, following transfer of budgetary responsibility between the Actions, in respect of Cynefin, a programme that delivers place based work in nine locations across Wales.

Develop and Implement Flood and Coastal Risk, Water and Sewage Policy and Legislation

- A transfer out of £4,900k to the Develop and Implement Flood and Coastal Risk, Water and Sewage Policy and Legislation Action (Capital) in respect of a resource to capital transfer to enable planned works to be undertaken on flood schemes to reduce the risk of flooding to homes, businesses and vital infrastructure.

Manage and Implement the Waste Strategy and Waste Procurement Action

- A net transfer out of £505k, comprising:
 - £280k in from the Sponsor and Manage Delivery Bodies Action in respect of former Environment Agency Wales employees, who transferred into the Welsh Government to deliver programmes previously delivered by the Environment Agency; and

- £785k out in respect of savings realigned to manage cost pressures elsewhere within the MEG.

Manage and Implement Environmental Improvement Action

- o A transfer in of £736k from the Develop and Implement Climate Change, Emission Prevention and Fuel Poverty Policy, Communications, Legislation and Regulation Action in respect of Cynefin, a programme that delivers place based work in nine locations across Wales.

Sponsor and Manage Delivery Bodies Action

- o A net transfer in of £1,982k, including:
 - £280k out to the Manage and Implement the Waste Strategy and Waste Procurement Action in respect of former Environment Agency Wales employees, who transferred into the Welsh Government to deliver programmes previously delivered by the Environment Agency; and
 - £2,500k in to support efforts to combat P.ramorum disease.

Support and Delivery of the Animal Health and Welfare Programme/Strategy Action

- o A transfer in of £600k from the Management and Delivery of TB Eradication and other Endemic Diseases Action in respect of changes to the budget structure to improve transparency.

Management and Delivery of TB Eradication and Other Endemic Diseases Action

- o A net transfer out of £850k, comprising:

- £600k out to the Support and Delivery of the Animal Health and Welfare Programme/Strategy Action in respect of changes to the budget structure to improve transparency; and
- £250k out in respect of savings realigned to manage cost pressures elsewhere within the MEG.

Develop and Deliver Overarching Policy and Programmes on Agriculture, Food and Marine Action

- A net transfer in of £2,115k comprising:
 - £2,505k in from the Meeting the Needs of Rural Communities and Rural Proofing WAG Actions to place all budgets relating to overarching policy and programmes under one Action;
 - £500k in from CAP Administration and Making Payments According to EU and WG Rules Action to fund agriculture publicity/communications, including the Royal Welsh Show; and
- £890k out in respect of savings realigned to manage cost pressures elsewhere within the MEG.

CAP Administration and Making Payments According to EU and WG Rules Action

- A net transfer out of £209k comprising:
 - £500k out to the Develop and Deliver Overarching Policy and Programmes on Agriculture, Food and Marine Action to fund agriculture publicity/communications, including the Royal Welsh Show; and
 - £291k in to fund CAP reform/PIMMS, available as a result of identifying savings to manage cost pressures elsewhere within the MEG.

Delivering the Programmes within the Rural Development Plan Action

- A net transfer out of £4,066k comprising:
 - £1,066k out in respect of savings realigned to manage cost pressures elsewhere within the MEG; and
 - £3,000k out to the CAP Administration and Making Payments in Accordance to EU and WG Rules Action (Capital) in respect of a resource to capital transfer to support the ICT changes required as a result of the changes to direct payments to farmers following the latest review of Common Agricultural Policy, available as a result of lower than anticipated demand within the Rural Development Plan.

Meeting the Needs of Rural Communities and Rural Proofing WAG

Actions

- A transfer out of £2,505k to the Develop and Deliver Overarching Policy and Programmes on Agriculture, Food and Marine Action to move all budgets relating to overarching policy and programmes under one Action.

Developing and Marketing Welsh Food and Drink Action

- A transfer in of £400k to fund Hybu Cig Cymru in delivering volume and value growth to Welsh meat exports, available as a result of identifying savings to manage cost pressures elsewhere within the MEG.

Capital Changes

10.8 There have been a number of transfers within the MEG, the net impact of which is an increase in capital of £7,900k due to a resource to capital

transfer. The action tables show the net impact of these on each Action. Below is a breakdown of the specific transfers above £250k.

Develop and Deliver Overarching Policy and Programmes on Sustainable Development and Environment Action

- A transfer in of £541k from the Develop and Implement Climate Change, Emission Prevention and Fuel Poverty Policy, Communications, Legislation and Regulation Action to support the Works project in Ebbw Vale;

Develop and Implement Climate Change, Emission Prevention and Fuel Poverty Policy, Communications, Legislation and Regulation Action

- A net transfer out of £3,925k in respect of savings realigned to manage cost pressures elsewhere within the MEG, including the following transfers above £250k:
 - £541k to the Develop and Deliver Overarching Policy and Programmes on Sustainable Development and Environment Action;
 - £385k to the Manage and Implement the Waste Strategy and Waste Procurement Action;
 - £2,155k to the Develop and Deliver Overarching Policy and Programmes on Agriculture, Food and Marine Action; and
 - £800k to the Delivering the Programmes within the Rural Development Plan Action.

Develop and Implement Flood and Coastal Risk, Water and Sewage Policy and Legislation

- A transfer in of £4,900k from the Develop and Implement Flood and Coastal Risk, Water and Sewage Policy and Legislation Action

(Resource) in respect of a resource to capital transfer to enable planned works to be undertaken on flood schemes to reduce the risk of flooding to homes, businesses and vital infrastructure.

Manage and Implement the Waste Strategy and Waste Procurement Action

- A transfer in of £385k from the Develop and Implement Climate Change, Emission Prevention and Fuel Poverty Policy, Communications, Legislation and Regulation Action to support the collaborative change programme and help local authorities to improve performance and meet future statutory recycling targets.

Develop and Deliver Overarching Policy and Programmes on Agriculture, Food and Marine Action

- A transfer in of £2,155k from the Develop and Implement Climate Change, Emission Prevention and Fuel Poverty Policy, Communications, Legislation and Regulation Action, including £2,055k to support the Young Farmers' scheme.

CAP Administration and Making Payments According to EU and WG Rules Action

- A transfer in of £3,000k from the Delivering the Programmes within the Rural Development Plan Action (Resource) in respect of a resource to capital transfer to support the ICT changes required as a result of the changes to direct payments to farmers following the latest review of Common Agricultural Policy.

Delivering the Programmes within the Rural Development Plan Action

- A transfer in of £800k from the Develop and Implement Climate Change, Emission Prevention and Fuel Poverty Policy, Communications, Legislation and Regulation Action to fund RPW Online.

Table 10.1 – Natural Resources and Food SPA Allocations

DEL	£000s			£000s		
	2013-14 Resource			2013-14 Capital		
	Budget ²¹	Changes	Revised Budget	Budget ²²	Changes	Revised Budget
Climate Change and Sustainability	118,778	-8,278	110,500	71,368	9,693	81,061
Environment	87,783	6,600	94,383	795	0	795
Planning	1,136	29	1,165	-	-	-
Protecting and Improving Animal Health and Welfare	38,895	-9,958	28,937	-	-	-
Evidence Base	-	-	-	38	0	38
Agriculture and Food	80,686	-10,995	69,691	14,423	5,999	20,422
Total DEL	327,278	-22,602	304,676	86,624	15,692	102,316
AME						
Sponsor and Manage Delivery Bodies	0	3,600	3,600	-	-	-
Total Managed Expenditure (TME)	327,278	-19,002	308,276	86,624	15,692	102,316

²¹ Budget figures as per Supplementary Budget Motion approved July 2013.

²² Budget figures as per Supplementary Budget Motion approved July 2013.

11. Housing and Regeneration

Overall Budget Changes

11.1 There has been a net increase in the Housing and Regeneration DEL of £38,388k, comprising a decrease in Resource of £3,312k and an increase in Capital of £41,700k.

AME

11.2 The AME budget has increased by £2,000k to reflect the return submitted to HM Treasury in December 2013.

UK Government Transfers

11.3 There has been a transfer in of £1,450k to the Regeneration Action from HM Treasury in respect of Wales' share of the Coastal Community Fund.

Resource Changes

11.4 There has been a transfer to Reserves of £4,762k, as a contribution to manage in-year pressures. This comprises the following transfers:

- £972k from the Regeneration Action;
- £440k from the Planning Policy Development, Planning Inspectorate and Regulation Action;
- £3,200k from the Increase the Supply and Choice of Affordable Housing Action;
- £128k from the Policy Development and Implementation Action; and
- £22k from the Independent Living Action.

11.5 There have been a number of transfers within the MEG, the net impact of which is neutral. The Action tables show the net impact of these on each Action. Below is a breakdown of specific transfers above £250k.

Homelessness Action

- A net transfer in of £1,300k to create a Discretionary Housing Payment Scheme to help mitigate the impact of the UK Government's Welfare Reform changes in Wales, comprising:
 - £400k from the Supporting People Action;
 - £600k from the Regeneration Action; and
 - £300k from the Planning Policy Development, Planning Inspectorate and Regulation Action.

Supporting People Action

- A transfer out of £400k to the Homelessness Action, in respect of savings realigned to create a Discretionary Housing Payment Scheme to help mitigate the impact of the UK Government's Welfare Reform changes in Wales.

Regeneration Action

- A transfer out of £600k to the Homelessness Action, in respect of savings realigned to create a Discretionary Housing Payment Scheme to help mitigate the impact of the UK Government's Welfare Reform changes in Wales.

Planning Policy Development, Planning Inspectorate and Regulation Action

- A transfer out of £300k to the Homelessness Action, in respect of savings realigned to create a Discretionary Housing Payment Scheme to help mitigate the impact of the UK Government's Welfare Reform changes in Wales.

Capital Changes

11.6 There has been a transfer from Reserves totalling £41,500k, comprising:

- £34,500k to the Increase the Supply and Choice of Market Housing Action for the Help to Buy Wales scheme;
- £5,000k to the Increase the Supply and Choice of Affordable Housing Action to deliver between 60 and 100 new affordable homes and create or support over 100 jobs during the construction phase as well as providing longer-term economic and social benefits; and
- £2,000k to the Regeneration Action in respect of financial transactions funding to accelerate delivery of the Barry Island Link Road.

11.7 There have been a number of transfers within the MEG, the net impact of which is neutral. The Action tables show the net impact of these on each Action. Below is a breakdown of specific transfers above £250k.

Increase the Supply and Choice of Affordable Housing Action

- A transfer in of £3,946k to provide additional support for affordable housing, comprising:
 - £1,300k from the Achieve Quality Housing Action; and
 - £2,646k from the Regeneration Action.

Achieve Quality Housing Action

- A transfer out of £1,300k to the Increase the Supply and Choice of Affordable Housing Action, available as result of lower than anticipated stock transfer payments.

Regeneration Action

- A transfer out of £2,646k to the Increase the Supply and Choice of Affordable Housing Action, in respect of savings realigned to provide additional support for housing related schemes.

Table 11.1 – Housing and Regeneration

DEL	£000s			£000s		
	2013-14 Resource			2013-14 Capital		
	Budget ²³	Changes	Revised Budget	Budget ²⁴	Changes	Revised Budget
Housing Policy	150,736	683	151,419	11,641	0	11,641
Homes and Places	17,295	-3,255	14,040	278,384	36,700	320,084
Planning	7,874	-740	7,134	-	-	-
Total DEL	175,905	-3,312	172,593	290,025	41,700	331,725
AME						
Housing	-71,000	-2,000	-73,000	-	-	-
Total Managed Expenditure (TME)	104,905	-5,312	99,593	290,025	41,700	331,725

²³ Budget figures as per Supplementary Budget Motion approved July 2013.

²⁴ Budget figures as per Supplementary Budget Motion approved July 2013.

12. Culture and Sport

Overall Budget Changes

12.1 There has been a net increase in the Culture and Sport DEL of £380k, comprising a decrease in Resource of £480k and an increase in Capital of £860k.

Resource Changes

12.2 There has been a transfer to Reserves of £570k as a contribution to manage in-year pressures. This comprises the following transfers:

- £270k from the Support and Sustain a Strong Arts Sector via the Arts Council and Others Action; and
- £300k from the Delivery of Effective Sports and Physical Activity Programmes Action.

12.3 The net impact of transfers with other MEGs is an increase of £90k. This does not comprise any adjustments above £250k.

12.4 There have also been a number of transfers within the MEG, the net impact of which is neutral. The action tables show the net impact of these on each Action. This comprises the following transfer above £250k:

Foster Usage and Lifelong Learning through Museum Services Action

12.5 There has been a transfer in of £390k from the Support and Sustain a Strong Arts Sector via the Arts Council and Others Action as a contribution towards restructuring costs at the National Museum of Wales.

Capital Changes

12.6 There has been a transfer from Reserves of £1,060k to the Foster Usage and Lifelong Learning through Library Services Action as a contribution towards the remedial costs following a fire at the National Library of Wales.

12.7 The net impact of transfers with other MEGs is a decrease of £200k. This does not comprise any adjustments above £250k.

12.8 There have also been a number of transfers within the MEG the net impact of which is neutral. The action tables show the net impact of these on each Action. Below is a breakdown of specific transfers above £250k.

Foster Usage and Lifelong Learning through Library Services Action

- A net transfer in of £1,125k; comprising:
 - £625k from the Foster Usage and Lifelong Learning through Museum Services Action as a contribution towards the remedial costs following a fire at the National Library of Wales; and
 - £500k from the Conserve, Protect, Sustain and Promote Access to the Historic Environment Action as a contribution towards the remedial costs following the fire at the National Library of Wales.

Foster Usage and Lifelong Learning through Museum Services Action

- A transfer out of £625k to the Foster Usage and Lifelong Learning through Library Services Action, available as a result of re-profiling the Welsh Government's contribution to the redevelopment of St. Fagans.

Conserve, Protect, Sustain and Promote Access to the Historic Environment Action

- A transfer out of £500k to the Foster Usage and Lifelong Learning through Library Services Action, available as a consequence of rescheduling some of the capital maintenance work on monuments.

Table 12.1 – Culture and Sport SPA Allocations

DEL	£000s			£000s		
	2013-14 Resource			2013-14 Capital		
	Budget ²⁵	Changes	Revised Budget	Budget ²⁶	Changes	Revised Budget
Support and sustain a strong arts sector via the Arts Council and others	34,758	-570	34,188	355	0	355
Museums, Archives and Libraries	37,578	490	38,068	5,223	1,560	6,783
Delivery of effective sports and physical activity programmes	24,853	-280	24,573	345	0	345
Media and publishing	3,926	0	3,926	25	0	25
Conserve, protect, sustain and promote access to the historic environment	11,641	0	11,641	5,331	-700	4,631
Landscape and outdoor recreation	12,742	-120	12,622	2,945	0	2,945
Total DEL	125,498	-480	125,018	14,224	860	15,084
AME						
Museums, Archives and Libraries	2,740	0	2,740	-	-	-
Total Managed Expenditure (TME)	128,238	-480	127,758	14,224	860	15,084

²⁵ Budget figures as per Supplementary Budget Motion approved July 2013.

²⁶ Budget figures as per Supplementary Budget Motion approved July 2013.

13. Central Services and Administration

Overall Budget Changes

13.1 There has been a decrease in the Central Services and Administration DEL of £15,410k, comprising a decrease in Resource of £15,239k and a decrease in Capital of £171k.

AME

13.2 The AME budget has decreased by £78k to reflect latest forecasts in respect of provision for early retirement.

UK Government Transfers

13.3 There has been a transfer of £42k to the Tribunals Action from the Ministry of Justice in respect of the abolition of the Administrative Justice and Tribunals Committee.

Resource Changes

- 13.4** The net impact of transfers with Reserves is a decrease of £4,754k, comprising the following transfers:
- A transfer to Reserves of £7,254k as a contribution to manage in-year pressures, comprising the following transfers:
 - £2,748k out from the General Administration Action;
 - £1,500k out from the Enabling Government Action;
 - £2,612k out from the Match Funding Action;
 - £156k out from the Geographical Information Action;
 - £87k out from the Events and Corporate Communications Action;
 - £70k out from the Economic Research Action;
 - £60k out from the Value Wales Action; and
 - £21k out from the Public Appointments Action.

 - £2,500k in to the Capital Charges Action for increased depreciation and impairment charges against administrative assets.

13.5 The net impact of transfers with other MEGs is a decrease of £9,527k, which comprises the following adjustments above £250k:

- A transfer out of £12,224k from the Invest-to-Save Fund Action to the Delivery of Core NHS Services Action within the Health and Social Services MEG in respect of Invest-to-Save schemes. This includes £7,432k toward the £150,000k funding package announced by the Minister for Finance in October 2013 to meet new demands and the recognised service pressures arising from the Francis Review;
- A transfer in of £1,014k to the Invest-to-Save Fund Repayment of Investments Action from the Delivery of Core NHS Services Action within the Health and Social Services MEG in respect of the repayment of previous investments;
- A transfer in of £450k to the Staff Costs Action from the Sponsor and Manage Delivery Bodies Action within the Natural Resources and Food MEG in respect of the pay costs of former Forestry Commission staff who transferred into the Welsh Government; and
- A net transfer in of £1,166k from the Delivery of Targeted NHS Services Action within the Health and Social Services MEG, comprising:
 - £547k in to the Staff Costs Action for the running costs of the National Leadership and Innovation Agency for Healthcare (NLIAH); and
 - £619k in to the Academi Wales Action (formerly the PSMW Action) for the operational costs of the National Leadership and Innovation Agency for Healthcare (NLIAH).

13.6 There have also been a number of transfers within the MEG, the net impact of which is a decrease in resource of £1,000k due to a resource to capital transfer. The action tables show the net impact of these on each Action. Below is a breakdown of specific transfers above £250k.

Staff Costs Action

- A transfer in of £7,182k, comprising:
 - £6,182k in from the General Administration Action to support new staffing functions, including an increase in specialist roles such as legal services required as a result of the Welsh Government's stronger legislative role; and
 - £1,000k in from the Enabling Government Action to provide funding for staff working on corporate change projects.

General Administration Action

- A net transfer out of £6,538k, available as a result of underspends in the workforce planning budget. This includes the following transfers:
 - £6,182k out to the Staff Costs Action;
 - £1,000k out to the International Development Action;
 - £450k out to the Public Policy Institute Action; and
 - £1,000k in from the Enabling Government Action to support pension costs.

Enabling Government Action

- A transfer out of £3,000k, comprising:
 - £1,000k out to the Staff Costs Action to help fund staff working on corporate change projects;
 - £1,000k out to the General Administration Action to support pension costs; and
 - £1,000k out to the Capital Action for estate building management, in respect of a resource to capital transfer.

Public Policy Institute Action

- A transfer in of £450k from the General Administration Action to fund the Public Policy Institute.

International Relations Action

- A transfer in of £1,000k from the General Administration Action to fund running costs in offices overseas.

Invest-to-Save Fund Repayment of Investments Action

- A transfer in of £1,502k from the Match Funding Action to increase the funding available to support investments through the Invest-to-Save Fund.

Match Funding Action

- A transfer out of £1,502k to the Invest-to-Save Action, available as a result of lower than anticipated demand.

Capital Changes

13.7 The net impact of transfers with other MEGs is a decrease of £1,171k, which includes the following adjustment above £250k:

- A transfer out of £1,000k to the Communities and Tackling Poverty MEG from the Capital Action in respect of new and refurbished sites for Gypsy and Travellers.

13.8 There have been transfers within the MEG, the net impact of which is an increase in capital of £1,000k due to a Resource to Capital transfer. The

Action Tables show the net impact of these transfers on each Action.

Below is a breakdown of specific transfers above £250k:

Capital

- A transfer in of £3,900k for estate building management, comprising:
 - £1,500k in from the Enabling Government Action (Capital);
 - £1,400k in from the Invest-to-Save Fund Action; and
 - £1,000k in from the Enabling Government Action (Resource) , in respect of a resource to capital transfer.

Enabling Government

- A transfer out of £1,500k to the Capital Action for estate building management.

Invest-to-Save Fund Action

- A net transfer out of £1,062k, comprising:
 - £1,400k out to the Capital Action for estate building management; and
 - £338k in from the Invest-to-Save Fund Repayments of Investments Action to reflect an increase to the anticipated level of repayments into the fund.

Invest-to-Save Fund Repayments of Investments

- A transfer out of £338k to the Invest-to-Save Fund Action to reflect an increase to the anticipated level of repayments into the fund.

Table 13.1 – Central Services and Administration SPA Allocations

DEL	£000s			£000s		
	2013-14 Resource			2013-14 Capital		
	Budget ²⁷	Changes	Revised Budget	Budget ²⁸	Changes	Revised Budget
Delegated Running Costs	195,433	8,179	203,612	-	-	-
Central Running Costs	88,316	-11,286	77,030	9,935	1,400	11,335
Information and Support Services	13,785	653	14,438	-	-	-
Central Programmes	19,803	-12,785	7,018	13,878	-1,571	12,307
WEFO	1,522	0	1,522	-	-	-
Total DEL	318,859	-15,239	303,620	23,813	-171	23,642
AME						
Central Running Costs	1,551	-78	1,473	-	-	-
Total Managed Expenditure (TME)	320,410	-15,161	305,093	23,813	-171	23,642

²⁷ Budget figures as per Supplementary Budget Motion approved July 2013.

²⁸ Budget figures as per Supplementary Budget Motion approved July 2013.

Annex A – Reconciliation between the Welsh Block Budget and Resource Allocations in the Budget Motion

This document supports the Supplementary Budget Motion, which sets out the changes to both the resources that the Welsh Government is proposing to use in 2013-14 and the cash it is seeking authority to draw from the Welsh Consolidated Fund. The tables within this report show budgets on an administrative basis, whereas the figures in the Supplementary Budget Motion are on a resource basis.

The Welsh Government's administrative budget contains a number of items which are scored outside the accounts of the Welsh Government and therefore do not score as part of the Resources required by Welsh Ministers. This Annex reconciles the administrative and resource budgets of each Main Expenditure Group.

Health and Social Services

DEL	£000s
	2013-14
Resource	6,141,297
Capital	240,821
AME	
Resource	159,336
Capital	0
Total Managed Expenditure	6,541,454
Reconciliation to Resources	
Resource Consumption of WGSBs and NHS bodies	-257,436
Supported Borrowing	-3,602
National Insurance Fund Receipts (and collection costs)	-847,786
Resources requested	5,432,630

Local Government

DEL	£000s
	2013-14
Resource	4,705,164
Capital	22,920
AME	
Resource	18,507
Capital	0
Total Managed Expenditure	4,746,591
Reconciliation to Resources	
National Non Domestic Rates payable (and collection costs)	-1,025,322
Resources requested	3,721,269

Communities and Tackling Poverty

DEL	£000s
	2013-14
Resource	175,891
Capital	27,200
AME	
Resource	0
Capital	0
Total Managed Expenditure	203,091
Reconciliation to Resources	
Resources requested	203,091

Economy, Science and Transport

DEL	£000s
	2013-14
Resource	542,779
Capital	360,626
AME	
Resource	47,362
Capital	0
Total Managed Expenditure	950,767
Reconciliation to Resources	
Supported Borrowing	-10,336
Direct Charges on the Welsh Consolidated Fund	-1,686
PFI	-7,566
Finance Wales	14,650
Resources requested	945,829

Education and Skills

DEL	£000s
	2013-14
Resource	1,968,357
Capital	202,134
AME	
Resource	-98,456
Capital	340,323
Total Managed Expenditure	2,412,358
Reconciliation to Resources	
Resource Consumption of WGSBs and NHS Bodies	-6,082
Supported Borrowing	-33,781
Resources requested	2,372,495

Natural Resources and Food

DEL	£000s
	2013-14
Resource	304,676
Capital	102,316
AME	
Resource	3,600
Capital	0
Total Managed Expenditure	410,592
Reconciliation to Resources	
Resource Consumption of WGSBs and NHS Bodies	-12,055
Supported Borrowing	-9,741
Resources requested	388,796

Housing and Regeneration

DEL	£000s
	2013-14
Resource	172,593
Capital	331,725
AME	
Resource	-73,000
Capital	0
Total Managed Expenditure	431,318
Reconciliation to Resources	
Supported Borrowing	-31,340
Resources requested	399,978

Culture and Sport

DEL	£000s
	2013-14
Resource	125,018
Capital	15,084
AME	
Resource	2,740
Capital	0
Total Managed Expenditure	142,842
Reconciliation to Resources	
Resource Consumption of WGSBs and NHS Bodies	-6,008
Resources requested	136,834

Central Services and Administration

DEL	£000s
	2013-14
Resource	303,620
Capital	23,642
AME	
Resource	1,473
Capital	0
Total Managed Expenditure	328,735
Reconciliation to Resources	
Direct Charges on the Welsh Consolidated Fund	-92
Resources requested	328,643

Annex B – Recurrent Allocations from Reserves²⁹

MEG	Action	Resource/ Capital	Description	£000s		
				2013-14	2014-15	2015-16
Health and Social Services	Delivery of Core NHS Services	Resource	NHS Funding	142,600k ³⁰	180,000k	240,000k
Economy, Science and Transport	Road and Rail Schemes Action (1,730k) and the Sustainable Travel Action (1,770k)	Capital	South East Wales Integrated Transport project	3,500k	28,700k	29,800k
	Sectors Action	Capital	Investment Funds for SMEs	32,500k	17,000k	42,500k
Housing and Regeneration	Increase the Supply and Choice of Affordable Housing	Capital	Help to Buy Wales scheme	34,500k	69,000k	71,000k

²⁹ These allocations have already been reflected in the Final Budget 2014-15.

³⁰ This figure excludes the £7,432k, which has been transferred from the Invest-to-Save Fund Action within the Central Services and Administration MEG to the Health and Social Services MEG, as part of the £150,000k allocation announced by the Minister for Finance in October 2013.

Annex C – Glossary

Action	Within each Spending Programme Area (SPA), budgets are allocated to a number of sub-programmes known as Actions. Tables showing budgets at Action level are available at: www.wales.gov.uk/budget
Ambits	Descriptions of the specific purposes for which Welsh Ministers are authorised by the National Assembly for Wales to spend resources. Ambit Descriptions and resource limits are contained within the Annual Budget Motion. Ambits correspond to MEGs.
Annually Managed Expenditure (AME)	Expenditure which cannot reasonably be subject to firm, multi-year limits in the same way as DEL and is therefore reviewed twice a year as part of the HM Treasury's Budget and Pre-Budget Report processes. AME typically consists of programmes which are large, volatile or demand-led; for example the issue of student loans.
Budget Exchange System	The system under which the Welsh Government is able to carry forward underspends, up to an agreed cap. The agreed cap is 0.6% of our Resource DEL budget and 1.5% of our Capital DEL budget.
Budget Motion	The means by which the National Assembly for Wales authorises Welsh Ministers to spend resources up to a specific level for specified purposes and to draw cash up to a specific limit from the Welsh Consolidated Fund.
Capital	Expenditure that in the main results in a physical asset, for example a new building. The Welsh Government DEL and AME budgets have separate capital and resource limits.
Departmental Expenditure Limit (DEL)	The multi-year budget limit for the Welsh Government set by the HM Treasury. DEL is planned and controlled on a three year basis in Spending Reviews.
Depreciation	The drop in value of an asset due to wear and tear, age and obsolescence. Under resource budgeting, depreciation is part of the Welsh Government's DEL but is a Non-Fiscal Resource DEL item.

Direct Charges on the Welsh Consolidated Fund	Expenditure which is legally required to be charged directly to the Welsh Consolidated Fund and therefore does not score against the budgets of the Welsh Government or any other body. Direct Charges include the remuneration of the Presiding Officer and Auditor General.
Financial Transactions	Financial transactions are not traditional capital grants and can only be used for loans and equity purposes. A proportion of the funding also has to be repaid to the Exchequer.
Fiscal Resource DEL (previously known as near-cash)	Accruals measures of transactions that normally turn into cash flows soon, for example, pay, current procurement, resource grants and subsidies.
Main Expenditure Group (MEG)	The Welsh Government DEL is divided into a number of Main Expenditure Groups. There are currently 9 MEGs: Health and Social Services; Local Government; Communities and Tackling Poverty; Economy, Science and Transport; Education and Skills; Natural Resources and Food; Housing and Regeneration; Culture and Sport; and Central Services and Administration.
Non-Fiscal Resource DEL (previously known as non-cash)	Accruals measures included in budgets to ensure they reflect the full economic cost of activities even though there is not a direct link to cash flows in the relevant period - for example, depreciation and provisions. Non-Fiscal Resource DEL cannot be used to fund Fiscal Resource DEL spending.
Receipts	Some areas of Welsh Government activity generate income, for example, through the sale or rental of assets. These are represented in the budget as negative figures.
Resource budgeting	The Welsh Government's budget is set on a resource basis derived from accruals information. Accruals information measures resources as they are consumed rather than when the cash is paid. So, for example, resource budgeting includes a charge for depreciation, a measure of the consumption or wearing out of capital assets.

Resource (previously known as revenue)	Current expenditure, for example, funding for the pay of public sector workers and to purchase consumable goods and services.
Spending Programme Area (SPA)	Within each MEG, budgets are allocated to Spending Programme Areas according to the kind of services they will deliver.
Spending Review	Every two or three years HM Treasury reviews expenditure for each UK Government Department and sets budgets for the forthcoming three years. Budgets for the devolved administrations are derived from these budgets via the Barnett formula, which is the mechanism used by HM Treasury to calculate public expenditure allocated to Wales to reflect changes in spending levels allocated to public services in England.
Total Managed Expenditure (TME)	The total Departmental Expenditure Limit plus Annually Managed Expenditure.
Welsh Consolidated Fund	The account into which the money voted by the UK Parliament for use by the Welsh Government, the Assembly Commission, the Auditor General, and the Public Services Ombudsman for Wales is paid.
WGSB	Welsh Government Sponsored Body.