
Welsh Government Draft Budget Proposals 2023-24

*Laid before Senedd Cymru by the Minister for Finance and Local Government in
accordance with Standing Order 20.7 and 20.7A*

December 2022

Draft Budget Proposals

1. These proposals are laid in accordance with Standing Order 20.7 and 20.7A. They are intended to be read alongside the supporting tables detailing the MEG allocations which have been published in accordance with Standing Order 20.7B.
2. Welsh Ministers propose to use resources (including accruing resources) during the financial years ending 31 March 2024 and 31 March 2025 as follows:

Ambit	2023-24		2024-25	
	Resources (£000)	Accruing Resources (£000)	Resources (£000)	Accruing Resources (£000)
Health and Social Services	10,969,396	68,869	11,217,190	68,869
Finance and Local Government	5,012,652	3,113	4,949,115	3,415
Education and the Welsh Language	3,634,471	470,437	4,214,845	764,050
Climate Change	2,880,337	253,967	2,731,390	261,050
Economy	578,647	517,292	570,133	40,658
Rural Affairs	447,234	30,871	469,034	3,880
Social Justice	184,683	6	188,735	42
Central Services and Administration	361,303	7,000	362,303	7,000
Total	24,068,723	1,351,555	24,702,745	1,148,964

3. Welsh Ministers propose to draw cash out of the Welsh Consolidated Fund for the financial years ending 31 March 2024 and 31 March 2025 as follows:

	2022-23 (£000)	2024-25 (£000)
Net Resources Requirement	24,068,723	24,702,745
Adjustments:		
Capital Charges	-519,651	-523,331
Impairments	-819,169	-1,176,677
Movements in Provisions	-149,545	-148,150
Profit/Loss on sale of assets	0	0
Movements in stocks	0	0
Movements in debtors/creditors	542,000	542,000
Use of Provisions	0	0
Other	0	0
Net Cash Requirement for issue from the Welsh Consolidated Fund	23,122,358	23,396,587

4. Welsh Ministers propose to finance its expenditure for the financial years ending 31 March 2024 and 31 March 2025 as follows:

	2023-24 (£000)	2024-25 (£000)
Block Grant (Departmental Expenditure Limit)	20,204,332	19,978,061
Annually Managed Expenditure	1,344,151	1,755,828
Devolved Financing:		
Non Domestic Rates	906,000	1,121,000
Welsh Rate of Income Tax	2,765,500	3,263,301
Land Transaction Tax	313,824	300,642
Landfill Disposals Tax	40,802	39,076
Borrowing (net)	143,347	139,405
Total financing for the Welsh Government ^{Note}	25,717,956	26,597,313

Note: Includes financing for expenditure outside Ambits, e.g. unallocated provisions.

5. Welsh Ministers propose borrowing for capital purposes for the financial years ending 31 March 2024 and 31 March 2025 as follows:

	2023-24 (£000)	2024-25 (£000)
Total borrowing outstanding as at 1 April (principal)	217,607	360,954
Proposed capital borrowing to be drawn in-year	150,000	150,000
Repayment of principal in-year	(6,653)	(10,595)
Aggregate capital borrowing outstanding as at 31 March	360,954	500,359
Interest payments due in-year	6,797	12,154

2023-24 Repayment Schedule based on borrowing at the levels detailed above			
	Amounts falling due within 1 year (£000)	Amounts falling due within 1 – 5 years (£000)	Amounts falling due after 5 years (£000)
Principal	6,653	44,488	316,466
Interest	6,797	46,511	119,092

2024-25 Repayment Schedule based on borrowing at the levels detailed above			
	Amounts falling due within 1 year (£000)	Amounts falling due within 1 – 5 years (£000)	Amounts falling due after 5 years (£000)
Principal	10,595	61,801	438,558
Interest	12,154	66,396	169,546

Notes:

1. Direct borrowing for capital purposes comprises funds borrowed under s122A of Government of Wales Act 2006 (as amended) and previous loans from the National Loans Fund by the former Development Board for Rural Wales and the Mid Wales Development Corporation.
2. Loans taken out by the former Development Board for Rural Wales and Mid Wales Development Corporation are due to be repaid by 2042.
3. Capital borrowing under the s122A of Government of Wales Act 2006 (as amended) is assumed to be on a 25 year term, so borrowing in 2023-24 will be repaid in 2048-49.