

National Assembly for Wales

Supplementary Budget 2010-11 (Laid February 2011)

February 2011

The Welsh Government's second Supplementary Budget for 2010-11, was laid before the National Assembly on 8 February 2010.

This paper is intended to inform scrutiny of the Supplementary Budget. It provides an overview of changes proposed and details of the changes within each portfolio, and compares them with the previous Supplementary Budget 2010-11, as agreed by the National Assembly in July 2010.

Changes in spending plans are also tracked back to the Final Budget 2010-11, as agreed by the National Assembly in December 2009, such comparisons are not produced in documentation provided by the Welsh Government.

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National Assembly for Wales

Supplementary Budget 2010-11
(Laid February 2011)

February 2011

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Paper number: 11/015



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Key Points

The second supplementary budget for the financial year 2010-11 was laid on 8 February 2011. It is mainly administrative in nature and reflects a number of transfers, baseline changes and the reductions imposed by the UK Government in May 2010. This paper is intended to inform scrutiny of the Supplementary Budget.

- Total managed expenditure (TME) allocated to Welsh Government departments has increased by £280.9 million (1.8%) in comparison with the previous supplementary budget; and by £50.5 million (0.3%) in comparison with the final budget.
- Total departmental expenditure limits (DEL) allocated to Welsh Government departments has increased by £297.7 million (1.9%) in comparison with the previous supplementary budget; and by £471.1 million (3.1%) in comparison with the final budget.
- Annually managed expenditure (AME) allocated to Welsh Government departments has decreased by £16.7 million (5.6%) in comparison with the previous supplementary budget; and by £420.6 million (59.7%) in comparison with the final budget.

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1. Overview of Supplementary Budget 2010-11

The second supplementary budget motion for the financial year 2010-11 was laid by the Minister for Business and Budget (Jane Hutt AM) on 8 February 2011.¹ This was accompanied by a narrative document² and main expenditure group (MEG) allocations.³ This supplementary budget amends the previous supplementary budget approved by the National Assembly on 13 July 2010.⁴ The narrative accompanying the supplementary budget states that:

This Supplementary Budget is mainly administrative in nature and reflects reprioritisations within portfolios, and a number of budget transfers between portfolios. Crucially, it also implements our decision to find in full the budget reductions imposed by the UK Government in June 2010 and provides for additional allocations from our reserves. The allocations from reserves have been augmented by the drawdown of resources from stocks of End Year flexibility and include allocations from the Strategic Capital Investment Fund.⁵

The figures shown in this paper are in absolute terms, as figures refer to only the current financial year, no adjustments have been made for inflation.

The following tables summarise changes proposed within the current supplementary budget in comparison with both the previous June 2010 supplementary budget and the final budget in December 2009.

[Table 1](#) provides an overview of total managed expenditure (TME).⁶

[Table 2](#) summarises the total departmental expenditure limits (DEL)⁷ allocations.

[Figure 1](#) details the per cent change in total DEL allocations to each main expenditure group (MEG).

[Table 3](#) shows the annually managed expenditure (AME)⁸ allocations.

¹ Welsh Government, [Supplementary Budget Motion 2010-11](#), February 2011 [accessed 11 February 2011]

² Welsh Government, [Supplementary Budget 2010-11](#), February 2011 [accessed 11 February 2011]

³ Welsh Government, [Supplementary Budget 2010-11 Main Expenditure Group Allocations](#), February 2011 [accessed 11 February 2011]

⁴ Welsh Government, [Supplementary Budget 2010-11](#), June 2010. The Finance Committee report on this supplementary budget can be accessed here: [FIN\(3\)-10-R08 : Report on Welsh Assembly Government Supplementary Budget 2010-11 \(June 2010\)](#) and the motion approved in Plenary can be accessed here: [RoP 13 July 2010](#). [accessed 11 February 2011]

⁵ Welsh Government, [Supplementary Budget 2010-11](#), February 2011 page 1 [accessed 11 February 2011]

⁶ **Total managed expenditure (TME)** – represents revenue and capital spending of the public sector and is made up of departmental expenditure limits (DEL) and annually managed expenditure (AME).

⁷ **Departmental expenditure limits (DEL)** – total spending limits for UK Government departments and the devolved administrations over a fixed period of time, excluding demand-led and exceptionally volatile items. DELs are planned and set at Spending Reviews, and are split into revenue and capital budgets. Most of the DEL is unhypothecated and allows the Welsh Government full discretion over its spending priorities (known as the ‘assigned budget’).

From tables 1 to 3 it can be seen that:

- **TME allocated to Welsh Government departments has increased by £280.9 million (1.8%)** in comparison with the previous supplementary budget; and by £50.5 million (0.3%) in comparison with the final budget in December 2009.
- **Total DEL allocated to Welsh Government departments has increased by £297.7 million (1.9%)** in comparison with the previous supplementary budget; and by £471.1 million (3.1%) in comparison with the final budget in December 2009.
- **AME allocated to Welsh Government departments has decreased by £16.7 million (5.6%)** in comparison with the previous supplementary budget; and by £420.6 million (59.7%) in comparison with the final budget in December 2009.

In comparison to the June supplementary budget, the greatest changes in total DEL allocations to Welsh Government MEGs are as follows:

- The Heritage MEG received the largest percentage increase: 14.7%, representing an additional £23.1 million.
- The Health and Social Services MEG received the largest nominal increase: £161.4 million, representing 2.6%.
- The Public Services and Performance MEG received the greatest reduction in both percentage and nominal terms: 16.8%, representing a decrease of £12.1 million.

Overall, the current supplementary budget allocates an additional £297.7 million total DEL (representing a 1.9% increase on the previous supplementary budget) to Welsh Government departments. [Figure 2](#) shows how this is distributed among the portfolios.

⁸ **Annually managed expenditure (AME)** – generally less predictable and controllable than expenditure in DEL and therefore cannot be subject to firm multi-year limits, rather it is negotiated with HM Treasury on an annual basis. AME is demand led and must be allocated to the programme for which it is assigned. Further AME can be drawn down from HM Treasury is required, while any unspent portion will be reclaimed by HM Treasury.

Table 1: Total managed expenditure in the Welsh block

Main Expenditure Group (MEG)	Total Final Budget 10-11 (Dec 2009)	Supplementary Budget 10-11 (June 2010)	Change from Final Budget to Supplementary Budget		Supplementary Budget 10-11 (Feb 2011)	Change from Final Budget to Supplementary Budget		Change from Supplementary Budget (June 2010) to	
	£000s	£000s	£000s	per cent	£000s	£000s	per cent	£000s	per cent
Health & Social Services	6,184,029	6,400,345	216,316	3.5	6,613,084	429,055	6.9	212,739	3.3
Social Justice & Local Government	4,515,911	4,476,236	-39,675	-0.9	4,468,837	-47,074	-1.0	-7,399	-0.2
Economy & Transport	1,627,737	1,023,107	-604,630	-37.1	1,051,695	-576,042	-35.4	28,588	2.8
Children, Education, Lifelong Learning & Skills	2,051,382	2,152,635	101,253	4.9	2,185,596	134,214	6.5	32,961	1.5
Environment, Sustainability & Housing	639,652	788,273	148,621	23.2	793,649	153,997	24.1	5,376	0.7
Rural Affairs	153,136	142,765	-10,371	-6.8	133,899	-19,237	-12.6	-8,866	-6.2
Heritage	192,077	159,442	-32,635	-17.0	182,542	-9,535	-5.0	23,100	14.5
Public Services & Performance	55,129	71,729	16,600	30.1	59,643	4,514	8.2	-12,086	-16.8
Central Services & Administration	397,198	371,304	-25,894	-6.5	377,828	-19,370	-4.9	6,524	1.8
Total departmental TME allocations	15,816,251	15,585,836	-230,415	-1.5	15,866,773	50,522	0.3	280,937	1.8
Revenue Reserves (near cash)	156,700	161,819	5,119	3.3	0	-156,700	-100.0	-161,819	-100.0
Revenue Reserves (non cash)	69,183	0	-69,183	-100.0	237	-68,946	-99.7	237	..
Capital Reserves held for the Strategic Capital Investment Fund	341,078	27,819	-313,259	-91.8	0	-341,078	-100.0	-27,819	-100.0
Assembly Commission	48,973	46,727	-2,246	-4.6	46,727	-2,246	-4.6	0	0.0
Auditor General for Wales	5,047	5,047	0	0.0	5,047	0	0.0	0	0.0
Public Services Ombudsman for Wales	4,208	4,166	-42	-1.0	4,223	15	0.4	57	1.4
Direct Charges	675	675	0	0.0	675	0	0.0	0	0.0
Total within Wales TME	16,442,115	15,832,089	-610,026	-3.7	15,923,682	-518,433	-3.2	91,593	0.6

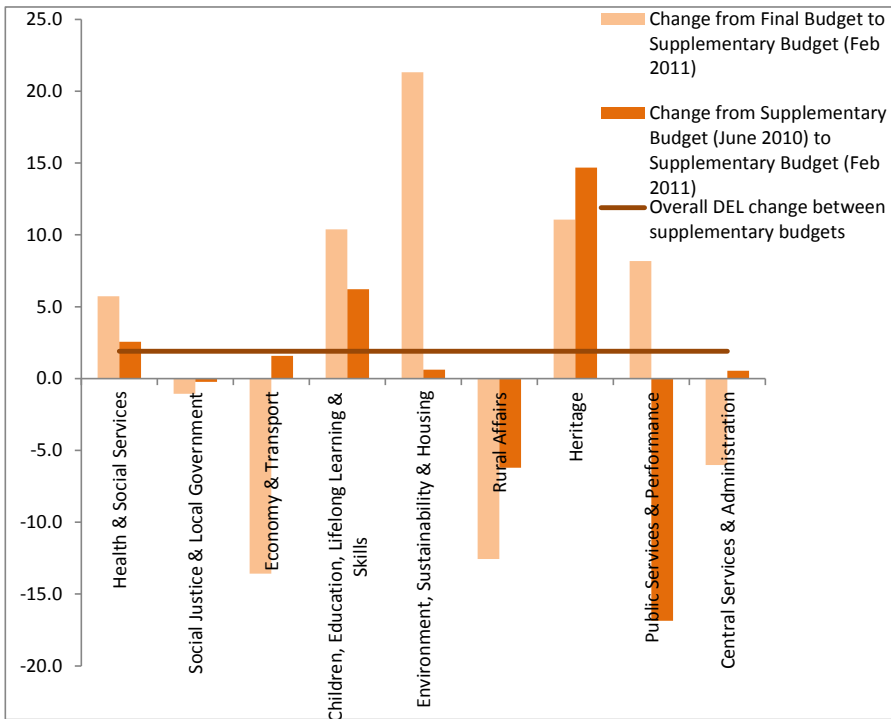
Source: Members' Research Service calculations from Welsh Government [Budgets](#)

Table 2: Total DEL in the Welsh block

Main Expenditure Group (MEG)	Total Final Budget 10-11 (Dec 2009)	Supplementary Budget 10-11 (June 2010)	Change from Final Budget to Supplementary Budget (June 2010)		Supplementary Budget 10-11 (Feb 2011)	Change from Final Budget to Supplementary Budget (Feb 2011)		Change from Supplementary Budget (June 2010) to Supplementary Budget (Feb 2011)	
	£000s	£000s	£000s	per cent	£000s	£000s	per cent	£000s	per cent
Health & Social Services	6,094,180	6,281,397	187,217	3.1	6,442,809	348,629	5.7	161,412	2.6
Social Justice & Local Government	4,502,328	4,464,559	-37,769	-0.8	4,454,414	-47,914	-1.1	-10,145	-0.2
Economy & Transport	1,153,970	981,705	-172,265	-14.9	997,293	-156,677	-13.6	15,588	1.6
Children, Education, Lifelong Learning & Skills	1,875,784	1,949,237	73,453	3.9	2,070,521	194,737	10.4	121,284	6.2
Environment, Sustainability & Housing	717,652	865,273	147,621	20.6	870,625	152,973	21.3	5,352	0.6
Rural Affairs	153,136	142,765	-10,371	-6.8	133,899	-19,237	-12.6	-8,866	-6.2
Heritage	162,493	157,384	-5,109	-3.1	180,484	17,991	11.1	23,100	14.7
Public Services & Performance	55,129	71,729	16,600	30.1	59,643	4,514	8.2	-12,086	-16.8
Central Services & Administration	397,198	371,304	-25,894	-6.5	373,328	-23,870	-6.0	2,024	0.5
Total Departmental DEL allocations	15,111,870	15,285,353	173,483	1.1	15,583,016	471,146	3.1	297,663	1.9
Revenue Reserves (near cash)	156,700	161,819	5,119	3.3	0	-156,700	-100.0	-161,819	-100.0
Revenue Reserves (non cash)	69,183	0	-69,183	-100.0	237	-68,946	-99.7	237	..
Capital Reserves	341,078	27,819	-313,259	-91.8	0	-341,078	-100.0	-27,819	-100.0
Assembly Commission	48,973	46,227	-2,746	-5.6	46,227	-2,746	-5.6	0	0.0
Auditor General for Wales	5,047	5,047	0	0.0	5,047	0	0.0	0	0.0
Public Services Ombudsman for Wales	4,208	4,166	-42	-1.0	4,187	-21	-0.5	21	0.5
Direct Charges	675	675	0	0.0	675	0	0.0	0	0.0
Total within Wales DEL	15,737,734	15,531,106	-206,628	-1.3	15,639,389	-98,345	-0.6	108,283	0.7

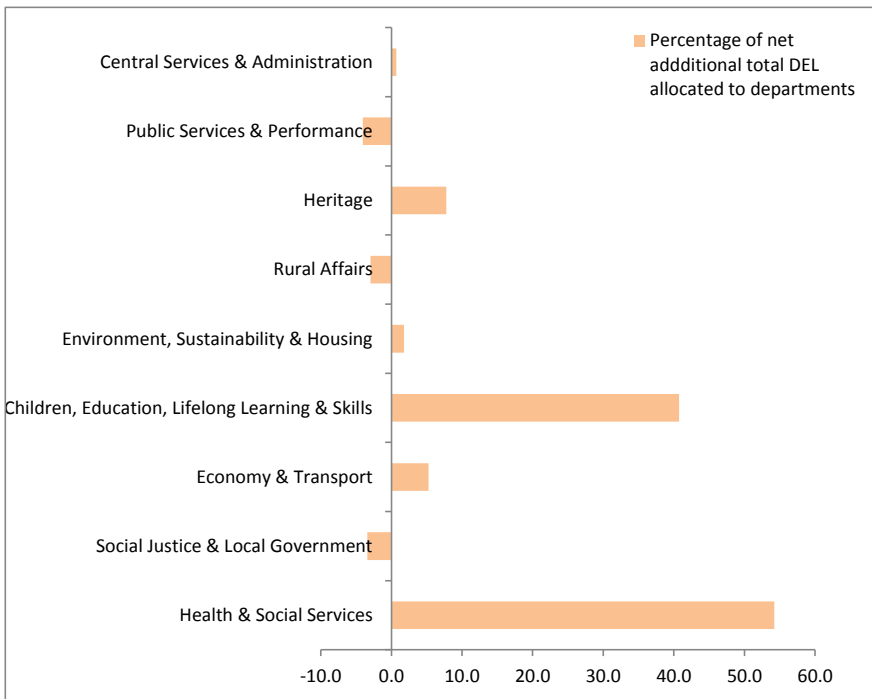
Source: Members' Research Service calculations from Welsh Government [Budgets](#)

Figure 1: Per cent change in total DEL to each MEG



Source: Members' Research Service calculations from Welsh Government [Budgets](#)

Figure 2: Percentage of additional DEL allocated to each MEG



Source: Members' Research Service calculations from Welsh Government [Budgets](#)

Table 3: Annually managed expenditure

Main Expenditure Group (MEG)	Total Final Budget 10-11 (Dec 2009)	Supplementary Budget 10-11 (June 2010)	Change from Final Budget to Supplementary Budget		Supplementary Budget 10-11 (Feb 2011)	Change from Final Budget to Supplementary Budget		Change from Supplementary Budget (June 2010) to	
	£000s	£000s	£000s	per cent	£000s	£000s	per cent	£000s	per cent
Health & Social Services	89,849	118,948	29,099	32.4	170,275	80,426	89.5	51,327	43.2
Social Justice & Local Government	13,583	11,677	-1,906	-14.0	14,423	840	6.2	2,746	23.5
Economy & Transport	473,767	41,402	-432,365	-91.3	54,402	-419,365	-88.5	13,000	31.4
Children, Education, Lifelong Learning & Skills	175,598	203,398	27,800	15.8	115,075	-60,523	-34.5	-88,323	-43.4
Environment, Sustainability & Housing	-78,000	-77,000	1,000	-1.3	-76,976	1,024	-1.3	24	0.0
Heritage	29,584	2,058	-27,526	-93.0	2,058	-27,526	-93.0	0	0.0
Central Services and Administration	0	0	0	..	4,500	4,500	..	4,500	..
Total departmental AME budget	704,381	300,483	-403,898	-57.3	283,757	-420,624	-59.7	-16,726	-5.6
Assembly Commission	0	500	500	-	500	500	-	0	0.0
Public Services Ombudsman for Wales	0	0	0.0	-	36	36	-	36	-
Total AME budget	704,381	300,983	-403,398	-57.3	284,293	-420,088	-59.6	-16,690	-5.5

Source: Members' Research Service calculations from Welsh Government [Budgets](#)

1.1. Revenue and capital DEL allocations

Tables 4 and 5 show changes to the revenue and capital DEL allocations, respectively. From these it can be seen that, in comparison to the June 2010 supplementary budget:

- **Revenue DEL allocated to Welsh Government departments has increased by £190.1 million (1.4%)** in comparison with the previous supplementary budget; and by £124.8 million (0.9%) in comparison with the final budget in December 2009.
- **Capital DEL allocated to Welsh Government departments has increased by £107.6 million (6.5%)** in comparison with the previous supplementary budget; and by £346.4 million (24.6%) in comparison with the final budget in December 2009.

In comparison to the June supplementary budget, the greatest changes in revenue DEL allocations to Welsh Government MEGs are as follows:

- The Children, Education, Lifelong Learning and Skills MEG received the greatest percentage increase in revenue DEL: 6.1%, representing an additional £104.5 million.
- The Health and Social Services MEG received the greatest nominal increase in revenue DEL: £147.7 million, representing an increase of 2.5%.
- The Public Services and Performance MEG received the greatest percentage reduction in revenue DEL: 14.1%, representing a decrease of £7.1 million.
- The Economy and Transport MEG received the greatest nominal reduction in revenue DEL: £31.2 million, representing a decrease of 5.2%.

In comparison to the June supplementary budget, the greatest changes in capital DEL allocations to Welsh Government MEGs are as follows:

- The Heritage MEG received the greatest percentage increase in capital DEL: more than doubling the previous allocation, with an additional £24.7 million.
- The Economy and Transport MEG received the greatest nominal increase in capital DEL: £46.8 million, representing an increase of 12.3%.
- The Public Services and Performance MEG received the greatest reduction in capital DEL, both in percentage and nominal terms, with a reduction of 23.3%, or £5 million.

Table 4: Revenue DEL

Main Expenditure Group (MEG)	Total Final Budget 10-11 (Dec 2009)	Supplementary Budget 10-11 (June 2010)	Change from Final Budget to Supplementary Budget		Supplementary Budget 10-11 (Feb 2011)	Change from Final Budget to Supplementary Budget		Change from Supplementary Budget (June 2010) to	
	£000s	£000s	£000s	per cent	£000s	£000s	per cent	£000s	per cent
Health & Social Services	5,797,568	5,877,085	79,517	1.4	6,024,754	227,186	3.9	147,669	2.5
Social Justice & Local Government	4,424,070	4,401,464	-22,606	-0.5	4,391,319	-32,751	-0.7	-10,145	-0.2
Economy & Transport	722,958	601,965	-120,993	-16.7	570,751	-152,207	-21.1	-31,214	-5.2
Children, Education, Lifelong Learning & Skills	1,692,892	1,705,445	12,553	0.7	1,809,986	117,094	6.9	104,541	6.1
Environment, Sustainability & Housing	369,094	383,880	14,786	4.0	379,589	10,495	2.8	-4,291	-1.1
Rural Affairs	136,407	126,036	-10,371	-7.6	120,170	-16,237	-11.9	-5,866	-4.7
Heritage	147,371	138,962	-8,409	-5.7	137,412	-9,959	-6.8	-1,550	-1.1
Public Services & Performance	54,704	50,304	-4,400	-8.0	43,218	-11,486	-21.0	-7,086	-14.1
Central Services & Administration	361,165	355,771	-5,394	-1.5	353,795	-7,370	-2.0	-1,976	-0.6
Total Departmental DEL allocations	13,706,229	13,640,912	-65,317	-0.5	13,830,994	124,765	0.9	190,082	1.4
Revenue Reserves (near cash)	156,700	161,819	5,119	3.3	0	-156,700	-100.0	-161,819	-100.0
Revenue Reserves (non cash)	69,183	0	-69,183	-100.0	237	-68,946	-99.7	237	..
Capital Reserves	0	0	0	0.0	0	0	0.0	0	0.0
Assembly Commission	48,198	45,452	-2,746	-5.7	43,852	-4,346	-9.0	-1,600	-3.5
Auditor General for Wales	5,047	5,047	0	0.0	5,047	0	0.0	0	0.0
Public Services Ombudsman for Wales	3,745	3,703	-42	-1.1	3,724	-21	-0.6	21	0.6
Direct Charges	675	675	0	0.0	675	0	0.0	0	0.0
Total within Wales DEL	13,989,777	13,857,608	-132,169	-0.9	13,884,529	-105,248	-0.8	26,921	0.2

Source: Members' Research Service calculations from Welsh Government [Budgets](#)

Table 5: Capital DEL

Main Expenditure Group (MEG)	Total Final Budget 10-11 (Dec 2009)	Supplementary Budget 10-11 (June 2010)	Change from Final Budget to Supplementary Budget		Supplementary Budget 10-11 (Feb 2011)	Change from Final Budget to Supplementary Budget		Change from Supplementary Budget (June 2010) to	
	£000s	£000s	£000s	per cent	£000s	£000s	per cent	£000s	per cent
Health & Social Services	296,612	404,312	107,700	36.3	418,055	121,443	40.9	13,743	3.4
Social Justice & Local Government	78,258	63,095	-15,163	-19.4	63,095	-15,163	-19.4	0	0.0
Economy & Transport	431,012	379,740	-51,272	-11.9	426,542	-4,470	-1.0	46,802	12.3
Children, Education, Lifelong Learning & Skills	182,892	243,792	60,900	33.3	260,535	77,643	42.5	16,743	6.9
Environment, Sustainability & Housing	348,558	481,393	132,835	38.1	491,036	142,478	40.9	9,643	2.0
Rural Affairs	16,729	16,729	0	0.0	13,729	-3,000	-17.9	-3,000	-17.9
Heritage	15,122	18,422	3,300	21.8	43,072	27,950	184.8	24,650	133.8
Public Services & Performance	425	21,425	21,000	4941.2	16,425	16,000	3764.7	-5,000	-23.3
Central Services & Administration	36,033	15,533	-20,500	-56.9	19,533	-16,500	-45.8	4,000	25.8
Total Departmental DEL allocations	1,405,641	1,644,441	238,800	17.0	1,752,022	346,381	24.6	107,581	6.5
Revenue Reserves (near cash)	0	0	0	0.0	0	0	0.0	0	0.0
Revenue Reserves (non cash)	0	0	0	0.0	0	0	0.0	0	0.0
Capital Reserves	341,078	27,819	-313,259	-91.8	0	-341,078	-100.0	-27,819	-100.0
Assembly Commission	775	775	0	0.0	2,375	1,600	206.5	1,600	206.5
Auditor General for Wales	0	0	0	0.0	0	0	0.0	0	0.0
Public Services Ombudsman for Wales	463	463	0	0.0	463	0	0.0	0	0.0
Direct Charges	0	0	0	0.0	0	0	0.0	0	0.0
Total within Wales DEL	1,747,957	1,673,498	-74,459	-4.3	1,754,860	6,903	0.4	81,362	4.9

Source: Members' Research Service calculations from Welsh Government [Budgets](#)

2. Baseline changes - end year flexibility and transfers with UK Government

As can be seen from [table 2](#), **total DEL in the block has increased by £108.3 million**. These additional funds can be accounted for by a number of baseline changes, as follows:

- £227 million draw down of end year flexibility (EYF)⁹; consisting of £102.5 million revenue and £124.5 million capital;
- The return of £6.1 million to HM Treasury in respect of technical changes to the Business Rates Relief Scheme;
- A transfer from the UK Government of £0.2 million from the Ministry of Justice in relation to prison healthcare;
- £50 million drawn from HM Treasury in respect of interest on student loans (this is a one off non-cash¹⁰ allocation);
- £162.5 million in spending reductions as required by the UK Government; and
- £0.3 million non-cash misstatement in previous June 2010 supplementary budget.

Together with allocations from reserves (totalling £189.6 million) and other adjustments to the block (totalling a reduction of £0.26 million), this gives the additional £297.7 million total DEL allocated to Welsh Government departments.

2.1. *End year flexibility (EYF)*

As detailed above, the supplementary budget details draw down of a total of £227 million EYF from HM Treasury. The UK Government's Spending Review 2010¹¹ announced their intention to abolish the EYF scheme at the end of 2010-11, including all accumulated stocks.

On 10 February the Minister for Business and Budget (Jane Hutt AM) released a statement detailing the latest correspondence with the Chief Secretary to the

⁹ **End year flexibility (EYF)** – mechanism to carry over unspent DEL provision from one year into future years. For further information see the Members' Research Service Quick Guide: [End year flexibility](#). [accessed 11 February 2011]

¹⁰ **Non-cash** – items included in budgets to ensure the budget reflects the full economic cost of activities, even though there will not be a direct link to cash flow in the relevant period. These items will either never require a cash payment as such, or will only ever give rise to cash payments years into the future (e.g. provisions). Costs where there is no cash transaction, but which are included in budgets and accounts to establish the true costs of all resources used.

¹¹ HM Treasury, [Spending Review 2010](#), October 2010. [accessed 11 February 2011]

Treasury regarding the EYF stock remaining to Wales. It stated that remaining stocks were around £385 million and went on to say:

I wrote to the Chief Secretary on 11 January, requesting that all of our accumulated stocks of EYF be released. The Chief Secretary replied to my letter on 9 February but he has refused to allow the release of our accumulated stocks, with the implication that these stocks will now be written off.¹²

It also stated the Minister's intention to write a further joint letter, with the Ministers from Scotland and Northern Ireland, to the Chancellor repeating the request for EYF stocks to be released. A Joint Declaration by the Devolved Administrations has already been sent to the Chancellor on 2 February 2011, which calls on the UK Government to reverse its unilateral decision to write off accumulated EYF stocks.¹³

3. Transfers within/between Welsh Government departments

There have been a number of transfers between main expenditure groups (MEGs), these are detailed in [table 6](#). These transfers have no net impact on overall allocations.

In addition to these movements, there have been a number of transfers within MEGs, some of these have resulted in a **£5.85 million transfer from revenue to capital** as follows:

- Environment, Sustainability and Housing – transfer of £1.2 million from revenue to capital;
- Heritage – transfer of £650k from revenue to capital; and
- Central Services and Administration – transfer of £4 million from revenue to capital.

¹² Welsh Government, Jane Hutt (Minister for Business and Budget), *Most recent letter from Chief Secretary to the Treasury regarding end year flexibility*, Cabinet Written Statement, 10 February 2011 – no link available at time of writing.

¹³ [Joint Declaration by the Devolved Administrations](#) to Chancellor of Exchequer, 2 February 2011 [accessed 11 February 2011]

Table 6: Transfers between MEGs

From	Amount (£000s)	To	Amount (£000s)	Nature	Description
HSS: NHS Delivery SPA/action	-1,442	CELLS:Skills, Higher Education and lifelong learning SPA: Higher Education action	1,442	Revenue	For the transfer of students relating to Graduate MB Programme, funded by HEFCW.
HSS: NHS Delivery SPA/action	-1,402	CSA: Other Central Administration Costs SPA: Invest to Save action	1,402	Revenue	In relation to grant recoveries.
CSA: Other Central Administration Costs SPA: Invest to Save action	-549	HSS: NHS Delivery SPA/action	549	Revenue	For approved projects.
SJLG: Safer Communities SPA: Domestic Abuse action	-194	ESH: Housing SPA:Enable people to live independent lives action	194	Revenue	No details provided.
SJLG: Safer Communities SPA: Domestic Abuse action	-141	ESH: Housing SPA: Tackle homelessness action	141	Revenue	No details provided.
SJLG: Supporting Communities and People SPA: Communities First action	-99	ESH: Regeneration SPA: Implementation of Strategic Regeneration Areas action	99	Revenue	No details provided.
SJLG: Local Government Policy SPA: Local Government Partnerships action	-150	CSA: Staff Costs and Salaries SPA: Staff Costs action	150	Revenue	No details provided.
ET: Internationalising the Welsh economy SPA/action	-475	RA: Welsh Food, Fish and Drink Industry SPA: Developing and marketing Welsh food and drink sector action	475	Revenue	For international trade support to the Welsh food and drink industry.
CSA: Other Central Administration Costs SPA: Invest to Save action	-4,160	ET: Public Sector Broadband Aggregation SPA/action	4,160	Revenue	In relation to the Connectivity for Gwent project.
ET: Businesses Start, Grow, Prosper and Invest SPA: Provide Financial Support to Businesses action	-3,500	HER: Tourism SPA: Developing the Visitor Experience action	3,500	Capital	For Tourism investment Support Scheme.
ESH: Housing SPA: Increase the supply and choice of housing action	-465	CSA: Staff Costs and Salaries SPA: Staff Costs action	465	Revenue	In respect of transfer of responsibility for regulation of registered social landlords from Wales Audit Office to Welsh Government.
RA: Rural European Policies SPA: Delivering the programmes within the Rural development plan action	-100	HER: Conserve, protect, sustain and promote access to the historic environment SPA/action	100	Revenue	For Geographical Information System development work for implementation and delivery of Glastir.
PSP: Leadership and Management Capacity SPA/action	-1,196	CSA: Other Central Administration costs SPA: Public Services Management Wales action	1,196	Revenue	For Public Services Management Wales.
PSP: Making the Connections SPA/action	-500	CSA: Other Central Administration Costs SPA: Invest to Save action	500	Revenue	In relation to the Gwent Frailty Programme.
PSP: Inspection, Regulation and performance Frameworks SPA/action	-250	CSA: Staff Costs and Salaries SPA: Staff Costs action	250	Revenue	For Government Secondments Wales.

Table 6: Transfers between MEGs (continued)

From	Amount (£000s)	To	Amount (£000s)	Nature	Description
PSP: Inspection, Regulation and performance Frameworks SPA/action	-240			Revenue	No details provided.
		CSA: Staff Costs and Salaries SPA: Staff Costs action	245	Revenue	No details provided.
		HSS: Health Central Budgets SPA: Support Education and Training of the NHS Workforce	177	Revenue	No details provided.
		HSS: Social Services SPA: Care council for Wales action	68	Revenue	No details provided.
SJLG: Safer Communities SPA: Community Cohesion action	-100			Revenue	No details provided.
		ET: Improve Integrated Transport (Local) SPA: Develop Sustainable Travel action	16	Revenue	No details provided.
CELLS: Children, Young People and School Effectiveness SPA: Children and Young people's Strategy action	-145			Revenue	No details provided.
		CELLS: Children, Young People and School Effectiveness SPA: School Leadership and Effectiveness action	161	Revenue	No details provided.
CELLS: Business improvement and Resource investment SPA: Strategic Projects action	-55			Revenue	No details provided.
RA: Common Agricultural policy and the Countryside SPA: Meeting the needs of rural communities and rural proofing WAG actions action	-45			Revenue	No details provided.
		RA: Rural European Policies SPA: Making payments in accordance with EU and WAG rules	60	Revenue	No details provided.
RA: Rural European Policies SPA: Delivering the programmes within the Rural Development Plan action	-16			Revenue	No details provided.
CSA: Other Central Administration Costs SPA: Local Government Statistics Unit action	-121			Revenue	No details provided.
CSA: Other Central Administration Costs SPA: Events and Corporate Communications action	-60			Revenue	No details provided.
		CSA: Other Central Administration Costs SPA: International Development action	55	Revenue	No details provided.
Net movement	-15,405	Net movement	15,405		

Source: Welsh Government, Supplementary Budget 2010-11 (February 2011)

Note that transfers of less than £250,000 are generally not accompanied by any detail as to their nature.

4. Movements on reserves

There have also been a number of allocations to/from reserves; these are shown in tables 7 and 8, for revenue and capital reserves, respectively. Following these movements detailed in the supplementary budget, the balances on reserves are £0.2million non-cash revenue reserve, and a zero balance on both the near cash revenue reserve and capital reserve.

Table 7: Movements on revenue reserve

MEG/SPA/Action	Near cash (£000s)	Non cash (£000s)	Description
Supplementary Budget 2010 (June 2010)	161,819	0	
Health and Social Services			
NHS Delivery SPA/action	-110,000		Relating to non-recurrent pressures in NHS organisations
NHS Delivery SPA/action	-208		Transfer from Ministry of Justice for funding prison healthcare
Social Services SPA: Children's Social Services action	-320		Transfer from UK Department of Children, Schools and Families relating to funding for NSPCC/Childline
NHS Delivery SPA/action		-39,191	To reflect non cash pressures in NHS
Social Justice and Local Government			
Local Government Funding SPA: Funding Support for Local Government action	1,000		Contribution to in year savings
Local Government Funding SPA: Communities First action	2,300		Contribution to in year savings
Local Government Funding SPA: Funding Support for Local Government action	6,161		To be returned to HM Treasury in relation to Business Rates Relief scheme; technical adjustment.
Economy and Transport			
Improve Domestic Connectivity (Regional & National) SPA: Improve and maintain trunk road network (Domestic routes) action	2,000		Contribution to in-year savings.
Improve Domestic Connectivity (Regional & National) SPA: Improve and maintain trunk road network (Domestic routes) action	-7,085		Pressures on road maintenance budgets due to severe weather.
Improve Domestic Connectivity (Regional & National) SPA: Improve and maintain trunk road network (Domestic routes) - non cash action		23,459	Representing surplus non cash.
Improve International Connectivity SPA: non cash action		16,541	Representing surplus non cash.
Children, Education, Lifelong Learning and Skills			
CELLS: various SPAs/actions	2,971		Contribution to in-year savings.
Business Improvement and Resource Investment SPA: Student Finance and Funding action	-23,500		In recognition of increased student numbers in Further and Higher Education.
Children, Young People and School Effectiveness SPA: Support for Learners action	-1,500		To meet pressures on post 16 special education needs.
Business Improvement and Resource Investment SPA: Student Finance and Funding action		-81,109	To cover impariments to Student Loan Book.

Table 7: Movements on revenue reserve (continued)

MEG/SPA/Action	Near cash (£000s)	Non cash (£000s)	Description
Environment, Sustainability and Housing			
ESH: various SPAs/actions	3,060		Contribution to in-year savings.
Rural Affairs			
Protecting and Improving Animal Health and Welfare SPA/action	5,000		Due to reduced expenditure on TB Eradication Programme in-year.
Common Agricultural Policy and the Countryside SPA: Implementing the new woodland strategy through Forestry Commission Wales	1,400		In respect of windfarm income.
Welsh Food, Fish and Drink Industry SPA: Developing, managing and enforcing Welsh Fisheries and aquaculture		-160	To meet identified in-year charges.
Heritage			
HER: various SPAs/actions	1,000		Contribution to in-year savings.
Public Services and Performance			
PSP: various SPAs/actions	4,900		Contribution to in-year savings.
Central Services and Administration			
Staff Costs and Salaries SPA: Staff Costs action	3,000		Contribution to in-year savings.
Other Central Administration Costs SPA: Election Costs action	-4,530		In respect of costs for the referendum.
Other Central Administration Costs SPA: General Administration action	-1,121		To supplement existing funds for Early Release Scheme.
Other changes			
Return to HM Treasury	-6,161		Relating to Business Rates Relief scheme; technical adjustment.
EYF drawdown	71,547	31,000	
Revenue reductions	-113,541		As required by UK Government in June 2010.
UK Government transfer	208		Transfer from Ministry of Justice for funding prison healthcare.
HM Treasury Reserve		50,000	In relation to shortfall of interest on student loans due to low base rate - one off non cash allocation.
Assembly Commission	1,600		Transfer from revenue to capital for the Assembly Commission was not done in time to baseline with HM Treasury, therefore this has been done via the reserves.
Misstatement reserves		-282	Reflects overallocation of non cash at June supplementary budget and intention to draw EYF to rebalance.
PSOW		-21	
Supplementary Budget 2010-11 (Feb 2011)	0	237	

Source: Welsh Government, Supplementary Budget 2010-11 (February 2011)

Table 8: Movements on capital reserve

MEG/SPA/Action	£000s	Description
Supplementary Budget 2010-11 (June 2010)	27,819	
Health and Social Services		
NHS Delivery SPA/action	-13,743	To support priority capital projects.
Economy and Transport		
Businesses Start, Grow, Prosper and Invest SPA: Provide Financial Support to Businesses action	9,598	Representing in-year loan repayments on borrowings made by Finance Wales PLC.
ET: various SPAs/actions	-51,600	SCIF allocations.
Improve Domestic Connectivity (Regional and National) SPA: Improve Public Transport (Rail) action	-3,500	
Improve International Connectivity SPA/action	-3,000	
Improve Domestic Connectivity (Regional and National) SPA: Improve and maintain trunk road network (Domestic Routes) action	-1,800	
Children, Education, Lifelong Learning and Skills		
Business Improvement and Resource Investment SPA: Capital funding	-16,743	£5m for school capital investment; £8m for school maintenance and refurbishment and £3.743m for FEI maintenance.
Environment, Sustainability and Housing		
Housing SPA: Increase the supply and choice of housing action	-3,000	Welsh Housing Investment Trust.
Housing SPA: Increase the supply and choice of housing action	-1,743	Extra Care programme.
Climate Change and Sustainability SPA: Develop and implement flood and coastal risk, water and sewage policy and legislation action	-800	Flood protection.
Climate Change and Sustainability SPA: Develop and implement climate change, emission prevention, and fuel poverty policy, communications, legislation and regulation action	-2,900	Energy efficiency.
Rural Affairs		
Rural European Policies SPA: Delivering the programmes within the Rural Development Plan action	3,000	Result of reduced expenditure on capital schemes under the Rural Development Plan.
Heritage		
Support and sustain a strong arts sector via the Arts Council and others SPA/action	-18,500	SCIF projects.
Tourism SPA: Developing the Visitor Experience	-1,000	For Tourism Investment Support Scheme.
Museums, Archives and Libraries SPA: Foster usage and lifelong learning through Museum Services action	-1,000	For urgent infrastructure work to be conducted at St Fagan's.
Public Services and Performance		
Match Funding SPA/action	5,000	Departmental underspend.
Other changes		
EYF drawdown	124,519	
Capital reductions	-49,007	As required by UK Government in June 2010.
Assembly Commission	-1,600	Transfer from revenue to capital for the Assembly Commission was not done in time to baseline with HM Treasury, therefore this has been done via the reserves.
Supplementary Budget 2010-11 (Feb 2011)	0	

Source: Welsh Government, Supplementary Budget 2010-11 (February 2011)

5. Spending reductions imposed by UK Government

In May 2010 the UK Government announced their intention to reduce spending by £6.2 billion during 2010-11.¹⁴ The Welsh Government, along with other devolved administrations, was given the option of deferring their share of these reductions until 2011-12. In a statement in July 2010,¹⁵ the Minister for Business and Budget (Jane Hutt AM) clarified that the full amount of the reduction imposed upon Wales as a result of the cuts would be £162.5 million (£113.5 million revenue and £49 million capital). The statement also said:

...we have decided to take as much as we can of the 2010-11 budget reductions this year **but** we are doing this without taking money from our key policy priorities and especially without taking risks with the fragile economic recovery.¹⁶

At the time of the draft budget, the assumption was made that only 50 per cent of the £113.5 million revenue reduction would be made in 2010-11, and that the remainder would be found in 2011-12. However, the Final Budget 2011-12 confirmed that the Welsh Government have taken the entire £113.5 million revenue reduction in the 2010-11 financial year.¹⁷ This means that there is an additional £56.8 million revenue available in the final budget as compared to the draft budget.

The Final Budget narrative document stated that:

...we have taken the decision to use the additional £56.77 million freed up by our careful management to reduce the impact of capital budget reductions in 2011-12. This will be held in Reserves initially and allocated in-year.¹⁸

The supplementary budget confirms that the £49 million capital savings have been met using EYF and that the £113.5 million in revenue savings have been made in the 2010-11 financial year. The narrative accompanying the supplementary budget states:

As a result of careful financial management, we have been able to find the full £113.5 million revenue reductions this year without impacting on services. At the Draft Budget, we made the prudent assumption that we would find 50% of the savings. Finding the full amount of revenue savings this year means that we will have an additional £56.77 million in 2011-12. This gives us greater flexibility going forward and the opportunity to partly mitigate the very large reduction in our capital budget in 2011-12.¹⁹

¹⁴ HM Treasury, [Reducing the Government deficit](#), 24 May 2010 [accessed 3 February 2011]

¹⁵ Welsh Government, Jane Hutt (Minister for Business and Budget), [In year spending](#), Cabinet Oral Statement, 13 July 2010 [accessed 3 February 2011]

¹⁶ Welsh Government, Jane Hutt (Minister for Business and Budget), [In year spending](#), Cabinet Oral Statement, 13 July 2010 [accessed 3 February 2011]

¹⁷ Welsh Government, [Final Budget 2011-12](#), 1 February 2011 page 3 [accessed 3 February 2011]

¹⁸ Welsh Government, [Final Budget 2011-12](#), 1 February 2011 page 3 [accessed 3 February 2011]

¹⁹ Welsh Government, [Supplementary Budget 2010-11](#), February 2011 page 5 [accessed 11 February 2011]

In relation to the £113.5 million revenue savings, the following reductions have been made from portfolio areas as a 'contribution to in-year savings' (these can be seen in table [Z](#) showing movements on the revenue reserve):

- Social Justice and Local Government contributed £3.3 million;
- Economy and Transport contributed £2 million;
- Children, Education and Lifelong Learning contributed £3 million;
- Environment, Sustainability and Housing contributed £3 million;
- Heritage contributed £1 million;
- Rural Affairs contributed £6.4 million;
- Public Services and Performance contributed £4.9 million; and
- Central Service and Administration contributed £3 million.

Thus, contributions from portfolios total £26.6 million, which together with the near cash EYF drawdown of £71.5 million totals £98.1 million; leaving a shortfall of £15.4 million, which was met from the revenue reserve.

6. Strategic Capital Investment Framework

The supplementary budget allocates £70.1 million to SCIF projects as follows:

- Heritage - £18.5 million to the following projects:
 - £3.5 million to Glyn Vivian Art Gallery
 - £15 million to Pontio Arts and Cultural Centre at Bangor University
- Economy and Transport - £51.6 million to the following projects:
 - £4.6 million for dualling of the A465 from Tredegar to Brynmawr
 - £37 million for rail enhancement projects
 - £10 million Capital Media project at Roath Basin

[Table 9](#) provides a fuller picture of the SCIF allocations made over the three years. From this it can be seen that over the three years 2008-09 to 2010-11 the indicative total allocations to SCIF projects were set to be £467.3 million, and that total allocations made to date equate to £458.9 million.

In her paper to the Finance Committee in relation to the Draft Budget 2011-12²⁰ the Minister for Business and Budget (Jane Hutt AM) stated that SCIF will not continue beyond 2010-11, and that a new Centrally Retained Capital fund will be established. As yet, further details of this have not been made available.

Table 9: SCIF allocations compared with indicative allocations ^a

Project	Total allocation	2008-09	2009-10	Indicative allocations for 2010-11	£ millions	
					Allocation in Supplementary Budget 2010-11 (July 2010)	Allocation in Supplementary Budget 2010-11 (February 2011)
Children, Education, Lifelong Learning & Skills	96.3	9.1	11.9	75.3	60.3	0.0
21st Century Schools Capital Programme:						
	5.0	0.1	2.9	2.0	..	0.0
Wrexham	5.0	0.3	4.8	0.0	..	0.0
Newport	15.0	8.5	1.5	5.0	..	0.0
Blaenavon	4.0	0.3	2.8	1.0	..	0.0
Gwynedd	5.3	0.0	0.0	5.3	..	0.0
Ebbw Vale Learning works	35.0	0.0	0.0	35.0	..	0.0
Taf Ely campus	12.0	0.0	0.0	12.0	..	0.0
Da Vinci Arts and Innovation Centre	15.0	0.0	0.0	15.0	..	0.0
Economy & Transport	56.2	1.3	13.3	41.6	0.0	51.6
Dualling A465 Tredegar to Brynmawr	9.2	0.3	4.3	4.6	0.0	4.6
Improve North-South rail services	27.0	0.5	4.5	22.0	0.0	37.0
Rail improvement Gowerton to Loughor	20.0	0.5	4.5	15.0	0.0	..
Capital Media project as Roath Basin	..	..	..	..	..	10.0
Environment, Sustainability & Housing	112.0	21.0	34.0	57.0	57.0	0.0
All Wales low carbon building project	26.0	2.0	9.0	15.0	15.0	0.0
Delivery of anaerobic digestion plants	4.0	0.0	2.0	2.0	2.0	0.0
Delivery of 400+ affordable homes	42.0	15.0	16.0	11.0	11.0	0.0
Flood/coastal defences	8.0	0.0	3.0	5.0	5.0	0.0
Heads of the Valleys low carbon region	12.0	4.0	4.0	4.0	4.0	0.0
Affordable housing and Housing Support package	20.0	0.0	0.0	20.0	20.0	0.0
Health & Social Services	172.9	18.1	44.6	110.2	101.3	0.0
Health Vision Swansea	70.0	6.8	0.0	63.2	..	0.0
All Wales Primary Care Programme	16.4	0.0	2.6	13.8	..	0.0
Merthyr Tydfil Health and Wellbeing Centre	8.0	0.0	0.0	8.0	..	0.0
All Wales pandemic flu preparedness project	59.0	11.3	40.0	7.7	..	0.0
Hazard area response teams	3.0	0.0	2.0	1.0	..	0.0
Prince Charles Hospital Emergency Care Centre	8.5	0.0	0.0	8.5	..	0.0
Children's Hospital for Wales	8.0	0.0	0.0	8.0	..	0.0
Heritage	8.5	0.2	1.5	6.8	3.3	18.5
All Wales cultural heritage initiative	2.0	0.2	0.5	1.3	1.3	0.0
National Library of Wales digitisation project	2.0	0.0	1.0	1.0	1.0	0.0
Eco lighting	1.0	0.0	0.0	1.0	1.0	0.0
Glyn Vivian Art Gallery	3.5	0.0	0.0	3.5	0.0	3.5
Pontio Arts and Cultural Centre at Bangor University ^b	..	..	..	..	..	15.0
Social Justice and Local Government	20.4	0.0	0.9	19.5	10.0	0.0
South East Wales Shared Services	10.4	0.0	0.9	9.5	0.0	0.0
Strategic coordination Centre	10.0	0.0	0.0	10.0	10.0	0.0
Central Services and Administration	1.0	0.0	0.5	0.5	0.5	0.0
Corporate Graphical Information Systems	1.0	0.0	0.5	0.5	0.5	0.0
Total SCIF allocations	467.3	49.7	106.7	310.9	232.4	70.1

a. Allocations for 2008-09, 2009-10 and indicative allocations for 2010-11 are taken from the Minister's paper to Committee [FIN\(3\)-08-10 : Paper 1 : Inquiry into the Allocation of Capital Resources – Evidence from the Minister for Business and Budget](#).

b. Previously known as the Da Vinci Arts and Innovation Centre, conducted in conjunction with CELLS.

²⁰ [FIN\(3\)-02-11 : Paper 3 : Paper to Note : Draft Budget 2011-12 – Further Information from the Minister for Business and Budget , 17 December 2010](#) [accessed 11 February 2011]

7. Health and Social Services

[Table 10](#) shows details of changes at the spending programme area (SPA) level in the Health and Social Services (HSS) main expenditure group (MEG).

As compared with the Supplementary Budget 2010-11 in June 2010 the HSS MEG:

- Shows the largest nominal increase in TME, with a 3.3% (£212.7 million) increase.
- This consists of a 2.6% (£161.4 million) increase in total DEL, and a 43.2% (£51.3 million) increase in AME.
- The total DEL increase comprises an increase in revenue DEL of 2.5% (£147.7 million) and an increase in capital DEL of 3.4% (£13.7 million).

Changes to HSS revenue DEL

The increase in revenue DEL of 2.5% (£147.7 million) comprises:

- A net reduction of £2.1 million as a result of transfers between MEGs (as detailed in [table 6](#));
- A net increase of £149.2 million as a result of movements on reserves (as detailed in [table 7](#)); and
- An increase of £0.5 million as a result of transfers in from the UK Government.

Allocations from revenue reserves include the £110 million as part of the additional £135 million revenue funding announced in December 2010.²¹ The narrative document accompanying the supplementary budget states that this has been allocated to the NHS Delivery SPA and is intended to support non-recurrent pressures on NHS organisations. The statement announcing the allocation stated that:

This money will ensure that we have a robust service that will be able to deal with any pressures that the service may face this year.²²

Transfers into the HSS MEG from the UK Government are detailed in [table 7](#), as they passed through the revenue reserve, and include:

- £0.2 million from the Ministry of Justice in to the NHS Delivery SPA in relation to funding prison healthcare; and

²¹ Welsh Government, Jane Hutt (Minister for Business and Budget), [2010-11 Revenue Allocations](#), Written Cabinet Statement, 6 December 2010 [accessed 11 February 2011]

- £0.3m from the Department of Children and Families into the Social Services SPA in relation to funding for NSPCC/Childline to fund helpline provision in Wales. This transfer is not detailed in the baseline changes discussed in [section 2](#); this is because it had been transferred into reserves prior to the June supplementary budget, but not allocated out to the HSS MEG.

Changes to HSS capital DEL

The increase in capital DEL of 3.4% (£13.7 million) is wholly due to an equal allocation from capital reserves (as detailed in [table 8](#)).

Allocations from capital reserves include the £13 million for health scanning and diagnostic equipment as part of the additional £47 million capital funding announced in November 2010,²³ and the £0.7 million for medical equipment and defibrillators as part of the additional £9 million funding announced in February 2011.²⁴

Changes to HSS AME

The 43.2% (£51.3 million) increase in AME is wholly due to an equal increase in revenue provision for NHS Impairments and Provisions.

²² Welsh Government, Jane Hutt (Minister for Business and Budget), [2010-11 Revenue Allocations](#), Written Cabinet Statement, 6 December 2010 [accessed 11 February 2011]

²³ Welsh Government, Jane Hutt (Minister for Business and Budget), [2010-11 Capital Allocations](#), Written Cabinet Statement, 22 November 2010 [accessed 11 February 2011]

²⁴ Welsh Government Press Release, [Road repairs to benefit from extra £7million](#), 7 February 2011 [accessed 11 February 2011]

Table 10: HSS changes to spending programme area allocations

Spending Programme Area (SPA)	Total Final Budget 10-11 (Dec 2009)	Supplementary Budget 10-11 (June 2010)	Change from Final Budget to Supplementary Budget (June 2010)		Supplementary Budget 10-11 (Feb 2011)	Change from Final Budget to Supplementary Budget (Feb 2011)		Change from Supplementary Budget (June 2010) to Supplementary Budget		
	£000s	£000s	£000s	per cent	£000s	£000s	per cent	£000s	per cent	
Revenue DEL:										
NHS Delivery	5,288,477	5,341,438	52,961	1.0	5,506,160	217,683	4.1	164,722	3.1	
Health Central Budgets	237,439	264,914	27,475	11.6	264,238	26,799	11.3	-676	-0.3	
Public Health and Prevention	167,711	167,711	0	0.0	152,263	-15,448	-9.2	-15,448	-9.2	
Social Services	98,768	102,564	3,796	3.8	101,635	2,867	2.9	-929	-0.9	
CAFCASS Cymru	458	458	0	0.0	458	0	0.0	0	0.0	
Children and Youth Justice Services	4,715	0	-4,715	-100.0	0	-4,715	-100.0	0	..	
Total Revenue DEL	5,797,568	5,877,085	79,517	1.4	6,024,754	227,186	3.9	147,669	2.5	
Capital DEL:										
NHS Delivery	283,310	384,610	101,300	35.8	398,353	115,043	40.6	13,743	3.6	
Health Central Budgets	0	7,000	7,000	..	7,000	7,000	..	0	0.0	
Public Health and Prevention	6,200	6,200	0	0.0	6,200	0	0.0	0	0.0	
Social Services	6,502	6,502	0	0.0	6,502	0	0.0	0	0.0	
Children and Youth Justice Services	600	0	-600	-100.0	0	-600	-100.0	0	..	
Total Capital DEL	296,612	404,312	107,700	36.3	418,055	121,443	40.9	13,743	3.4	
Revenue DEL	5,797,568	5,877,085	79,517	1.4	6,024,754	227,186	3.9	147,669	2.5	
Capital DEL	296,612	404,312	107,700	36.3	418,055	121,443	40.9	13,743	3.4	
Total DEL	6,094,180	6,281,397	187,217	3.1	6,442,809	348,629	5.7	161,412	2.6	
AME	89,849	118,948	29,099	32.4	170,275	80,426	89.5	51,327	43.2	
TOTAL HSS	6,184,029	6,400,345	216,316	3.5	6,613,084	429,055	6.9	212,739	3.3	

Source: Members' Research Service calculations from Welsh Government [Budgets](#)

8. Social Justice and Local Government

[Table 11](#) shows details of changes at the SPA level in the Social Justice and Local Government (SJLG) MEG.

As compared with the Supplementary Budget 2010-11 in June 2010 the SJLG MEG:

- Shows a reduction in TME of 0.2% (£7.4 million).
- This consists of a 0.2% (£10.1 million) reduction in total DEL, and a 23.5% (£2.7 million) increase in AME.
- The total DEL reduction is wholly due to a reduction in revenue DEL of 0.2% (£10.1 million).

Changes to SJLG revenue DEL

The reduction in revenue DEL of 0.2% (£10.1 million) comprises:

- A net reduction of £0.7 million as a result of transfers between MEGs (as detailed in [table 6](#)); and
- A net reduction of £9.5 million as a result of movements on reserves (as detailed in [table 7](#)).

Changes to SJLG capital DEL

There have been no changes to capital DEL within the SJLG MEG.

Changes to SJLG AME

The 23.5% (£2.7 million) increase in AME is wholly due to an equal increase in revenue provision for Funding Support for Local Government.

Table 11: SJLG changes to spending programme area allocations

Spending Programme Area (SPA)	Total Final Budget 10-11 (Dec 2009)	Supplementary Budget 10-11 (June 2010)	Change from Final Budget to Supplementary Budget (June 2010)		Supplementary Budget 10-11 (Feb 2011)	Change from Final Budget to Supplementary Budget (Feb 2011)		Change from Supplementary Budget (June 2010) to Supplementary Budget	
	£000s	£000s	£000s	per cent	£000s	£000s	per cent	£000s	per cent
Revenue DEL:									
Local Government Funding	4,262,195	4,271,880	9,685	0.2	4,264,719	2,524	0.1	-7,161	-0.2
Supporting Communities and People	64,633	59,817	-4,816	-7.5	56,418	-8,215	-12.7	-3,399	-5.7
Safer Communities	40,898	13,423	-27,475	-67.2	13,988	-26,910	-65.8	565	4.2
Local Government Policy	38,397	38,397	0	0.0	38,247	-150	-0.4	-150	-0.4
Local Taxation Policy	16,064	16,064	0	0.0	16,064	0	0.0	0	0.0
Equality, Diversity and Inclusion	1,883	1,883	0	0.0	1,883	0	0.0	0	0.0
Total Revenue DEL	4,424,070	4,401,464	-22,606	-0.5	4,391,319	-32,751	-0.7	-10,145	-0.2
Capital DEL:									
Local Government Funding	37,843	20,000	-17,843	-47.2	20,000	-17,843	-47.2	0	0.0
Supporting Communities and People	21,448	31,128	9,680	45.1	31,128	9,680	45.1	0	0.0
Safer Communities	16,467	9,467	-7,000	-42.5	9,467	-7,000	-42.5	0	0.0
Equality, Diversity and Inclusion	2,500	2,500	0	0.0	2,500	0	0.0	0	0.0
Total Capital DEL	78,258	63,095	-15,163	-19.4	63,095	-15,163	-19.4	0	0.0
Revenue DEL	4,424,070	4,401,464	-22,606	-0.5	4,391,319	-32,751	-0.7	-10,145	-0.2
Capital DEL	78,258	63,095	-15,163	-19.4	63,095	-15,163	-19.4	0	0.0
Total DEL	4,502,328	4,464,559	-37,769	-0.8	4,454,414	-47,914	-1.1	-10,145	-0.2
AME	13,583	11,677	-1,906	-14.0	14,423	840	6.2	2,746	23.5
TOTAL SJLG	4,515,911	4,476,236	-39,675	-0.9	4,468,837	-47,074	-1.0	-7,399	-0.2

Source: Members' Research Service calculations from Welsh Government [Budgets](#)

9. Economy and Transport

[Table 12](#) shows details of changes at the SPA level in the Economy and Transport (E&T) MEG.

As compared with the Supplementary Budget 2010-11 in June 2010 the E&T MEG:

- Shows an increase in TME of 2.8% (£28.6 million).
- This consists of a 1.6% (£15.6 million) increase in total DEL, and a 31.4% (£13.0 million) increase in AME.
- The total DEL increase is due to a reduction in revenue DEL of 5.2% (£31.2 million), and an increase in capital DEL of 12.3% (£46.8 million).

Changes to E&T revenue DEL

The decrease in revenue DEL of 5.2% (£31.2 million) comprises:

- A net increase of £3.7 million as a result of transfers between MEGs, (as detailed in [table 6](#)); and
- A net reduction of £34.9 million as a result of movements on reserves (as detailed in [table 7](#)).

Allocations from revenue reserves include the £7.1 million to meet pressures on local authority road maintenance due to the effects of severe weather, as part of the additional £9 million funding announced in February 2011.²⁵

Changes to E&T capital DEL

The increase in capital DEL of 12.3% (£46.8 million) comprises:

- A net reduction of £3.5 million as a result of transfers between MEGs, (as detailed in [table 6](#)); and
- A net increase of £50.3 million as a result of movements on capital reserves (as detailed in [table 8](#)).

Allocations from capital reserves include the £8.3 million for the ET MEG as part of the additional £47 million capital funding announced in November 2010.²⁶ This comprises £4.8 million for road repairs and renewals and £3.5 million for rail rolling stock on the North/South link.

²⁵ Welsh Government Press Release, [Road repairs to benefit from extra £7million](#), 7 February 2011 [accessed 11 February 2011]

²⁶ Welsh Government, Jane Hutt (Minister for Business and Budget), [2010-11 Capital Allocations](#), Written Cabinet Statement, 22 November 2010 [accessed 11 February 2011]

There is also an allocation of £51.6 million from capital reserves for SCIF projects, as detailed on [table 9](#). Of this, £37 million is allocated to projects relating to North/South and East/West rail enhancements. However, the narrative document accompanying the supplementary budget states that these rail enhancement projects have been deferred until future years due to unavoidable delays. However, the funding for these projects has been allocated to the department for use on other projects and has been divided up amongst a number of the capital actions, as follows:

- £6.7 million to the Improve and Maintain the Trunk Road Network (Domestic Routes) action within the Improve Domestic Connectivity (Regional and National) SPA;
- £9 million to the Improve International Connectivity SPA/action;
- £20.6 million to the Improve and Maintain Local Roads Infrastructure action within the Improve Integrated Transport (Local) SPA; and
- £0.8 million to the Improve Road Safety and Transport's Impact on the Environment SPA/action.

It is stated that the rail projects for which this funding was intended will be financed from within the department's capital allocations in future years.

Changes to E&T AME

The 31.4% (£13.0 million) increase in AME is wholly due to an equal increase in revenue provision for non-cash in the Improve and Maintain the Trunk Roads (Domestic Routes) action.

Table 12: E&T changes to spending programme area allocations

Spending Programme Area (SPA)	Total Final Budget 10-11 (Dec 2009)	Supplementary Budget 10-11 (June 2010)	Change from Final Budget to Supplementary Budget (June 2010)		Supplementary Budget 10-11 (Feb 2011)	Change from Final Budget to Supplementary		Change from Supplementary Budget (June 2010) to Supplementary Budget (Feb 2011)	
	£000s	£000s	£000s	per cent	£000s	£000s	per cent	£000s	per cent
Revenue DEL:									
Customer Support and Development of Policies & Strategies	3,088	3,088	0	0.0	3,088	0	0.0	0	0.0
Deliver Domestic & International Marketing and Major Events	9,528	9,528	0	0.0	9,528	0	0.0	0	0.0
Businesses Start, Grow, Prosper and Invest	34,556	35,368	812	2.3	35,368	812	2.3	0	0.0
Developing Sustainable Infrastructure for Economic Development and others	41,261	8,102	-33,159	-80.4	8,102	-33,159	-80.4	0	0.0
Internationalising the Welsh Economy	5,525	5,525	0	0.0	5,050	-475	-8.6	-475	-8.6
Develop Wales as a focal point for Innovation Technology & Commercialisation	19,196	19,196	0	0.0	19,196	0	0.0	0	0.0
Improve Domestic Connectivity (Regional & National)	292,167	262,239	-29,928	-10.2	243,865	-48,302	-16.5	-18,374	-7.0
Improve International Connectivity	190,561	140,561	-50,000	-26.2	124,020	-66,541	-34.9	-16,541	-11.8
Improve Integrated Transport (Local)	93,006	93,006	0	0.0	93,022	16	0.0	16	0.0
Improve Road Safety & Transport's Impact on the Environment	8,397	8,397	0	0.0	8,397	0	0.0	0	0.0
Implementation of strategic regeneration areas	2,215	0	-2,215	-100.0	0	-2,215	-100.0	0	0.0
Manage delivery of legacy regeneration areas	10,453	0	-10,453	-100.0	0	-10,453	-100.0	0	0.0
Prepare future strategic regeneration areas	50	0	-50	-100.0	0	-50	-100.0	0	0.0
Provide Corporate Programmes and Services	5,550	5,550	0	0.0	5,550	0	0.0	0	0.0
Public Sector Broadband Aggregation	6,115	10,115	4,000	65.4	14,275	8,160	133.4	4,160	41.1
Manage the Delivery of Structural Fund Programmes in Wales	1,290	1,290	0	0.0	1,290	0	0.0	0	0.0
Total Revenue DEL	722,958	601,965	-120,993	-16.7	570,751	-152,207	-21.1	-31,214	-5.2
Capital DEL:									
Deliver Domestic & International Marketing and Major Events	400	400	0	0.0	400	0	0.0	0	0.0
Businesses Start, Grow, Prosper and Invest	77,899	77,899	0	0.0	64,801	-13,098	-16.8	-13,098	-16.8
Developing Sustainable Infrastructure for Economic Development and others	16,416	16,416	0	0.0	26,416	10,000	60.9	10,000	60.9
Develop Wales as a focal point for Innovation Technology & Commercialisation	2,794	2,794	0	0.0	2,794	0	0.0	0	0.0
Improve Domestic Connectivity (Regional & National)	103,834	103,834	0	0.0	115,793	11,959	11.5	11,959	11.5
Improve International Connectivity	38,683	38,683	0	0.0	55,291	16,608	42.9	16,608	42.9
Improve Integrated Transport (Local)	120,917	120,917	0	0.0	141,499	20,582	17.0	20,582	17.0
Improve Road Safety & Transport's Impact on the Environment	18,257	18,257	0	0.0	19,008	751	4.1	751	4.1
Implementation of strategic regeneration areas	41,108	0	-41,108	-100.0	0	-41,108	-100.0	0	0.0
Manage delivery of legacy regeneration areas	7,147	0	-7,147	-100.0	0	-7,147	-100.0	0	0.0
Prepare future strategic regeneration areas	3,017	0	-3,017	-100.0	0	-3,017	-100.0	0	0.0
Provide Corporate Programmes and Services	540	540	0	0.0	540	0	0.0	0	0.0
Total Capital DEL	431,012	379,740	-51,272	-11.9	426,542	-4,470	-1.0	46,802	12.3
Revenue DEL	722,958	601,965	-120,993	-16.7	570,751	-152,207	-21.1	-31,214	-5.2
Capital DEL	431,012	379,740	-51,272	-11.9	426,542	-4,470	-1.0	46,802	12.3
Total DEL	1,153,970	981,705	-172,265	-14.9	997,293	-156,677	-13.6	15,588	1.6
AME	473,767	41,402	-432,365	-91.3	54,402	-419,365	-88.5	13,000	31.4
TOTAL E&T	1,627,737	1,023,107	-604,630	-37.1	1,051,695	-576,042	-35.4	28,588	2.8

Source: Members' Research Service calculations from Welsh Government [Budgets](#)

10. Children, Education, Lifelong Learning and Skills

[Table 13](#) shows details of changes at the SPA level in the Children, Education, Lifelong Learning and Skills (CELLS) MEG.

As compared with the Supplementary Budget 2010-11 in June 2010 the CELLS MEG:

- Shows an increase in TME of 1.5% (£33.0 million).
- This consists of a 6.2% (£121.3 million) increase in total DEL, and a 43.4% (£88.3 million) reduction in AME.
- The total DEL increase is due to an increase in revenue DEL of 6.1% (£104.5 million), and an increase in capital DEL of 6.9% (£16.7 million).

Changes to CELLS revenue DEL

The increase in revenue DEL of 6.1% (£104.5 million) comprises:

- A net increase of £1.4 million as a result of transfers between MEGs, (as detailed in [table 6](#)); and
- A net increase of £103.1 million as a result of movements on reserves (as detailed in [table 7](#)).

Allocations from revenue reserves include the £25 million as part of the additional £135 million revenue funding announced in December 2010.²⁷ Of this £23.5 million is in recognition of the increase in student numbers in further and higher education, and £1.5 million is to meet pressures on post-16 special educational needs.

Changes to CELLS capital DEL

The increase in capital DEL of 6.9% (£16.7 million) is wholly due to an equal allocation from capital reserves (as detailed in [table 8](#)).

Allocations from capital reserves include the £16 million for the CELLS MEG as part of the additional £47 million capital funding announced in November 2010.²⁸ This comprises £5 million for school capital investment, £8 million for school maintenance and refurbishment and £3 million for FE maintenance. Also included

²⁷ Welsh Government, Jane Hutt (Minister for Business and Budget), [2010-11 Revenue Allocations](#), Written Cabinet Statement, 6 December 2010 [accessed 11 February 2011]

²⁸ Welsh Government, Jane Hutt (Minister for Business and Budget), [2010-11 Capital Allocations](#), Written Cabinet Statement, 22 November 2010 [accessed 11 February 2011]

is the further £0.7 million for FE maintenance as part of the additional £9 million funding announced in February 2011.²⁹

Changes to CELLS AME

The 43.4% (£88.3 million) reduction in AME comprises a capital increase of £16.1 million and a revenue reduction of £104.4 million, both with respect to student finance and funding.

²⁹ Welsh Government Press Release, [Road repairs to benefit from extra £7million](#), 7 February 2011 [accessed 11 February 2011]

Table 13: CELLS changes to spending programme area allocations

Spending Programme Area (SPA)	Total Final Budget 10-11 (Dec 2009)	Supplementary Budget 10-11 (June 2010)	Change from Final Budget to Supplementary Budget (June 2010)		Supplementary Budget 10-11 (Feb 2011)	Change from Final Budget to Supplementary Budget (Feb 2011)		Change from Supplementary Budget (June 2010) to Supplementary Budget		
	£000s	£000s	£000s	per cent	£000s	£000s	per cent	£000s	per cent	
Revenue DEL:										
Children Young People and School Effectiveness	197,305	204,660	7,355	3.7	227,839	30,534	15.5	23,179	11.3	
Qualification, Curriculum and Learning Improvement	159,887	159,850	-37	0.0	136,442	-23,445	-14.7	-23,408	-14.6	
Skills, Higher Education and Lifelong Learning	1,047,774	1,052,972	5,198	0.5	1,063,437	15,663	1.5	10,465	1.0	
Business Improvement and Resource Investment	287,926	287,963	37	0.0	382,268	94,342	32.8	94,305	32.7	
Total Revenue DEL	1,692,892	1,705,445	12,553	0.7	1,809,986	117,094	6.9	104,541	6.1	
Capital DEL:										
Children Young People and School Effectiveness	6,806	7,406	600	8.8	7,406	600	8.8	0	0.0	
Skills, Higher Education and Lifelong Learning	19,436	19,436	0	0.0	19,436	0	0.0	0	0.0	
Business Improvement and Resource Investment	156,650	216,950	60,300	38.5	233,693	77,043	49.2	16,743	7.7	
Total Capital DEL	182,892	243,792	60,900	33.3	260,535	77,643	42.5	16,743	6.9	
Revenue DEL	1,692,892	1,705,445	12,553	0.7	1,809,986	117,094	6.9	104,541	6.1	
Capital DEL	182,892	243,792	60,900	33.3	260,535	77,643	42.5	16,743	6.9	
Total DEL	1,875,784	1,949,237	73,453	3.9	2,070,521	194,737	10.4	121,284	6.2	
AME	175,598	203,398	27,800	15.8	115,075	-60,523	-34.5	-88,323	-43.4	
TOTAL CELLS	2,051,382	2,152,635	101,253	4.9	2,185,596	134,214	6.5	32,961	1.5	

Source: Members' Research Service calculations from Welsh Government [Budgets](#)

11. Environment, Sustainability and Housing

[Table 14](#) shows details of changes at the SPA level in the Environment, Sustainability and Housing (ESH) MEG.

As compared with the Supplementary Budget 2010-11 in June 2010 the ESH MEG:

- Shows an increase in TME of 0.7% (£5.4 million).
- This consists of a 0.6% (£5.4 million) increase in total DEL, and a small increase (£24,000) in AME.
- The total DEL increase is due to an reduction in revenue DEL of 1.1% (£4.3 million), and an increase in capital DEL of 2.0% (£9.6 million).

Changes to ESH revenue DEL

The reduction in revenue DEL of 1.1% (£4.3 million) comprises:

- A net reduction of £1.2 million as a result of transfers within the MEG (representing a revenue to capital switch as detailed in [section 3](#));
- A net decrease of £31,000 as a result of transfers between MEGs, (as detailed in [table 6](#)); and
- A net decrease of £3.1 million as a result of movements on reserves (as detailed in [table 7](#)).

Changes to ESH capital DEL

The increase in capital DEL of 2.0% (£9.6 million) comprises:

- A net increase of £1.2 million as a result of transfers within the MEG (representing a revenue to capital switch as detailed in [section 3](#)); and
- A net increase of £8.4 million as a result of movements on capital reserves (as detailed in [table 8](#)).

Allocations from capital reserves include the £7.7 million for the ESH MEG as part of the additional £47 million capital funding announced in November 2010.³⁰ This comprises £3 million for the Welsh Housing Investment Trust, £0.8 million for the flood defence programme, £ 2.9 million for energy efficiency and £1 million for the Extra Care programme. Also included is the further £0.7 million

³⁰ Welsh Government, Jane Hutt (Minister for Business and Budget), [2010-11 Capital Allocations](#), Written Cabinet Statement, 22 November 2010 [accessed 11 February 2011]

for the Extra Care programme, as part of the additional £9 million funding announced in February 2011.³¹

Changes to ESH AME

The increase of £24,000 in AME is due to additional revenue provision for the Achieve quality housing action, in relation to Housing Revenue Account.

³¹ Welsh Government Press Release, [Road repairs to benefit from extra £7million](#), 7 February 2011 [accessed 11 February 2011]

Table 14: ESH changes to spending programme area allocations

Spending Programme Area (SPA)	Total Final Budget 10-11 (Dec 2009)	Supplementary Budget 10-11 (June 2010)	Change from Final Budget to Supplementary Budget (June 2010)		Supplementary Budget 10-11 (Feb 2011)	Change from Final Budget to Supplementary Budget (Feb 2011)		Change from Supplementary Budget (June 2010) to Supplementary Budget	
	£000s	£000s	£000s	per cent	£000s	£000s	per cent	£000s	per cent
Revenue DEL:									
Climate Change and Sustainability	119,710	119,710	0	0.0	117,794	-1,916	-1.6	-1,916	-1.6
Environment	83,963	83,855	-108	-0.1	82,932	-1,031	-1.2	-923	-1.1
Housing	157,347	157,347	0	0.0	155,917	-1,430	-0.9	-1,430	-0.9
Planning	8,074	8,074	0	0.0	7,953	-121	-1.5	-121	-1.5
Regeneration	0	14,894	14,894	..	14,993	14,993	..	99	0.7
Total Revenue DEL	369,094	383,880	14,786	4.0	379,589	10,495	2.8	-4,291	-1.1
Capital DEL:									
Climate Change and Sustainability	67,220	93,120	25,900	38.5	96,820	29,600	44.0	3,700	4.0
Environment	8,259	8,259	0	0.0	8,259	0	0.0	0	0.0
Housing	273,079	306,579	33,500	12.3	312,522	39,443	14.4	5,943	1.9
Regeneration	0	73,435	73,435	..	73,435	73,435	..	0	0.0
Total Capital DEL	348,558	481,393	132,835	38.1	491,036	142,478	40.9	9,643	2.0
Revenue DEL	369,094	383,880	14,786	4.0	379,589	10,495	2.8	-4,291	-1.1
Capital DEL	348,558	481,393	132,835	38.1	491,036	142,478	40.9	9,643	2.0
Total DEL	717,652	865,273	147,621	20.6	870,625	152,973	21.3	5,352	0.6
AME	-78,000	-77,000	1,000	-1.3	-76,976	1,024	-1.3	24	0.0
TOTAL ESH	639,652	788,273	148,621	23.2	793,649	153,997	24.1	5,376	0.7

Source: Members' Research Service calculations from Welsh Government [Budgets](#)

12. Rural Affairs

[Table 15](#) shows details of changes at the SPA level in the Rural Affairs (RA) MEG.

As compared with the Supplementary Budget 2010-11 in June 2010 the RA MEG:

- Shows a reduction in TME of 6.2% (£8.9 million).
- This is wholly due to a corresponding reduction of a 6.2% (£8.9 million) reduction in total DEL.
- The total DEL reduction is due to a reduction in revenue DEL of 4.7% (£5.9 million), and a reduction in capital DEL of 17.9% (£3 million).

Changes to RA revenue DEL

The reduction in revenue DEL of 4.7% (£5.9 million) comprises:

- A net increase of £0.4 million as a result of transfers between MEGs, (as detailed in [table 6](#)); and
- A net decrease of £6.2 million as a result of movements on reserves (as detailed in [table 7](#)).

Changes to RA capital DEL

The reduction in capital DEL of 17.9% (£3 million) is wholly due to an equal reduction as a result of movements on capital reserves (as detailed in [table 8](#)).

There are no changes to AME provision within the RA MEG.

Table 15: RA changes to spending programme area allocations

Spending Programme Area (SPA)	Total Final Budget 10-11 (Dec 2009)	Supplementary Budget 10-11 (June 2010)	Change from Final Budget to Supplementary Budget (June 2010)		Supplementary Budget 10-11 (Feb 2011)	Change from Final Budget to Supplementary Budget (Feb 2011)		Change from Supplementary Budget (June 2010) to Supplementary Budget		
	£000s	£000s	£000s	per cent	£000s	£000s	per cent	£000s	per cent	
Revenue DEL:										
Protecting and improving Animal Health and Welfare	25,153	25,153	0	0.0	20,153	-5,000	-19.9	-5,000	-19.9	
Rural European Policies	69,054	69,054	0	0.0	68,998	-56	-0.1	-56	-0.1	
Evidence Base	1,065	1,027	-38	-3.6	1,027	-38	-3.6	0	0.0	
Welsh Food, Fish and Drink Industry	6,689	6,814	125	1.9	7,449	760	11.4	635	9.3	
Common Agriculture Policy and the Countryside	34,446	23,988	-10,458	-30.4	22,543	-11,903	-34.6	-1,445	-6.0	
Total Revenue DEL	136,407	126,036	-10,371	-7.6	120,170	-16,237	-11.9	-5,866	-4.7	
Capital DEL:										
Rural European Policies	15,372	15,372	0	0.0	12,372	-3,000	-19.5	-3,000	-19.5	
Evidence Base	38	38	0	0.0	38	0	0.0	0	0.0	
Welsh Food, Fish and Drink Industry	1,524	1,524	0	0.0	1,524	0	0.0	0	0.0	
Common Agriculture Policy and the Countryside	-205	-205	0	0.0	-205	0	0.0	0	0.0	
Total Capital DEL	16,729	16,729	0	0.0	13,729	-3,000	-17.9	-3,000	-17.9	
Revenue DEL	136,407	126,036	-10,371	-7.6	120,170	-16,237	-11.9	-5,866	-4.7	
Capital DEL	16,729	16,729	0	0.0	13,729	-3,000	-17.9	-3,000	-17.9	
Total DEL	153,136	142,765	-10,371	-6.8	133,899	-19,237	-12.6	-8,866	-6.2	
AME	0	0	0	0.0	0	0	0.0	0	0.0	
TOTAL RA	153,136	142,765	-10,371	-6.8	133,899	-19,237	-12.6	-8,866	-6.2	

Source: Members' Research Service calculations from Welsh Government [Budgets](#)

13. Heritage

[Table 16](#) shows details of changes at the SPA level in the Heritage (HER) MEG.

As compared with the Supplementary Budget 2010-11 in June 2010 the HER MEG:

- Shows the greatest increase in TME in percentage terms of 14.5% (£23.1 million).
- This consists of wholly of an increase of 14.7% (£23.1 million) in total DEL.
- The total DEL increase is due to a reduction in revenue DEL of 1.1% (£1.6 million), and an increase in capital DEL of over 100% (£24.7 million).

Changes to HER revenue DEL

The reduction in revenue DEL of 1.1% (£1.6 million) comprises:

- A net reduction of £0.7 million as a result of transfers within the MEG (representing a revenue to capital switch as detailed in [section 3](#));
- A net increase of £0.1 million as a result of transfers between MEGs, (as detailed in [table 6](#)); and
- A net decrease of £1.0 million as a result of movements on reserves (as detailed in [table 7](#)).

Changes to HER capital DEL

The increase in capital DEL of £24.7 million comprises:

- A net increase of £0.7 million as a result of transfers within the MEG (representing a revenue to capital switch as detailed in [section 3](#));
- A net increase of £3.5 million as a result of transfers between MEGs, (as detailed in [table 6](#)); and
- A net increase of £20.5 million as a result of movements on capital reserves (as detailed in [table 8](#)).

Allocations from capital reserves include the £2 million for the HER MEG as part of the additional £47 million capital funding announced in November 2010.³² This comprises £1 million for urgent infrastructure work at St Fagan's and £1 million for the Tourist Investment Support scheme.

³² Welsh Government, Jane Hutt (Minister for Business and Budget), [2010-11 Capital Allocations](#), Written Cabinet Statement, 22 November 2010 [accessed 11 February 2011]

There is also an allocation of £18.5 million from capital reserves for SCIF projects, as detailed in [table 9](#).

There are no changes to AME provision within the HER MEG.

Table 16: HER changes to spending programme area allocations

Spending Programme Area (SPA)	Total Final Budget 10-11 (Dec 2009)	Supplementary Budget 10-11 (June 2010)	Change from Final Budget to Supplementary Budget (June 2010)		Supplementary Budget 10-11 (Feb 2011)	Change from Final Budget to Supplementary Budget (Feb 2011)		Change from Supplementary Budget (June 2010) to Supplementary Budget	
	£000s	£000s	£000s	per cent	£000s	£000s	per cent	£000s	per cent
Revenue DEL:									
Support and sustain a strong arts sector via the Arts Council and others	36,780	36,530	-250	-0.7	35,884	-896	-2.4	-646	-1.8
Museums, Archives and Libraries	46,664	39,564	-7,100	-15.2	39,615	-7,049	-15.1	51	0.1
Delivery of effective sports & physical activity programmes	27,145	26,345	-800	-2.9	25,475	-1,670	-6.2	-870	-3.3
Promote wider use of the Welsh Language via the Welsh Language Board and others	17,949	17,919	-30	-0.2	17,810	-139	-0.8	-109	-0.6
Conserve, protect, sustain and promote access to the historic environment	5,769	5,540	-229	-4.0	5,640	-129	-2.2	100	1.8
Tourism	13,064	13,064	0	0.0	12,988	-76	-0.6	-76	-0.6
Total Revenue DEL	147,371	138,962	-8,409	-5.7	137,412	-9,959	-6.8	-1,550	-1.1
Capital DEL:									
Support and sustain a strong arts sector via the Arts Council and others	1,090	1,090	0	0.0	18,875	17,785	1631.7	17,785	1631.7
Museums, Archives and Libraries	6,602	7,602	1,000	15.1	10,002	3,400	51.5	2,400	31.6
Delivery of effective sports & physical activity programmes	1,170	1,170	0	0.0	720	-450	-38.5	-450	-38.5
Promote wider use of the Welsh Language via the Welsh Language Board and others	125	125	0	0.0	125	0	0.0	0	0.0
Conserve, protect, sustain and promote access to the historic environment	6,135	8,435	2,300	37.5	8,850	2,715	44.3	415	4.9
Tourism	0	0	0	..	4,500	4,500	..	4,500	..
Total Capital DEL	15,122	18,422	3,300	21.8	43,072	27,950	184.8	24,650	133.8
Revenue DEL	147,371	138,962	-8,409	-5.7	137,412	-9,959	-6.8	-1,550	-1.1
Capital DEL	15,122	18,422	3,300	21.8	43,072	27,950	184.8	24,650	133.8
Total DEL	162,493	157,384	-5,109	-3.1	180,484	17,991	11.1	23,100	14.7
AME	29,584	2,058	-27,526	-93.0	2,058	-27,526	-93.0	0	0.0
TOTAL HER	192,077	159,442	-32,635	-17.0	182,542	-9,535	-5.0	23,100	14.5

Source: Members' Research Service calculations from Welsh Government [Budgets](#)

14. Public Services and Performance

[Table 17](#) shows details of changes at the SPA level in the Public Services and Performance (PSP) MEG.

As compared with the Supplementary Budget 2010-11 in June 2010 the PSP MEG:

- Shows the greatest reduction in TME, both in nominal and percentage terms, of 16.8% (£12.1 million).
- This consists of wholly of a reduction of 16.8% (£12.1 million) in total DEL.
- The total DEL reduction is due to a reduction in revenue DEL of 14.1% (£7.1 million), and a reduction in capital DEL of 23.3% (£5.0 million).

Changes to PSP revenue DEL

The reduction in revenue DEL of 14.1% (£7.1 million) comprises:

- A net decrease of £2.2 million as a result of transfers between MEGs, (as detailed in [table 6](#)); and
- A net decrease of £4.9 million as a result of movements on reserves (as detailed in [table 7](#)).

Changes to PSP capital DEL

The decrease in capital DEL of 23.3% (£5.0 million) wholly comprises an equal reduction as a result of movements on capital reserves (as detailed in [table 8](#)).

There are no changes to AME provision within the PSP MEG.

Table 17: PSP changes to spending programme area allocations

Spending Programme Area (SPA)	Total Final Budget 10-11 (Dec 2009)	Supplementary Budget 10-11 (June 2010)	Change from Final Budget to Supplementary Budget (June 2010)		Supplementary Budget 10-11 (Feb 2011)	Change from Final Budget to Supplementary Budget (Feb 2011)		Change from Supplementary Budget (June 2010) to Supplementary Budget	
	£000s	£000s	£000s	per cent	£000s	£000s	per cent	£000s	per cent
Revenue DEL:									
Care and Social Services Inspectorate	30,959	16,534	-14,425	-46.6	15,534	-15,425	-49.8	-1,000	-6.0
Healthcare Inspectorate Wales	2,963	2,963	0	0.0	2,963	0	0.0	0	0.0
Estyn	14,055	14,080	25	0.2	13,080	-975	-6.9	-1,000	-7.1
Inspection, Regulation and Performance Frameworks	650	650	0	0.0	160	-490	-75.4	-490	-75.4
Local & Regional Collaboration	1,560	1,560	0	0.0	1,460	-100	-6.4	-100	-6.4
Making the Connections	3,321	3,321	0	0.0	2,021	-1,300	-39.1	-1,300	-39.1
Leadership and Management Capacity	1,196	1,196	0	0.0	0	-1,196	-100.0	-1,196	-100.0
Match Funding	0	10,000	10,000	..	8,000	8,000	..	-2,000	-20.0
Total Revenue DEL	54,704	50,304	-4,400	-8.0	43,218	-11,486	-21.0	-7,086	-14.1
Capital DEL:									
Estyn	425	425	0	0.0	425	0	0.0	0	0.0
Match Funding	0	21,000	21,000	..	16,000	16,000	..	-5,000	-23.8
Total Capital DEL	425	21,425	21,000	4941.2	16,425	16,000	3764.7	-5,000	-23.3
Revenue DEL	54,704	50,304	-4,400	-8.0	43,218	-11,486	-21.0	-7,086	-14.1
Capital DEL	425	21,425	21,000	4941.2	16,425	16,000	3764.7	-5,000	-23.3
Total DEL	55,129	71,729	16,600	30.1	59,643	4,514	8.2	-12,086	-16.8
AME	0	0	0	0.0	0	0	0.0	0	0.0
TOTAL PSP	55,129	71,729	16,600	30.1	59,643	4,514	8.2	-12,086	-16.8

Source: Members' Research Service calculations from Welsh Government [Budgets](#)

15. Central Services and Administration

[Table 18](#) shows details of changes at the SPA level in the Central Services and Administration (CSA) MEG.

As compared with the Supplementary Budget 2010-11 in June 2010 the CSA MEG:

- Shows an increase in TME of 1.8% (£6.5 million).
- This consists of an increase in total DEL of 0.5% (£2.0 million), and an increase in AME of £4.5 million from zero.
- The total DEL increase is due to a reduction in revenue DEL of 0.6% (£2.0 million), and an increase in capital DEL of 25.8% (£4.0 million).

Changes to CSA revenue DEL

The decrease in revenue DEL of 0.6% (£2.0 million) comprises:

- A net decrease of £4 million as a result of transfers within the MEG (representing a revenue to capital switch as detailed in [section 3](#));
- A net decrease of £0.6 million as a result of transfers between MEGs, (as detailed in [table 6](#)); and
- A net increase of £2.7 million as a result of movements on reserves (as detailed in [table 7](#)).

Changes to CSA capital DEL

The increase in capital DEL of 25.8% (£4.0 million) is wholly due to an equal increase as a result of transfers within the MEG (representing a revenue to capital switch as detailed in [section 3](#)).

Changes to CSA AME

The increase of £4.5 million in AME is due to additional revenue provision for early retirement within Staff Costs and Salaries.

Table 18: CSA changes to spending programme area allocations

Spending Programme Area (SPA)	Total Final Budget 10-11 (Dec 2009)	Supplementary Budget 10-11 (June 2010)	Change from Final Budget to Supplementary Budget (June 2010)		Supplementary Budget 10-11 (Feb 2011)	Change from Final Budget to Supplementary Budget (Feb 2011)		Change from Supplementary Budget (June 2010) to Supplementary Budget	
	£000s	£000s	£000s	per cent	£000s	£000s	per cent	£000s	per cent
Revenue DEL:									
Staff Costs and Salaries	245,738	244,612	-1,126	-0.5	227,927	-17,811	-7.2	-16,685	-6.8
Other Central Administration Costs	105,427	111,159	5,732	5.4	125,868	20,441	19.4	14,709	13.2
Total Revenue DEL	351,165	355,771	4,606	1.3	353,795	2,630	0.7	-1,976	-0.6
Capital DEL:									
Other Central Administration Costs	15,033	15,533	500	3.3	19,533	4,500	29.9	4,000	25.8
Total Capital DEL	15,033	15,533	500	3.3	19,533	4,500	29.9	4,000	25.8
Revenue DEL	351,165	355,771	4,606	1.3	353,795	2,630	0.7	-1,976	-0.6
Capital DEL	15,033	15,533	500	3.3	19,533	4,500	29.9	4,000	25.8
Total DEL	366,198	371,304	5,106	1.4	373,328	7,130	1.9	2,024	0.5
AME	0	0	0	0.0	4,500	4,500	..	4,500	..
TOTAL CSA	366,198	371,304	5,106	1.4	377,828	11,630	3.2	6,524	1.8

Source: Members' Research Service calculations from Welsh Government [Budgets](#)

