
Welsh Government Outline Draft Budget Proposals 2018-19

Laid before the National Assembly for Wales by the Cabinet Secretary for Finance & Local Government in accordance with Standing Order 20.7 and 20.7A

October 2017

Outline 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 supporting budget documentation published on 3rd October 2017.
2. Welsh Ministers propose to use resources (including accruing resources) during the financial years ending 31 March 2019 and 31 March 2020 as follows:

Ambit	2018-19		2019-20	
	Resources (£000)	Accruing Resources (£000)	Resources (£000)	Accruing Resources (£000)
Health, Well-being and Sport	7,645,072	68,844	7,883,018	68,844
Local Government	3,390,467	470	3,305,335	470
Communities and Children	901,446	0	805,391	0
Economy and Infrastructure	1,236,319	72,392	1,406,073	57,956
Education	2,163,805	248,845	2,290,328	288,575
Environment and Rural Affairs	333,668	335,336	312,256	335,336
Central Services and Administration	297,537	412,719	284,300	411,802
Total	15,968,314	1,138,606	16,286,701	1,162,983

3. Welsh Ministers propose to draw cash out of the Welsh Consolidated Fund for the financial years ending 31 March 2019 and 31 March 2020 as follows:

	2018-19 (£000)	2019-20 (£000)
Net Resources Requirement	15,968,314	16,286,701
Adjustments:		
Capital Charges	-393,541	-393,288
Impairments	-73,086	-186,404
Movements in Provisions	-64,939	-69,977
Profit/Loss on sale of assets	0	0
Movements in stocks	0	0
Movements in debtors/creditors	0	0
Use of Provisions	0	0
Other	0	0
Net Cash Requirement for issue from the Welsh Consolidated Fund	15,436,748	15,637,032

4. Welsh Ministers propose to finance its expenditure for the financial years ending 31 March 2019 and 31 March 2020 as follows:

	2018-19 (£000)	2019-20 (£000)
Block Grant (Departmental Expenditure Limit)	15,419,791	15,691,989
Annually Managed Expenditure	722,301	999,933
Devolved Financing:		
Non Domestic Rates	1,052,000	1,078,000
Land Transaction Tax	266,000	291,000
Landfill Disposals Tax	28,000	26,000
Borrowing (net)	124,384	121,256
Total financing for the Welsh Government ^{Note}	17,612,476	18,208,178

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 2019, 31 March 2020 and 31 March 2021 as follows:

	2018-19 (£000)	2019-20 (£000)	2020-21 (£000)
Total borrowing outstanding as at 1 April (principal)	31,210	155,594	276,850
Proposed capital borrowing to be drawn in-year	125,000	125,000	125,000
Repayment of principal in-year	(616)	(3,744)	(6,936)
Aggregate capital borrowing outstanding as at 31 March	155,594	276,850	394,913
Interest payments due in-year	2,017	4,440	6,798

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	616	31,291	374,303
Interest	2,017	29,197	123,219

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 30 year term, so borrowing in 2018-19 will be repaid in 2048-49.