

National Assembly for Wales
Research paper

Final Budget 2013-14

November 2012

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National Assembly for Wales
Research paper

Final Budget 2013-14

November 2012

Dr Eleanor Roy

This paper provides information on the Welsh Government's Final Budget 2013-14. It provides an overview of spending plans for 2013-14, how these compare to 2012-13, looks at overall changes over the budget period (to 2014-15), and how the Final Budget compares to the Draft Budget 2013-14.

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Summary

This paper provides information on the Welsh Government's Final Budget 2013-14, which details spending plans for 2013-14 and indicative plans for 2014-15. It highlights changes that have been made since the Draft Budget 2013-14, and thus should be read in conjunction with the Research Service paper [Draft Budget Proposals 2013-14](#).

- Since the draft budget, there have been **additional allocations to Welsh Government departments of £41 million in 2013-14, and £61 million in 2014-15**. These additional allocations have been made from reserves.
- The additional allocations in 2013-14 include: **£21 million** to the Business, Enterprise, Technology and Science portfolio and **£20 million** to the Education and Skills portfolio.
- Total managed expenditure (TME) allocated to Welsh Government departments is planned to **decrease by £107.9 million (0.7%) in 2013-14** in comparison to 2012-13. In real terms this represents a reduction of £477.8 million (3.1%).
- Departmental expenditure limits (DEL) allocated to Welsh Government departments is planned to **increase by £20.3 million (0.1%) in 2013-14** in comparison to 2012-13. In real terms this equates to a reduction of £342.8 million (2.3%).
- Annually managed expenditure (AME) allocated to Welsh Government departments is planned to **decrease by £128.2 million, or 31.6% in 2013-14** in comparison to 2012-13. In real terms this equates to a 33.3% decrease.

Note that all real terms calculations shown in this paper have been calculated using HM Treasury's [GDP deflators](#) (the latest figures, as at September 2012). The estimates used are: 2.7% for 2012-13 and 2.5% for both 2013-14 and 2014-15.

It is important when looking at the overall spending power of the Welsh Government, to consider whether the GDP deflator forecasts adequately represent the cost pressures on the public sector, which may be more influenced by wage and contractor costs.

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1. Final Budget 2013-14

The National Assembly for Wales debated the Welsh Government's Draft Budget Proposals 2013-14¹ on 13 November 2012.² The motion to note the draft budget received 27 votes for, 16 votes against and 10 abstentions, and therefore the motion passed.

Ahead of the debate the Welsh Government had negotiated an agreement with Plaid Cymru in relation to the budget. A joint statement from the First Minister (Carwyn Jones) and Leader of Plaid Cymru (Leanne Wood) set out the terms of this agreement:

...the Welsh Labour Government and Plaid Cymru have today reached agreement on making sure a Budget for the coming financial year can be set – an agreement that is founded on making sure that such opportunities for our young people can be further enhanced.³

This agreement included provision to be made for:

- An additional **£20 million in 2013-14 for supporting apprenticeships**, targeted at the 16-24 age group, with an a **further £20 million in 2014-15**;⁴
- Efforts will be made to secure EU funding to boost this commitment; and
- **£10 million capital over two years to support the creation of a science park** led by Bangor University in collaboration with Aberystwyth University.

These allocations are reflected in the Final Budget 2013-14.

Under this agreement Plaid agreed to let the budget pass by abstaining on the vote, but a Plaid spokesman stated that:

...they would not vote for it as doing so would tie them to the rest of the government's commitments.⁵

The Leader of Plaid Cymru, (Leanne Wood) said:

Plaid Cymru is proud to announce that thousands of apprenticeships and jobs will be created as a result of the deal that we have reached with the government today. Youth unemployment is at crisis levels in Wales having quadrupled over the past year. The Party of Wales has been consistent in our determination that urgent action had to be taken to tackle that. The economy and jobs have been my priority and focus since the outset. This is concrete action that we help to rebuild our economy and equip our young people with the tools they need for a successful future. Plaid Cymru is serious about standing up for the

¹ Welsh Government, [Draft Budget Proposals 2013-14](#), October 2012 [accessed 28 November 2012]

² National Assembly for Wales, Plenary, [RoP 13 November 2012](#) [accessed 28 November 2012]

³ Welsh Government, News Release, [A joint statement from Carwyn Jones, First Minister and Leanne Wood, Leader of Plaid Cymru](#), 8 November 2012 [accessed 28 November 2012]

⁴ The exact schemes that the money will support are to be determined by the Welsh Government, in consultation with Plaid.

⁵ BBC News, [Welsh Government budget: Labour deal with Plaid Cymru](#), 8 November 2012 [accessed 28 November 2012]

people of Wales and to do this we have to give hope to our future generations. This deal will help to achieve that.⁶

Ieuan Wyn Jones Plaid's finance spokesperson added:

Today we have secured £40million for apprenticeships. This has the potential to be as much as £60million with EU funding. This will not only help to tackle the problem of youth unemployment but will also help to equip our young people with the skills they need for a successful future. This will bring the total investment in boosting the skills of our workforce in Wales next year to over £100million.

It is also fantastic news that we have secured £10million capital investment for the Science Park. This will create much needed jobs in the immediate future and in the longer term will enable our young people to compete on the global economic stage. The action that Plaid Cymru has taken today means that we are delivering on our pledge to fight for jobs and for a future for our young people.⁷

Responding to the announcement of the budget deal, the Leader of the Welsh Liberal Democrats (Kirsty Williams) stated:

I have always maintained that the Welsh Liberal Democrats would not back a budget that does not make progress towards closing the funding gap with England - starting with the poorest children who need the extra help the most. For too long, social background has been a deciding factor in a child's achievement and future prospects, whether it be in health, occupation or further higher education.

The budget negotiations with the Welsh Government were positive and constructive but Labour could not agree to the substantial increase in the funding for the poorest children in our society. This budget will mean that the funding gap between English and Welsh children will increase and I am very concerned that Wales will fall further behind.

The Welsh Liberal Democrats worked hard to push for a fund to allow Welsh patients to access treatments that are not available routinely through the NHS. This fund is not about medicines or a specific illness - it is about the right treatment for the right person at the right time whether that is new forms of radiotherapy, chemotherapy, treatment for dementia sufferers or those suffering from mental health issues. We are heartened that the Welsh Government seems to be willing to take our idea forward.⁸

The Conservative Shadow Minister for Finance, (Paul Davies) stated:

This is a cheap deal that hails the return of an old and ineffective tag team.

Plaid has been bought for far less than anyone expected in what is effectively a second-rate trade-off.

The government will decide on exactly how this money is spent, not Plaid. We're in for more of the same lazy Labour - easily spending very little to get votes.

⁶ Plaid Cymru, [*Party of Wales secures thousands of apprenticeships and creation of jobs in budget deal*](#), 8 November 2012 [accessed 28 November 2012]

⁷ Plaid Cymru, [*Party of Wales secures thousands of apprenticeships and creation of jobs in budget deal*](#), 8 November 2012 [accessed 28 November 2012]

⁸ Welsh Liberal Democrats, [*Welsh Liberal Democrats will not back a budget that does not make progress towards closing the funding gap with England*](#), 8 November 2012 [accessed 28 November 2012]

This is nowhere near enough for the economy. We're still missing crucial details on enterprise zones, solid decisions on business rates relief, and improvements to inward investment.

Our NHS will still face record-breaking cuts, immense pressure on frontline services, and hospital downgrades. That's unacceptable and unnecessary.⁹

The Minister for Finance and Leader of the House, Jane Hutt AM, laid the Welsh Government's Annual Budget Motion 2013-14¹⁰ before the National Assembly on 27 November 2012. This was accompanied by a narrative document,¹¹ expenditure allocation tables¹² and a written statement.¹³

⁹ Welsh Conservatives, [*Cheap budget deal sees return of old tag team*](#), 8 November 2012 [accessed 28 November 2012]

¹⁰ Welsh Government, [*Annual Budget Motion 2013-14*](#), 27 November 2012 [accessed 28 November 2012]

¹¹ Welsh Government, [*Final Budget 2013-14 Narrative*](#), 27 November 2012 [accessed 28 November 2012]

¹² Welsh Government, [*Final Budget 2013-14 expenditure allocation tables*](#), 27 November 2012 [accessed 28 November 2012]

¹³ Welsh Government, Jane Hutt (Minister for Finance and Leader of the House), [*Final Budget 2013-14, Cabinet \(Written\) Statement*](#), 27 November 2012 [accessed 28 November 2012]

2. Changes since Draft Budget 2013-14

Since the draft budget, there have been **additional allocations to Welsh Government departments of £41 million in 2013-14, and £61 million in 2014-15**. These additional allocations have been made from reserves. [Table 1](#) shows movements on the revenue and capital reserves.

The additional £41 million allocated to Welsh Government MEGs in 2013-14 has initially been made from the reserves. However, the Welsh Government have stated that it is their **intention to carry £20 million funding forward from the 2012-13 financial year under the budget exchange system (BES)**¹⁴ which will be used to fund the apprenticeships allocations. Using this mechanism, the funding will not actually become available until later in the financial year, and therefore is likely to be reallocated to reserves via a subsequent supplementary budget for 2013-14. The Final Budget states that a similar arrangement of carrying forward the £20 million for apprenticeships for 2014-15 is foreseen.¹⁵

- **£20 million in each year** of the budget has been allocated to the Education and Skills MEG in respect of **Apprenticeships** (see [section 7](#) for further details). These allocations have been made from revenue reserves initially.
- **£2 million in 2013-14 and £3.3 million in 2014-15** has been allocated to the Business, Enterprise, Technology and Science MEG in respect of **business rates relief in Enterprise Zones** (see [section 6](#) for further details). This has been allocated from revenue reserves.
- **£10 million in 2013-14 and £20 million in 2014-15** has been allocated to the Business, Enterprise, Technology and Science MEG in respect of the **Economic Growth Fund** (see [section 6](#) for further details). This has been allocated from capital reserves.
- **£1 million in 2013-14 and £9 million in 2014-15** has been allocated to the Business, Enterprise, Technology and Science MEG in respect of a **science and research facility** (see [section 6](#) for further details). This has been allocated from capital reserves.
- In relation to the **use of public sector land for housing**, **£8 million in 2013-14** has been allocated to the Business, Enterprise, Technology and Science MEG, and **£8.7 million in 2014-15** has been allocated to the Housing, Regeneration and Heritage MEG (see sections [6](#) and [9](#) for further details). These allocations have been made from capital reserves.

¹⁴ For further information on the **Budget Exchange System** see the Research Service Quick Guide: [Budget Flexibility: EYF and Budget Exchange](#) [accessed 28 November 2012]

¹⁵ Welsh Government, [Final Budget 2013-14 Narrative](#), 27 November 2012 (page 5) [accessed 28 November 2012]

- There have been changes to the allocations for the **direct funded bodies**,¹⁶ reflecting their proposed budgets for 2013-14 which have been presented and scrutinised since the time of the draft budget. These changes have been reflected in reserves.

Table 1: Movement on reserves from draft to final budget

	<i>£'000</i>	
Movement	2013-14	2014-15
REVENUE RESERVE		
Revenue Reserve at Draft Budget¹	212,876	224,955
BETS: Business rates relief in Enterprise Zones	-1,975	-3,255
E&S: Apprenticeships	-20,000	-20,000
Allocations to WG departments	-21,975	-23,255
NAW Commission	-950	-1,041
Public Services Ombudsman for Wales	-41	-111
Auditor General for Wales ²	-500	-520
Direct charges	-3	-3
Movement on revenue reserve	-23,469	-24,930
Revenue reserves at Final Budget	189,407	200,025
CAPITAL RESERVE		
Capital Reserve at Draft Budget	18,923	78,501
BETS: Economic Growth Fund	-10,000	-20,000
BETS: science and research facility	-1,000	-9,000
BETS: use public sector land for housing	-8,000	
HRH: use public sector land for housing		-8,700
Allocations to WG departments	-19,000	-37,700
NAW Commission	950	1,041
Auditor General for Wales ²	-4	16
Movement on capital reserve	-18,054	-36,643
Capital reserves at Final Budget	869	41,858

Source: Research Service calculations from Welsh Government's Final Budget 2013-14.

1. Note that the revenue reserves for 2013-14 at draft budget have been restated to reflect a reduction of £329,000 due to a decrease in the DEL baseline. This is due to an increase in the AME budget in relation to Fire Service pension costs (which will be funded by HM Treasury), and will be refunded to the revenue reserve from the Local Government and Communities MEG via subsequent supplementary budgets.

2. The Auditor General for Wales' budget for 2014-15 has been included as revenue in its entirety, therefore shows a drop in capital DEL. This will be corrected at subsequent budgets for the 2014-15 financial year.

¹⁶ The direct funded bodies are the National Assembly for Wales Commission, the Public Services Ombudsman for Wales and the Auditor General for Wales

3. Overview of the Welsh Block

Schedule 6 of the Annual Budget Motion shows **£15.4 billion** has made available by HM Treasury for the total Welsh block in 2013-14 financial year.¹⁷ This is **£339,000 lower** than that stated at the time of the draft budget.¹⁸

It should be noted that when looking at the budget, the figures presented by the Welsh Government as the 2012-13 baseline are those from the first Supplementary Budget 2012-13. There has been no restatement to remove non-recurrent in-year allocations, so the figures match exactly.

3.1. Total managed expenditure (TME)¹⁹

TME in the Welsh block

Tables 2 and 3 show TME in the Welsh block; i.e. allocations to Welsh Government departments, plus provision for the direct funded bodies, reserves and direct charges, but excluding provision for the Wales Office. [Table 2](#) shows the changes in TME since the draft budget and [table 3](#) shows the change from 2012-13 to 2013-14 and the overall change for the budget period (2012-13 to 2014-15), in both cash and real terms.

- TME within the Welsh block for 2013-14 is **£15.4 billion, a decrease of £50.1 million, or 0.3% over that in 2012-13**. In real terms this equates to a 2.8% reduction.
- Over the budget period (2012-13 to 2014-15) there is an overall **increase in TME of £186.6 million, or 1.2%**. In real terms this represents a reduction of 3.7%.

¹⁷ Welsh Government, [Annual Budget Motion 2012-13](#), November 2011 (Schedule 6 page 25) [accessed 28 November 2012]

¹⁸ At draft budget the figure was £15,419,745, at Final Budget this is £15,419,406.

¹⁹ **Total managed expenditure (TME)** - . The combined total of the two budget elements annually managed expenditure (AME) and departmental expenditure limits (DEL).

In comparison to the draft budget, TME in the Welsh block has **increased by £19.7 million in both 2013-14 and 2014-15.**

These increases in TME reflect the intention to carry forward £20 million into each year as discussed in [section 2](#). As this £20 million will not be available until later in the year, and has been met from reserves in the meantime, the actual change in TME is a **reduction of £339,000 in 2013-14, and £32,000 in 2014-15 as compared with the draft budget.** This is the result of an adjustment to the DEL baseline of £329,000 in 2013-14 and changes to AME for the Public Services Ombudsman of £10,000 in 2013-14 and £32,000 in 2014-15 (see [section 3.5](#)).

Welsh Government TME allocations

- TME allocated to Welsh Government departments (i.e. provision for the main expenditure groups, or MEGs)²⁰ for 2013-14 is **£15.2 billion**, 98 per cent of the total Welsh block.
- In comparison to 2012-13 this represents a **decrease of £107.9 million (0.7%)**. In real terms this equates to a reduction of £477.8 million (3.1%).
- Over the budget period there is an overall **increase of £75.9 million (0.5%)**. In real terms this equates to a reduction of £663.6 million (4.3%).

In comparison to the draft budget, TME allocated to Welsh Government departments is **£41 million higher in 2013-14 and £61 million higher in 2014-15.**

These changes reflect the additional allocations from reserves to the Education and Skills, Business, Enterprise, Technology and Science and Housing, Regeneration and Heritage MEGs, as detailed in [section 2](#).

²⁰ **Main expenditure group (MEG)** - The Welsh Government's budget is broken down into several levels of detail for monitoring and control purposes. Main expenditure groups (MEG) are at the highest level of this detail and correspond to Ministerial portfolios or ambits. Below MEG level, expenditure is identified by spending programme areas (SPAs) and, within these, actions.

Table 2: Change in TME since draft budget

Main Expenditure Group	2012-13 baseline	2013-14 Draft Budget	2014-15 indicative Draft Budget	2013-14 Final Budget	2014-15 indicative Final Budget	Change 2013-14 Draft Budget to Final Budget		Change 2014-15 Draft Budget to Final Budget	
	£000s	£000s	£000s	£000s	£000s	£000s	per cent	£000s	per cent
Health, Social Services & Children	6,544,950	6,429,870	6,552,518	6,429,870	6,552,518	0	0.0	0	0.0
Local Government & Communities	5,147,024	5,204,242	5,258,111	5,204,242	5,258,111	0	0.0	0	0.0
Business, Enterprise, Technology & Science	316,628	294,369	292,998	315,344	325,253	20,975	7.1	32,255	11.0
Education & Skills	2,033,131	2,027,802	2,018,617	2,047,802	2,038,617	20,000	1.0	20,000	1.0
Environment & Sustainable Development	340,522	326,766	328,123	326,766	328,123	0	0.0	0	0.0
Housing, Regeneration & Heritage	527,138	488,226	481,777	488,226	490,477	0	0.0	8,700	1.8
Central Services & Administration	361,041	350,243	353,257	350,243	353,257	0	0.0	0	0.0
Total Welsh Government TME	15,270,434	15,121,518	15,285,401	15,162,493	15,346,356	40,975	0.3	60,955	0.4
Revenue Reserves*	150,042	212,876	224,955	189,407	200,025	-23,469	-11.0	-24,930	-11.1
Capital Reserves *	5,422	18,923	78,501	869	41,858	-18,054	-95.4	-36,643	-46.7
Carry forward under budget exchange	0	0	0	20,000	20,000	20,000	..	20,000	..
Assembly Commission	47,477	49,950	51,098	49,950	51,098	0	0.0	0	0.0
Auditor General for Wales	4,740	4,740	4,740	5,244	5,244	504	10.6	504	10.6
Public Services Ombudsman for Wales	3,853	3,911	3,901	3,942	3,980	31	0.8	79	2.0
Direct Charges	642	642	642	645	645	3	0.5	3	0.5
Total Wales TME	15,482,610	15,412,889	15,649,238	15,432,550	15,669,206	19,661	0.1	19,968	0.1

Source: Research Service calculations from Welsh Government's Draft Budget 2013-14 and Final Budget 2013-14.

* Note the large changes in reserves are misleading, as the 2012-13 reserves have already been partially allocated in-year, whereas those for future years remain in reserve.

1. Note that the revenue reserves for 2013-14 at draft budget have been restated to reflect a reduction of £329,000 due to a decrease in the DEL baseline. This is due to an increase in the AME budget in relation to Fire Service pension costs (which will be funded by HM Treasury), and will be refunded to the revenue reserve from the Local Government and Communities MEG via subsequent supplementary budgets.

2. The Auditor General for Wales' budget for 2014-15 has been included as revenue in its entirety, therefore shows a drop in capital DEL. This will be corrected at subsequent budgets for the 2014-15 financial year.

Table 3: Year-on-year change to TME

Main Expenditure Group	2012-13	2013-14	2014-15	Change 2012-13		Real terms change		Overall change		Real terms overall	
	baseline	Final Budget	indicative Final Budget	to 2013-14	per cent	2012-13 to 2013-14	per cent	2012-13 to 2014-15	per cent	change 2012-13 to 2014-15	per cent
	£000s	£000s	£000s	£000s	per cent	£000s	per cent	£000s	per cent	£000s	per cent
Health, Social Services & Children	6,544,950	6,429,870	6,552,518	-115,080	-1.8	-271,906	-4.2	7,568	0.1	-308,169	-4.7
Local Government & Communities	5,147,024	5,204,242	5,258,111	57,218	1.1	-69,715	-1.4	111,087	2.2	-142,278	-2.8
Business, Enterprise, Technology & Science	316,628	315,344	325,253	-1,284	-0.4	-8,975	-2.8	8,625	2.7	-7,048	-2.2
Education & Skills	2,033,131	2,047,802	2,038,617	14,671	0.7	-35,275	-1.7	5,486	0.3	-92,746	-4.6
Environment & Sustainable Development	340,522	326,766	328,123	-13,756	-4.0	-21,726	-6.4	-12,399	-3.6	-28,210	-8.3
Housing, Regeneration & Heritage	527,138	488,226	490,477	-38,912	-7.4	-50,820	-9.6	-36,661	-7.0	-60,295	-11.4
Central Services & Administration	361,041	350,243	353,257	-10,798	-3.0	-19,341	-5.4	-7,784	-2.2	-24,806	-6.9
Total Welsh Government TME	15,270,434	15,162,493	15,346,356	-107,941	-0.7	-477,758	-3.1	75,922	0.5	-663,551	-4.3
Revenue Reserves*	150,042	189,407	200,025	39,365	26.2	34,745	23.2	49,983	33.3	40,345	26.9
Capital Reserves *	5,422	869	41,858	-4,553	-84.0	-4,574	-84.4	36,436	672.0	34,419	634.8
Carry forward under budget exchange	0	20,000	20,000	20,000	..	19,512	..	20,000	..	19,036	..
Assembly Commission	47,477	49,950	51,098	2,473	5.2	1,255	2.6	3,621	7.6	1,159	2.4
Auditor General for Wales	4,740	5,244	5,244	504	10.6	376	7.9	504	10.6	251	5.3
Public Services Ombudsman for Wales	3,853	3,942	3,980	89	2.3	-7	-0.2	127	3.3	-65	-1.7
Direct Charges	642	645	645	3	0.5	-13	-2.0	3	0.5	-28	-4.4
Total Wales TME	15,482,610	15,432,550	15,669,206	-50,060	-0.3	-426,464	-2.8	186,596	1.2	-568,434	-3.7

Source: Research Service calculations from Welsh Government's Final Budget 2013-14 and HM Treasury's GDP deflators.

* Note the large changes in reserves are misleading, as the 2012-13 reserves have already been partially allocated in-year, whereas those for future years remain in reserve.

1. Note that the revenue reserves for 2013-14 at draft budget have been restated to reflect a reduction of £329,000 due to a decrease in the DEL baseline. This is due to an increase in the AME budget in relation to Fire Service pension costs (which will be funded by HM Treasury), and will be refunded to the revenue reserve from the Local Government and Communities MEG via subsequent supplementary budgets.

2. The Auditor General for Wales' budget for 2014-15 has been included as revenue in its entirety, therefore shows a drop in capital DEL. This will be corrected at subsequent budgets for the 2014-15 financial year.

3.2. Total departmental expenditure limits (DEL)²¹

Total DEL in the Welsh block

Tables 4 and 5 show total DEL in the Welsh block. [Table 4](#) shows the changes in total DEL since the draft budget, and [table 5](#) shows the change from 2012-13 to 2013-14 and the overall change for the budget period (2012-13 to 2014-15), in both cash and real terms.

- Total DEL within the Welsh block for 2013-14 is **£15.2 billion, an increase of £77.9 million, or 0.5% over that in 2012-13**. In real terms this equates to a 1.9% reduction.
- Over the budget period (2012-13 to 2014-15) there is an overall **increase in total DEL of £187.9 million, or 1.2%**. In real terms this represents a reduction of 3.6%.

In comparison to the draft budget, total DEL in the Welsh block has **increased by £19.7 million in 2013-14, and by £20 million in 2014-15**.

These increases in total DEL in both years, reflect the intention to carry forward £20 million from each year as discussed in [section 2](#). As this £20 million will not be available until later in the year, and has been met from reserves in the meantime, the actual change in total DEL is a **reduction of £329,000 in 2013-14, and zero in 2014-15 as compared with the draft budget**. This is the result of an adjustment to the DEL baseline of £329,000 in 2013-14.

Welsh Government total DEL allocations

- Total DEL allocated to Welsh Government departments (MEGs) for 2013-14 is **£14.9 billion**, 98 per cent of the total DEL in the Welsh block.
- In comparison to 2012-13 this represents an **increase of £20.3 million (0.1%)**. In real terms this equates to a reduction of £342.8 million (2.3%).
- Over the budget period there is an overall **increase of £77.5 million (0.5%)**. In real terms this equates to a reduction of £642.5 million (4.3%).

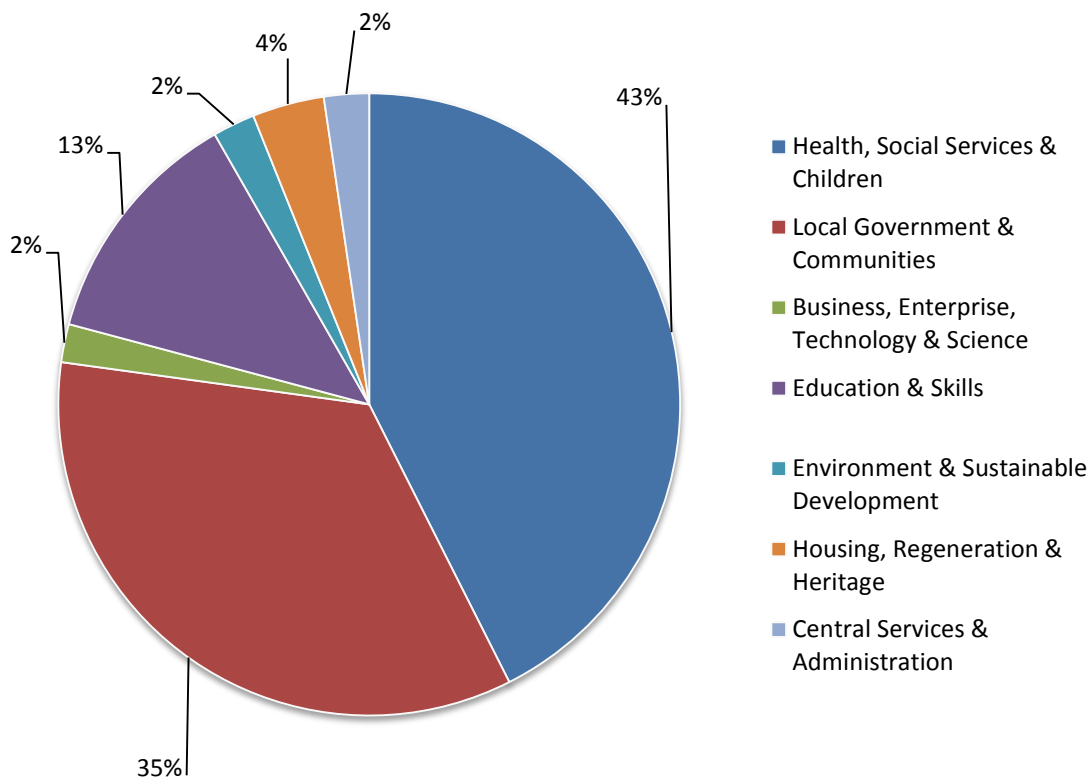
²¹ **Departmental expenditure limit (DEL)** - normally set over three or four years as part of the UK Government's Spending Review process, this is the multi-year budget limit for the Welsh Government. Most of the DEL is unhypothecated (the assigned budget, or block grant) and allows the Welsh Government full discretion over its spending priorities. Changes in provision for such spend are determined by the Barnett formula.

In comparison to the draft budget, total DEL allocated to Welsh Government departments is **£41 million higher in 2013-14 and £61 million higher in 2014-15.**

These changes reflect the additional allocations from reserves to the Education and Skills, Business, Enterprise, Technology and Science and Housing, Regeneration and Heritage MEGs, as detailed in [section 2](#).

Figure 1 shows the proportion of the Welsh Government’s total DEL allocated to each MEG in 2013-14. From this it can be seen that taken together the Health, Social Services and Children and Local Government and Communities MEGs account for around **78 per cent** of the total Welsh Government DEL budget.

Figure 1: Proportion of total DEL allocated to each MEG in 2013-14

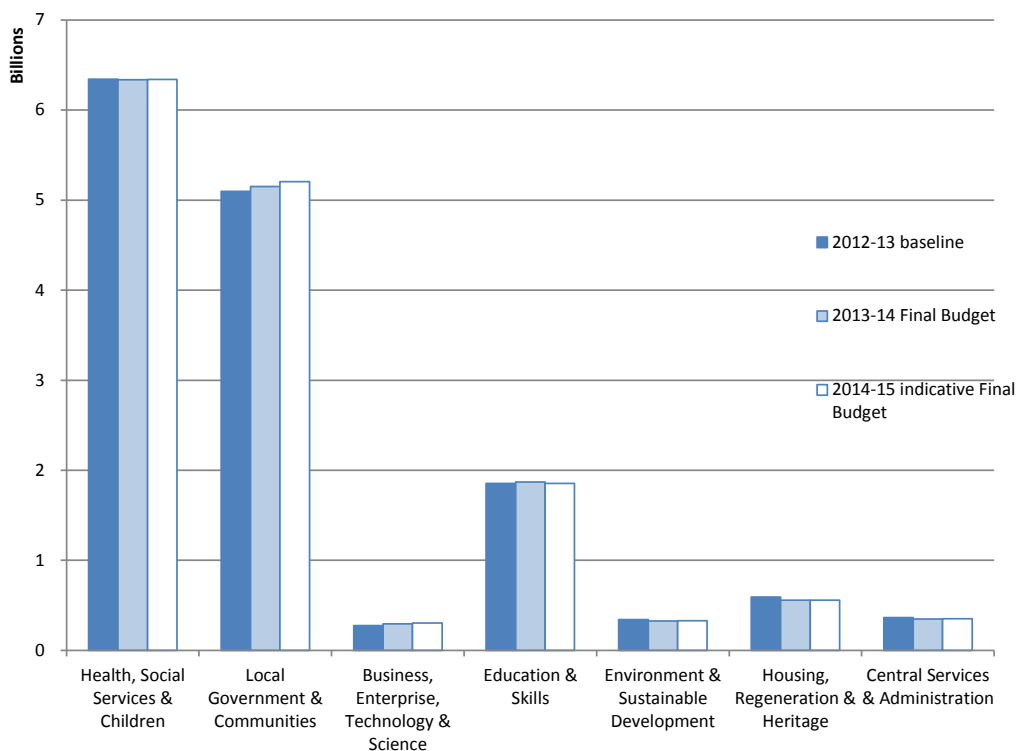


Source: Research Service calculations from Welsh Government’s Final Budget 2013-14.

Figure 2 shows the Welsh Government’s total DEL allocations to each MEG in each year of the budget period, and **figure 3** shows the percentage change in the Welsh Government’s total DEL to each MEG between 2012-13 and 2013-14, plotted against the overall total DEL change (0.1%). From this it can be seen that:

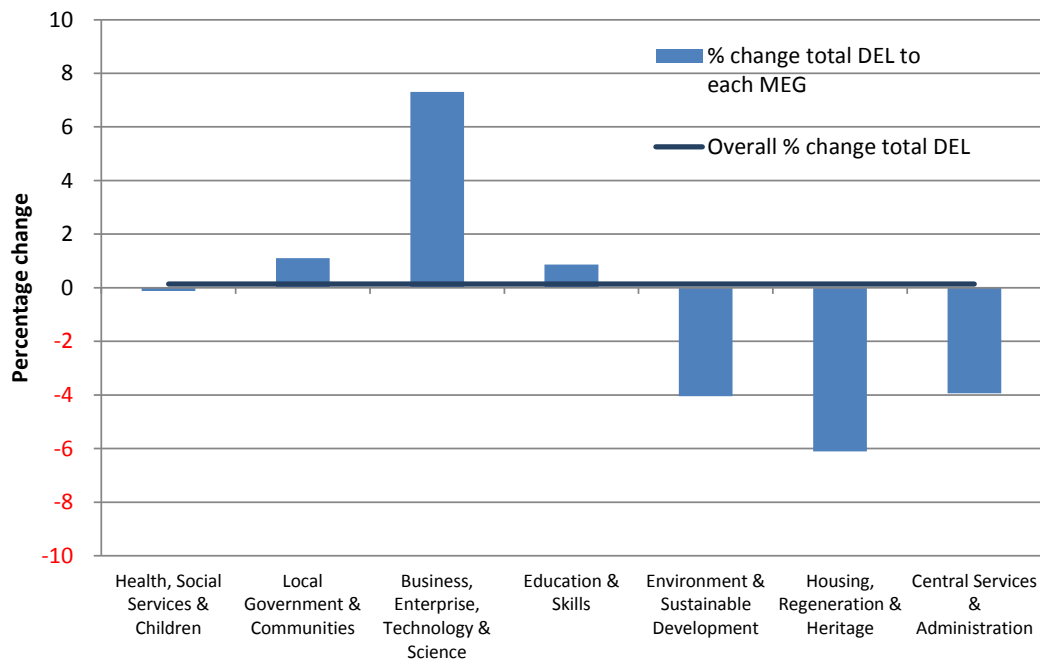
- The greatest percentage reduction in total DEL between 2012-13 and 2013-14 is in the **Housing, Regeneration and Heritage MEG**, with a reduction of 6.1%, representing a real terms reduction of 8.4%.
- The greatest percentage increase is seen in the **Business, Enterprise, Technology and Science MEG**, with an increase of 7.3%, representing a real terms increase of 4.7%.

Figure 2: Total DEL by MEG in cash terms, 2012-13 to 2014-15



Source: Research Service calculations from Welsh Government’s Final Budget 2013-14.

Figure 3: Percentage change in total DEL in cash terms, 2012-13 to 2013-14



Source: Research Service calculations from Welsh Government's Final Budget 2013-14.

Table 4: Change in total DEL since draft budget

Main Expenditure Group	2012-13 baseline	2013-14 Draft Budget	2014-15 indicative Draft Budget	2013-14 Final Budget	2014-15 indicative Final Budget	Change 2013-14 Draft Budget to Final Budget		Change 2014-15 Draft Budget to Final Budget	
	£000s	£000s	£000s	£000s	£000s	£000s	per cent	£000s	per cent
Health, Social Services & Children	6,343,240	6,335,296	6,339,090	6,335,296	6,339,090	0	0.0	0	0.0
Local Government & Communities	5,095,639	5,151,836	5,204,677	5,151,836	5,204,677	0	0.0	0	0.0
Business, Enterprise, Technology & Science	275,226	274,369	272,998	295,344	305,253	20,975	7.6	32,255	11.8
Education & Skills	1,854,822	1,850,933	1,835,468	1,870,933	1,855,468	20,000	1.1	20,000	1.1
Environment & Sustainable Development	340,522	326,766	328,123	326,766	328,123	0	0.0	0	0.0
Housing, Regeneration & Heritage	592,648	556,486	550,037	556,486	558,737	0	0.0	8,700	1.6
Central Services & Administration	362,883	348,609	351,105	348,609	351,105	0	0.0	0	0.0
Total Welsh Government DEL	14,864,980	14,844,295	14,881,498	14,885,270	14,942,453	40,975	0.3	60,955	0.4
Revenue Reserves*	150,042	212,876	224,955	189,407	200,025	-23,469	-11.0	-24,930	-11.1
Capital Reserves *	5,422	18,923	78,501	869	41,858	-18,054	-95.4	-36,643	-46.7
Carry forward under budget exchange	0	0	0	20,000	20,000	20,000	..	20,000	..
Assembly Commission	47,227	49,450	50,598	49,450	50,598	0	0.0	0	0.0
Auditor General for Wales	4,740	4,740	4,740	5,244	5,244	504	10.6	504	10.6
Public Services Ombudsman for Wales	4,034	4,103	4,093	4,144	4,204	41	1.0	111	2.7
Direct Charges	642	642	642	645	645	3	0.5	3	0.5
Total Wales DEL	15,077,087	15,135,358	15,245,027	15,155,029	15,265,027	19,671	0.1	20,000	0.1

Source: Research Service calculations from Welsh Government's Draft Budget 2013-14 and Final Budget 2013-14.

* Note the large changes in reserves are misleading, as the 2012-13 reserves have already been partially allocated in-year, whereas those for future years remain in reserve.

1. Note that the revenue reserves for 2013-14 at draft budget have been restated to reflect a reduction of £329,000 due to a decrease in the DEL baseline. This is due to an increase in the AME budget in relation to Fire Service pension costs (which will be funded by HM Treasury), and will be refunded to the revenue reserve from the Local Government and Communities MEG via subsequent supplementary budgets.

2. The Auditor General for Wales' budget for 2014-15 has been included as revenue in its entirety, therefore shows a drop in capital DEL. This will be corrected at subsequent budgets for the 2014-15 financial year.

Table 5: Year-on-year change to total DEL

Main Expenditure Group	2012-13	2013-14	2014-15	Change 2012-13		Real terms change		Overall change		Real terms overall	
	baseline	Final Budget	indicative Final Budget	to 2013-14	per cent	2012-13 to 2013-14	per cent	2012-13 to 2014-15	per cent	change 2012-13 to 2014-15	per cent
	£000s	£000s	£000s	£000s	per cent	£000s	per cent	£000s	per cent	£000s	per cent
Health, Social Services & Children	6,343,240	6,335,296	6,339,090	-7,944	-0.1	-162,463	-2.6	-4,150	-0.1	-309,603	-4.9
Local Government & Communities	5,095,639	5,151,836	5,204,677	56,197	1.1	-69,458	-1.4	109,038	2.1	-141,753	-2.8
Business, Enterprise, Technology & Science	275,226	295,344	305,253	20,118	7.3	12,914	4.7	30,027	10.9	15,318	5.6
Education & Skills	1,854,822	1,870,933	1,855,468	16,111	0.9	-29,522	-1.6	646	0.0	-88,761	-4.8
Environment & Sustainable Development	340,522	326,766	328,123	-13,756	-4.0	-21,726	-6.4	-12,399	-3.6	-28,210	-8.3
Housing, Regeneration & Heritage	592,648	556,486	558,737	-36,162	-6.1	-49,735	-8.4	-33,911	-5.7	-60,834	-10.3
Central Services & Administration	362,883	348,609	351,105	-14,274	-3.9	-22,777	-6.3	-11,778	-3.2	-28,696	-7.9
Total Welsh Government DEL	14,864,980	14,885,270	14,942,453	20,290	0.1	-342,765	-2.3	77,473	0.5	-642,538	-4.3
Revenue Reserves*	150,042	189,407	200,025	39,365	26.2	34,745	23.2	49,983	33.3	40,345	26.9
Capital Reserves *	5,422	869	41,858	-4,553	-84.0	-4,574	-84.4	36,436	672.0	34,419	634.8
Carry forward under budget exchange	0	20,000	20,000	20,000	..	19,512	..	20,000	..	19,036	..
Assembly Commission	47,227	49,450	50,598	2,223	4.7	1,017	2.2	3,371	7.1	933	2.0
Auditor General for Wales	4,740	5,244	5,244	504	10.6	376	7.9	504	10.6	251	5.3
Public Services Ombudsman for Wales	4,034	4,144	4,204	110	2.7	9	0.2	170	4.2	-33	-0.8
Direct Charges	642	645	645	3	0.5	-13	-2.0	3	0.5	-28	-4.4
Total Wales DEL	15,077,087	15,155,029	15,265,027	77,942	0.5	-291,693	-1.9	187,940	1.2	-547,615	-3.6

Source: Research Service calculations from Welsh Government's Final Budget 2013-14 and HM Treasury's GDP deflators.

* Note the large changes in reserves are misleading, as the 2012-13 reserves have already been partially allocated in-year, whereas those for future years remain in reserve.

1. Note that the revenue reserves for 2013-14 at draft budget have been restated to reflect a reduction of £329,000 due to a decrease in the DEL baseline. This is due to an increase in the AME budget in relation to Fire Service pension costs (which will be funded by HM Treasury), and will be refunded to the revenue reserve from the Local Government and Communities MEG via subsequent supplementary budgets.

2. The Auditor General for Wales' budget for 2014-15 has been included as revenue in its entirety, therefore shows a drop in capital DEL. This will be corrected at subsequent budgets for the 2014-15 financial year.

3.3. Revenue DEL

Revenue DEL in the Welsh block

Tables 6 and 7 show revenue DEL in the Welsh block. [Table 6](#) shows the changes in revenue DEL since the draft budget, and [table 7](#) shows the change from 2012-13 to 2013-14 and the overall change for the budget period (2012-13 to 2014-15), in both cash and real terms.

- Revenue DEL within the Welsh block for 2013-14 is **£14 billion, an increase of £161.3 million, or 1.2%** over that in 2012-13. In real terms this equates to a 1.3% reduction.
- Over the budget period (2012-13 to 2014-15) there is an overall **increase in revenue DEL of £218.2 million, or 1.6%**. In real terms this represents a reduction of 3.3%.

In comparison to the draft budget, revenue DEL in the Welsh block has **increased by £20 million in both 2013-14 and 2014-15**.

These increases in total DEL in both years reflect the intention to carry forward £20 million from each year as discussed in [section 2](#). As this £20 million will not be available until later in the year, and has been met from reserves in the meantime, the actual change in revenue DEL is **zero 2013-14 and £20,000 in 2014-15 as compared with the draft budget**. This is the result of the inclusion of the whole of the Auditor General's budget in revenue (rather than £20,000 as capital as in 2013-14).

Welsh Government revenue DEL allocations

- The Welsh Government's revenue DEL for 2013-14 is **£13.7 billion, an increase of £99.2 million, or 0.7%** over that in 2012-13. In real terms this equates to a 1.7% reduction.
- Over the budget period (2012-13 to 2014-15) there is an overall **increase in revenue DEL of £144.5 million, or 1.1%**. In real terms this represents a reduction of 3.8%.

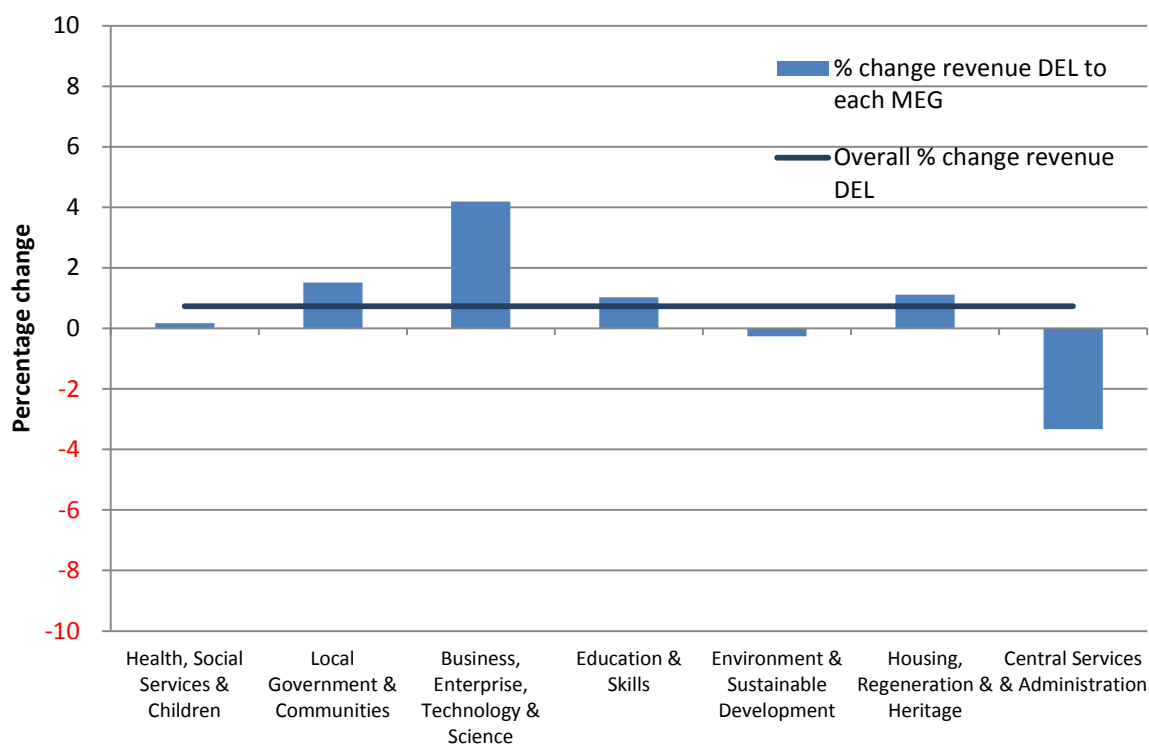
In comparison to the draft budget, the Welsh Government's revenue DEL has **increased by £22 million in 2013-14 and £23.3 million in 2014-15**.

These changes reflect the additional allocations from revenue reserves to the Education and Skills and Business, Enterprise, Technology and Science MEGs, as detailed in [section 2](#).

Figure 4 shows the percentage change in the Welsh Government’s revenue DEL to each MEG between 2012-13 and 2013-14, plotted against the overall revenue DEL change (0.7%). From this it can be seen that:

- The greatest percentage reduction in revenue DEL between 2012-13 and 2013-14 is in the **Central Services and Administration MEG**, with a reduction of 3.3%, representing a real terms reduction of 5.7%.
- The greatest percentage increase is seen in the **business, Enterprise, Technology and Science MEG**, with an increase of 4.2%, representing a real terms increase of 1.6%.

Figure 4: Percentage change in revenue DEL in cash terms, 2012-13 to 2013-14



Source: Research Service calculations from Welsh Government’s Final Budget 2013-14.

Table 6: Change in revenue DEL since draft budget

Main Expenditure Group	2012-13 baseline	2013-14 Draft Budget	2014-15 indicative Draft Budget	2013-14 Final Budget	2014-15 indicative Final Budget	Change 2013-14 Draft Budget to Final Budget		Change 2014-15 Draft Budget to Final Budget	
	£000s	£000s	£000s	£000s	£000s	£000s	per cent	£000s	per cent
Health, Social Services & Children	6,081,527	6,091,746	6,095,540	6,091,746	6,095,540	0	0.0	0	0.0
Local Government & Communities	4,826,288	4,899,317	4,926,458	4,899,317	4,926,458	0	0.0	0	0.0
Business, Enterprise, Technology & Science	176,870	182,299	183,628	184,274	186,883	1,975	1.1	3,255	1.8
Education & Skills	1,676,529	1,673,799	1,681,634	1,693,799	1,701,634	20,000	1.2	20,000	1.2
Environment & Sustainable Development	265,153	264,455	265,856	264,455	265,856	0	0.0	0	0.0
Housing, Regeneration & Heritage	278,330	281,422	281,473	281,422	281,473	0	0.0	0	0.0
Central Services & Administration	334,419	323,296	325,792	323,296	325,792	0	0.0	0	0.0
Total Welsh Government Revenue DEL	13,639,116	13,716,334	13,760,381	13,738,309	13,783,636	21,975	0.2	23,255	0.2
Revenue Reserves*	150,042	212,876	224,955	189,407	200,025	-23,469	-11.0	-24,930	-11.1
Capital Reserves *	0	0	0	0	0	0	0.0	0	0.0
Carry forward under budget exchange	0	0	0	20,000	20,000	20,000	..	20,000	..
Assembly Commission	46,565	47,750	48,557	48,700	49,598	950	2.0	1,041	2.1
Auditor General for Wales	4,724	4,724	4,724	5,224	5,244	500	10.6	520	11.0
Public Services Ombudsman for Wales	4,020	4,090	4,080	4,131	4,191	41	1.0	111	2.7
Direct Charges	642	642	642	645	645	3	0.5	3	0.5
Total Wales Revenue DEL	13,845,109	13,986,416	14,043,339	14,006,416	14,063,319	20,000	0.1	19,980	0.1

Source: Research Service calculations from Welsh Government's Draft Budget 2012-13 and Final Budget 2013-14.

* Note the large changes in reserves are misleading, as the 2012-13 reserves have already been partially allocated in-year, whereas those for future years remain in reserve.

1. Note that the revenue reserves for 2013-14 at draft budget have been restated to reflect a reduction of £329,000 due to a decrease in the DEL baseline.

This is due to an increase in the AME budget in relation to Fire Service pension costs (which will be funded by HM Treasury), and will be refunded to the revenue reserve from the Local Government and Communities MEG via subsequent supplementary budgets.

2. The Auditor General for Wales' budget for 2014-15 has been included as revenue in its entirety, therefore shows a drop in capital DEL. This will be corrected at subsequent budgets for the 2014-15 financial year.

Table 7: Year-on-year change to revenue DEL

Main Expenditure Group	2012-13	2013-14	2014-15	Change 2012-13		Real terms change		Overall change		Real terms overall	
	baseline	Final Budget	indicative Final Budget	to 2013-14		2012-13 to 2013-14		2012-13 to 2014-15		change 2012-13 to 2014-15	
	£000s	£000s	£000s	£000s	per cent	£000s	per cent	£000s	per cent	£000s	per cent
Health, Social Services & Children	6,081,527	6,091,746	6,095,540	10,219	0.2	-138,360	-2.3	14,013	0.2	-279,704	-4.6
Local Government & Communities	4,826,288	4,899,317	4,926,458	73,029	1.5	-46,467	-1.0	100,170	2.1	-137,214	-2.8
Business, Enterprise, Technology & Science	176,870	184,274	186,883	7,404	4.2	2,910	1.6	10,013	5.7	1,008	0.6
Education & Skills	1,676,529	1,693,799	1,701,634	17,270	1.0	-24,042	-1.4	25,105	1.5	-56,889	-3.4
Environment & Sustainable Development	265,153	264,455	265,856	-698	-0.3	-7,148	-2.7	703	0.3	-12,107	-4.6
Housing, Regeneration & Heritage	278,330	281,422	281,473	3,092	1.1	-3,772	-1.4	3,143	1.1	-10,420	-3.7
Central Services & Administration	334,419	323,296	325,792	-11,123	-3.3	-19,008	-5.7	-8,627	-2.6	-24,325	-7.3
Total Welsh Government Revenue DEL	13,639,116	13,738,309	13,783,636	99,193	0.7	-235,888	-1.7	144,520	1.1	-519,653	-3.8
Revenue Reserves*	150,042	189,407	200,025	39,365	26.2	34,745	23.2	49,983	33.3	40,345	26.9
Capital Reserves *	0	0	0	0	0.0	0	0.0	0	0.0	0	0.0
Carry forward under budget exchange	0	20,000	20,000	20,000	..	19,512	..	20,000	..	19,036	..
Assembly Commission	46,565	48,700	49,598	2,135	4.6	947	2.0	3,033	6.5	643	1.4
Auditor General for Wales	4,724	5,224	5,244	500	10.6	373	7.9	520	11.0	267	5.7
Public Services Ombudsman for Wales	4,020	4,131	4,191	111	2.8	10	0.3	171	4.3	-31	-0.8
Direct Charges	642	645	645	3	0.5	-13	-2.0	3	0.5	-28	-4.4
Total Wales Revenue DEL	13,845,109	14,006,416	14,063,339	161,307	1.2	-180,313	-1.3	218,230	1.6	-459,420	-3.3

Source: Research Service calculations from Welsh Government's Final Budget 2013-14 and HM Treasury's GDP deflators.

* Note the large changes in reserves are misleading, as the 2012-13 reserves have already been partially allocated in-year, whereas those for future years remain in reserve.

1. Note that the revenue reserves for 2013-14 at draft budget have been restated to reflect a reduction of £329,000 due to a decrease in the DEL baseline. This is due to an increase in the AME budget in relation to Fire Service pension costs (which will be funded by HM Treasury), and will be refunded to the revenue reserve from the Local Government and Communities MEG via subsequent supplementary budgets.

2. The Auditor General for Wales' budget for 2014-15 has been included as revenue in its entirety, therefore shows a drop in capital DEL. This will be corrected at subsequent budgets for the 2014-15 financial year.

3.4. Capital DEL

Capital DEL in the Welsh block

Tables 8 and 9 show capital DEL in the Welsh block. [Table 8](#) shows the changes in capital DEL since the draft budget, and [table 9](#) shows the change from 2012-13 to 2013-14 and the overall change for the budget period (2012-13 to 2014-15), in both cash and real terms.

- Capital DEL within the Welsh block for 2013-14 is **£1.1 billion, a decrease of £83.4 million, or 6.8% over that in 2012-13**. In real terms this equates to a 9.0% reduction.
- Over the budget period (2012-13 to 2014-15) there is an overall **decrease in capital DEL of £30.3 million, or 2.5%**. In real terms this represents a reduction of 7.2%.

In comparison to the draft budget, capital DEL in the Welsh block has **not changed in 2013-14, and increased by £20,000 in 2014-15**.

This is the result of the inclusion of the whole of the Auditor General's budget in revenue DEL (rather than £20,000 as capital as in 2013-14).

Welsh Government capital DEL allocations

- The Welsh Government's capital DEL for 2013-14 is **£1.1 billion, a decrease of £78.9 million, or 6.4% over that in 2012-13**. In real terms this equates to an 8.7% reduction.
- Over the budget period (2012-13 to 2014-15) there is an overall **decrease in capital DEL of £67 million, or 5.5%**. In real terms this represents a reduction of 10.0%.

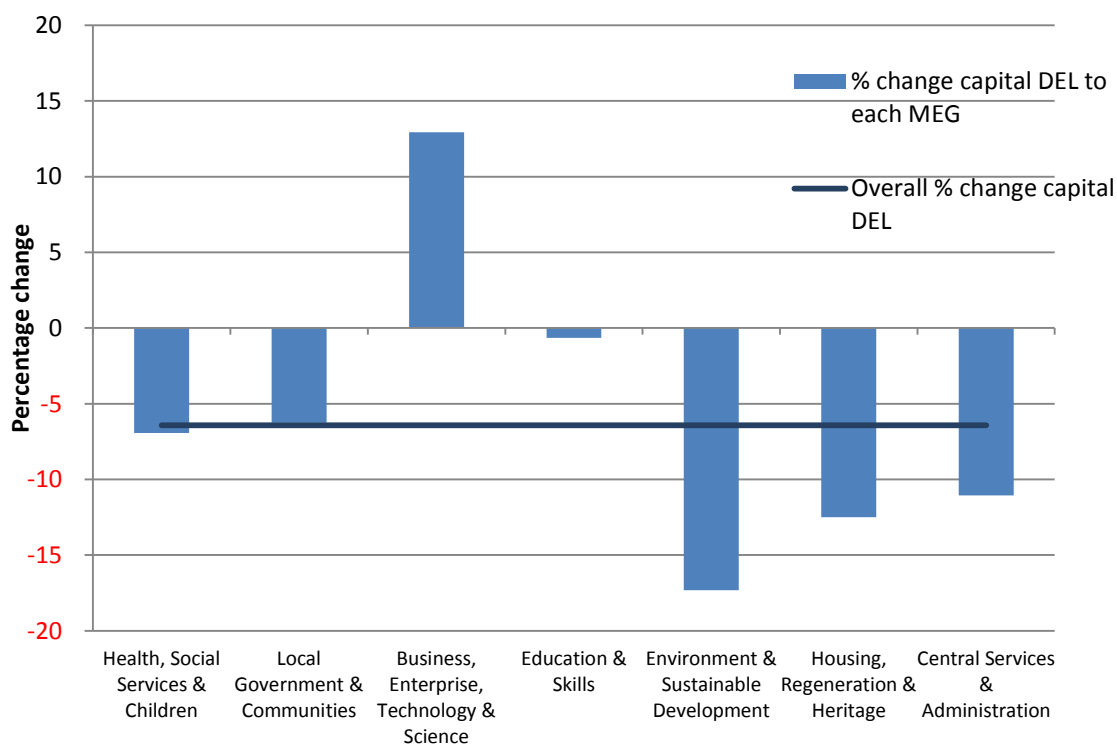
In comparison to the draft budget, the Welsh Government's capital DEL has **increased by £19 million in 2013-14 and £37.7 million in 2014-15**.

These changes reflect the additional allocations from capital reserves to the Education and Skills, Housing, Regeneration and Heritage and Business, Enterprise, Technology and Science MEGs, as detailed in [section 2](#).

Figure 5 shows the percentage change in the Welsh Government’s capital DEL to each MEG between 2012-13 and 2013-14, plotted against the overall capital DEL change (-6.4%). From this it can be seen that:

- The greatest percentage reduction in capital DEL between 2012-13 and 2013-14 is in the **Environment and Sustainable Development MEG**, with a reduction of 17.3%, representing a real terms reduction of 19.3%.
- The only increase is seen in the **Business, Enterprise, Technology and Science MEG**, with an increase of 12.9%, representing a real terms increase of 10.2%.

Figure 5: Percentage change in capital DEL in cash terms, 2012-13 to 2013-14



Source: Research Service calculations from Welsh Government’s Final Budget 2013-14.

Table 8: Change in capital DEL since draft budget

Main Expenditure Group	2012-13 baseline	2013-14 Draft Budget	2014-15 indicative Draft Budget	2013-14 Final Budget	2014-15 indicative Final Budget	Change 2013-14 Draft Budget to Final Budget		Change 2014-15 Draft Budget to Final Budget	
	£000s	£000s	£000s	£000s	£000s	£000s	per cent	£000s	per cent
Health, Social Services & Children	261,713	243,550	243,550	243,550	243,550	0	0.0	0	0.0
Local Government & Communities	269,351	252,519	278,219	252,519	278,219	0	0.0	0	0.0
Business, Enterprise, Technology & Science	98,356	92,070	89,370	111,070	118,370	19,000	20.6	29,000	32.4
Education & Skills	178,293	177,134	153,834	177,134	153,834	0	0.0	0	0.0
Environment & Sustainable Development	75,369	62,311	62,267	62,311	62,267	0	0.0	0	0.0
Housing, Regeneration & Heritage	314,318	275,064	268,564	275,064	277,264	0	0.0	8,700	3.2
Central Services & Administration	28,464	25,313	25,313	25,313	25,313	0	0.0	0	0.0
Total Welsh Government Capital DEL	1,225,864	1,127,961	1,121,117	1,146,961	1,158,817	19,000	1.7	37,700	3.4
Revenue Reserves*	0	0	0	0	0	0	0.0	0	0.0
Capital Reserves *	5,422	18,923	78,501	869	41,858	-18,054	-95.4	-36,643	-46.7
Carry forward under budget exchange	0	0	0	0	0	0	0.0	0	0.0
Assembly Commission	662	1,700	2,041	750	1,000	-950	-55.9	-1,041	-51.0
Auditor General for Wales	16	16	16	20	0	4	25.0	-16	-100.0
Public Services Ombudsman for Wales	14	13	13	13	13	0	0.0	0	0.0
Direct Charges	0	0	0	0	0	0	0.0	0	0.0
Total Wales Capital DEL	1,231,978	1,148,613	1,201,688	1,148,613	1,201,708	0	0.0	20	0.0

Source: Research Service calculations from Welsh Government's Draft Budget 2012-13 and Final Budget 2013-14.

* Note the large changes in reserves are misleading, as the 2012-13 reserves have already been partially allocated in-year, whereas those for future years remain in reserve.

1. The Auditor General for Wales' budget for 2014-15 has been included as revenue in its entirety, therefore shows a drop in capital DEL. This will be corrected at subsequent budgets for the 2014-15 financial year.

Table 9: Year-on-year change to capital DEL

Main Expenditure Group	2012-13	2013-14	2014-15	Change 2012-13		Real terms change		Overall change		Real terms overall	
	baseline	Final Budget	indicative Final Budget	to 2013-14	per cent	2012-13 to 2013-14	per cent	2012-13 to 2014-15	per cent	change 2012-13 to 2014-15	per cent
	£000s	£000s	£000s	£000s		£000s		£000s		£000s	
Health, Social Services & Children	261,713	243,550	243,550	-18,163	-6.9	-24,103	-9.2	-18,163	-6.9	-29,899	-11.4
Local Government & Communities	269,351	252,519	278,219	-16,832	-6.2	-22,991	-8.5	8,868	3.3	-4,538	-1.7
Business, Enterprise, Technology & Science	98,356	111,070	118,370	12,714	12.9	10,005	10.2	20,014	20.3	14,310	14.5
Education & Skills	178,293	177,134	153,834	-1,159	-0.7	-5,479	-3.1	-24,459	-13.7	-31,872	-17.9
Environment & Sustainable Development	75,369	62,311	62,267	-13,058	-17.3	-14,578	-19.3	-13,102	-17.4	-16,102	-21.4
Housing, Regeneration & Heritage	314,318	275,064	277,264	-39,254	-12.5	-45,963	-14.6	-37,054	-11.8	-50,414	-16.0
Central Services & Administration	28,464	25,313	25,313	-3,151	-11.1	-3,768	-13.2	-3,151	-11.1	-4,371	-15.4
Total Welsh Government Capital DEL	1,225,864	1,146,961	1,158,817	-78,903	-6.4	-106,878	-8.7	-67,047	-5.5	-122,885	-10.0
Revenue Reserves*	0	0	0	0	0.0	0	0.0	0	0.0	0	0.0
Capital Reserves *	5422	869	41,858	-4,553	-84.0	-4,574	-84.4	36,436	672.0	34,419	634.8
Carry forward under budget exchange	0	0	0	0	0.0	0	0.0	0	0.0	0	0.0
Assembly Commission	662	750	1,000	88	13.3	70	10.5	338	51.1	290	43.8
Auditor General for Wales	16	20	0	4	25.0	4	22.0	-16	-100.0	-16	-100.0
Public Services Ombudsman for Wales	14	13	13	-1	-7.1	-1	-9.4	-1	-7.1	-2	-11.6
Direct Charges	0	0	0	0	0.0	0	0.0	0	0.0	0	0.0
Total Wales Capital DEL	1,231,978	1,148,613	1,201,688	-83,365	-6.8	-111,380	-9.0	-30,290	-2.5	-88,194	-7.2

Source: Research Service calculations from Welsh Government's Final Budget 2013-14 and HM Treasury's GDP deflators.

* Note the large changes in reserves are misleading, as the 2012-13 reserves have already been partially allocated in-year, whereas those for future years remain in reserve.

1. The Auditor General for Wales' budget for 2014-15 has been included as revenue in its entirety, therefore shows a drop in capital DEL. This will be corrected at subsequent budgets for the 2014-15 financial year.

3.5. *Annually managed expenditure (AME)*²²

AME in the Welsh block

Table 10 shows the change in AME from 2012-13 to 2013-14 and the overall change for the budget period (2012-13 to 2014-15), in both cash and real terms.

- AME within the Welsh block for 2013-14 is **£277.5 million, a decrease of £128 million, or 31.6%** over that in 2012-13. In real terms this equates to a 33.2% reduction.
- Over the budget period (2012-13 to 2014-15) there is an overall **decrease in AME of £1.3 million, or 0.3%**. In real terms this represents a reduction of 5.1%.

In comparison to the draft budget, AME in the Welsh block has **reduced by £10,000 in 2013-14, and by £32,000 in 2014-15.**

This is as a result of changes to AME for the Public Services Ombudsman.

Welsh Government AME allocations

- The Welsh Government's AME for 2013-14 is **£277.2 million, a decrease of £128.2 million, or 31.6%** over that in 2012-13. In real terms this equates to a 33.3% decrease.
- Over the budget period (2012-13 to 2014-15) there is an overall **decrease in AME of £1.6 million, or 0.4%**. In real terms this represents a decrease of 5.2%.

There has been **no change** in AME allocated to Welsh Government departments since the draft budget proposals.

²² **Annually managed expenditure (AME)** - less predictable than expenditure in DEL; covers spend which is generally demand-led and so provision cannot reasonably be subject to multi-year limits (for example, issue of student loans). AME is reviewed and set twice a year by HM Treasury. AME can only be allocated to the purpose for which it is assigned; therefore the Welsh Government has no discretion over its allocation. Further AME can be drawn from HM Treasury if required, whilst any unspent AME must be returned.

Table 10: Year-on-year change to AME

Main Expenditure Group	2012-13	2013-14	2014-15	Change 2012-13		Real terms change		Overall change		Real terms overall	
	baseline	Final Budget	indicative Final Budget	to 2013-14	per cent	2012-13 to 2013-14	per cent	2012-13 to 2014-15	per cent	change 2012-13 to 2014-15	per cent
	£000s	£000s	£000s	£000s		£000s		£000s		£000s	
Health, Social Services & Children	201,710	94,574	213,428	-107,136	-53.1	-109,443	-54.3	11,718	5.8	1,434	0.7
Local Government & Communities	51,385	52,406	53,434	1,021	2.0	-257	-0.5	2,049	4.0	-526	-1.0
Business, Enterprise, Technology & Science	41,402	20,000	20,000	-21,402	-51.7	-21,890	-52.9	-21,402	-51.7	-22,366	-54.0
Education & Skills	178,309	176,869	183,149	-1,440	-0.8	-5,754	-3.2	4,840	2.7	-3,985	-2.2
Environment & Sustainable Development	0	0	0	0	0.0	0	0.0	0	0.0	0	0.0
Housing, Regeneration & Heritage	-65,510	-68,260	-68,260	-2,750	-4.2	..	..	-2,750	-4.2	..	..
Central Services & Administration	-1,842	1,634	2,152	3,476	188.7	..	..	3,994	216.8	..	..
Total Welsh Government AME	405,454	277,223	403,903	-128,231	-31.6	-134,993	-33.3	-1,551	-0.4	-21,013	-5.2
Revenue Reserves*	0	0	0	0	0.0	0	0.0	0	0.0	0	0.0
Capital Reserves *	0	0	0	0	0.0	0	0.0	0	0.0	0	0.0
Carry forward under budget exchange	0	0	0	0	0.0	0	0.0	0	0.0	0	0.0
Assembly Commission	250	500	500	250	100.0	238	95.1	250	100.0	226	90.4
Auditor General for Wales	0	0	0	0	0.0	0	0.0	0	0.0	0	0.0
Public Services Ombudsman for Wales	-181	-202	-224	-21	-11.6	-16	-8.9	-43	-23.8	-32	-17.8
Direct Charges	0	0	0	0	0.0	0	0.0	0	0.0	0	0.0
Total Wales AME	405,523	277,521	404,179	-128,002	-31.6	-134,771	-33.2	-1,344	-0.3	-20,820	-5.1

Source: Research Service calculations from Welsh Government's Final Budget 2013-14.

4. Health, Social Services and Children (HSSC)

Table 11 provides information on the overall allocations within the HSSC MEG at the spending programme area (SPA) level,²³ and shows changes from 2012-13 to 2013-14 and the overall change for the budget period (2012-13 to 2014-15), in both cash and real terms.

The HSSC MEG accounts for around **43 per cent** of the Welsh Government's total DEL allocation in 2013-14.

There has been **no change** in the HSSC MEG since the draft budget proposals.

TME in the HSSC MEG shows:

- 2012-13 to 2014-15: decrease of £115.1 million or 1.8% in cash terms. In real terms this represents a reduction of £271.9 million or 4.2%.
- Over the budget period (2012-13 to 2014-15): increase of £7.6 million, or 0.1% in cash terms, representing a reduction of £308.2 million, or 4.7% in real terms.

Total DEL in the HSSC MEG shows:

- 2012-13 to 2014-15: decrease of £7.9 million or 0.1% in cash terms. In real terms this represents a reduction of £162.5 million or 2.6%.
- Over the budget period (2012-13 to 2014-15): decrease of £4.2 million, or 0.1% in cash terms, representing a reduction of £309.6 million, or 4.9% in real terms.

Revenue DEL in the HSSC MEG shows:

- 2012-13 to 2014-15: increase of £10.2 million or 0.2% in cash terms. In real terms this represents a reduction of £138.4 million or 2.3%.
- Over the budget period (2012-13 to 2014-15): increase of £14 million, or 0.2% in cash terms, representing a reduction of £279.7 million, or 4.6% in real terms.

Capital DEL in the HSSC MEG shows:

- 2012-13 to 2014-15: decrease of £18.2 million or 6.9% in cash terms. In real terms this represents a reduction of £24.1 million or 9.2%.

²³ **Spending programme area (SPA)** - The Welsh Government's budget is broken down into several levels of detail for monitoring and control purposes. Spending programme areas (SPAs) are the second level of detail below main expenditure groups (MEG) and define discrete groups of allocations according to the type of services to be delivered.

- Over the budget period (2012-13 to 2014-15): decrease of £18.2 million, or 6.9% in cash terms, representing a reduction of £29.9 million, or 11.4% in real terms.

AME in the HSSC MEG shows:

- 2012-13 to 2014-15: decrease of £107.1 million or 53.1% in cash terms. In real terms this represents a reduction of £109.4 million or 54.3%.
- Over the budget period (2012-13 to 2014-15): increase of £11.7 million, or 5.8% in cash terms, representing an increase of £1.4 million, or 0.7% in real terms.

Further details on some of the year-on-year changes within the MEG can be found in the Research Service paper: [*Draft Budget Proposals 2013-14*](#).

Table 11: Year-on-year change to HSSC MEG

Spending Programme Area (SPA)	2012-13 baseline	2013-14 Final Budget	2014-15 indicative Final Budget	Change 2012-13 to 2013-14		Real terms change 2012-13 to 2013-14		Overall change 2012-13 to 2014-15		Real terms overall change 2012-13 to 2014-15	
	£000s	£000s	£000s	£000s	per cent	£000s	per cent	£000s	per cent	£000s	per cent
REVENUE DEL											
NHS Delivery	5,505,426	5,494,916	5,489,435	-10,510	-0.2	-144,532	-2.6	-15,991	-0.3	-280,503	-5.1
Health Central Budgets	227,920	228,904	228,179	984	0.4	-4,599	-2.0	259	0.1	-10,736	-4.7
Public Health & Prevention	157,071	158,001	158,001	930	0.6	-2,924	-1.9	930	0.6	-6,683	-4.3
Social Services	181,475	199,763	209,763	18,288	10.1	13,416	7.4	28,288	15.6	18,180	10.0
CAFCASS Cymru	9,635	10,162	10,162	527	5.5	279	2.9	527	5.5	37	0.4
TOTAL REVENUE	6,081,527	6,091,746	6,095,540	10,219	0.2	-138,360	-2.3	14,013	0.2	-279,704	-4.6
CAPITAL DEL											
NHS Delivery	245,699	217,275	225,275	-28,424	-11.6	-33,723	-13.7	-20,424	-8.3	-31,279	-12.7
Health Central Budgets	5,690	5,072	5,072	-618	-10.9	-742	-13.0	-618	-10.9	-862	-15.2
Public Health & Prevention	5,039	4,492	4,492	-547	-10.9	-657	-13.0	-547	-10.9	-763	-15.2
Social Services Strategy	5,285	16,711	8,711	11,426	216.2	11,018	208.5	3,426	64.8	3,006	56.9
TOTAL CAPITAL	261,713	243,550	243,550	-18,163	-6.9	-24,103	-9.2	-18,163	-6.9	-29,899	-11.4
AME											
NHS Impairments and Provisions	201,710	94,574	213,428	-107,136	-53.1	-109,443	-54.3	11,718	5.8	1,434	0.7
TOTAL AME	201,710	94,574	213,428	-107,136	-53.1	-109,443	-54.3	11,718	5.8	1,434	0.7
Revenue DEL	6,081,527	6,091,746	6,095,540	10,219	0.2	-138,360	-2.3	14,013	0.2	-279,704	-4.6
Capital DEL	261,713	243,550	243,550	-18,163	-6.9	-24,103	-9.2	-18,163	-6.9	-29,899	-11.4
TOTAL DEL	6,343,240	6,335,296	6,339,090	-7,944	-0.1	-162,463	-2.6	-4,150	-0.1	-309,603	-4.9
Annually Managed Expenditure	201,710	94,574	213,428	-107,136	-53.1	-109,443	-54.3	11,718	5.8	1,434	0.7
TOTAL HSSC	6,544,950	6,429,870	6,552,518	-115,080	-1.8	-271,906	-4.2	7,568	0.1	-308,169	-4.7

Source: Research Service calculations from Welsh Government's Final Budget 2013-14 and HM Treasury's GDP deflators.

5. Local Government and Communities (LGC)

Table 12 provides information on the overall allocations within the LGC MEG at the SPA level, and shows changes from 2012-13 to 2014-15 and the overall change for the budget period (2012-13 to 2014-15), in both cash and real terms.

The LGC MEG accounts for around **35 per cent** of the Welsh Government's total DEL allocation in 2013-14.

There has been **no change** in the LGC MEG since the draft budget proposals.

TME in the LGC MEG shows:

- 2012-13 to 2013-14: increase of £57.2 million or 1.1% in cash terms. In real terms this represents a reduction of £69.7 million or 1.4%.
- Over the budget period (2012-13 to 2014-15): increase of £111.1 million, or 2.2% in cash terms, representing a reduction of £142.3 million, or 2.8% in real terms.

Total DEL in the LGC MEG shows:

- 2012-13 to 2013-14: increase of £56.2 million or 1.1% in cash terms. In real terms this represents a reduction of £69.5 million or 1.4%.
- Over the budget period (2012-13 to 2014-15): increase of £109 million, or 2.1% in cash terms, representing a reduction of £141.8 million, or 2.8% in real terms.

Revenue DEL in the LGC MEG shows:

- 2012-13 to 2013-14: increase of £73 million or 1.5% in cash terms. In real terms this represents a reduction of £46.5 million or 1.0%.
- Over the budget period (2012-13 to 2014-15): increase of £100.2 million, or 2.1% in cash terms, representing a reduction of £137.2 million, or 2.8% in real terms.

Capital DEL in the LGC MEG shows:

- 2012-13 to 2013-14: decrease of £16.8 million or 6.2% in cash terms. In real terms this represents a reduction of £23 million or 8.5%.
- Over the budget period (2012-13 to 2014-15): increase of £8.9 million, or 3.3% in cash terms, representing a reduction of £4.5 million, or 1.7% in real terms.

AME in the LGC MEG shows:

- 2012-13 to 2013-14: increase of £1 million or 2.0% in cash terms. In real terms this represents a reduction of £257,000 or 0.5%.
- Over the budget period (2012-13 to 2014-15): increase of £2 million, or 4.0% in cash terms, representing a decrease of £526,000, or 1.0% in real terms.

Further details on some of the year-on-year changes within the MEG can be found in the Research Service paper: [*Draft Budget Proposals 2013-14*](#).

Table 12: Year-on-year change to LGC MEG

Spending Programme Area (SPA)	2012-13 baseline	2013-14 Final Budget	2014-15 indicative Final Budget	Change 2012-13 to 2013-14		Real terms change 2012-13 to 2013-14		Overall change 2012-13 to 2014-15		Real terms overall change 2012-13 to 2014-15	
	£000s	£000s	£000s	£000s	per cent	£000s	per cent	£000s	per cent	£000s	per cent
REVENUE DEL											
Local Government Funding	4,239,269	4,325,747	4,352,147	86,478	2.0	-19,028	-0.4	112,878	2.7	-96,833	-2.3
Supporting Communities and People	53,963	52,064	52,064	-1,899	-3.5	-3,169	-5.9	-1,899	-3.5	-4,408	-8.2
Safer Communities	16,551	16,701	16,701	150	0.9	-257	-1.6	150	0.9	-655	-4.0
Improving Services, Collaboration and Democracy	41,896	40,979	40,979	-917	-2.2	-1,916	-4.6	-917	-2.2	-2,892	-6.9
Care & Social Services Inspectorate	15,190	14,461	14,461	-729	-4.8	-1,082	-7.1	-729	-4.8	-1,426	-9.4
Healthcare Inspectorate Wales	2,722	2,591	2,591	-131	-4.8	-194	-7.1	-131	-4.8	-256	-9.4
Estyn	12,968	12,364	12,364	-604	-4.7	-906	-7.0	-604	-4.7	-1,200	-9.3
Motorway & Trunk Road Network Operations	168,951	174,212	173,574	5,261	3.1	1,012	0.6	4,623	2.7	-3,741	-2.2
Rail & Air Services	173,971	173,179	173,179	-792	-0.5	-5,016	-2.9	-792	-0.5	-9,137	-5.3
Sustainable Travel	95,091	82,302	83,685	-12,789	-13.4	-14,796	-15.6	-11,406	-12.0	-15,438	-16.2
Improve Road Safety	5,716	4,717	4,713	-999	-17.5	-1,114	-19.5	-1,003	-17.5	-1,230	-21.5
TOTAL REVENUE	4,826,288	4,899,317	4,926,458	73,029	1.5	-46,467	-1.0	100,170	2.1	-137,214	-2.8
CAPITAL DEL											
Local Government Funding	20,000	20,000	20,000	0	0.0	-488	-2.4	0	0.0	-964	-4.8
Supporting Communities and People	14,774	10,950	10,950	-3,824	-25.9	-4,091	-27.7	-3,824	-25.9	-4,352	-29.5
Safer Communities	3,339	2,639	2,639	-700	-21.0	-764	-22.9	-700	-21.0	-827	-24.8
Estyn	315	281	281	-34	-10.8	-41	-13.0	-34	-10.8	-48	-15.1
Motorway & Trunk Road Network Operations	55,366	48,551	63,204	-6,815	-12.3	-7,999	-14.4	7,838	14.2	4,792	8.7
Road & Rail Investment	96,694	107,891	121,046	11,197	11.6	8,566	8.9	24,352	25.2	18,519	19.2
Sustainable Travel	43,826	41,640	39,532	-2,186	-5.0	-3,202	-7.3	-4,294	-9.8	-6,199	-14.1
Improve & Maintain Local Roads Infrastructure	28,137	13,667	13,667	-14,470	-51.4	-14,803	-52.6	-14,470	-51.4	-15,129	-53.8
Improve Road Safety	6,900	6,900	6,900	0	0.0	-168	-2.4	0	0.0	-332	-4.8
TOTAL CAPITAL	269,351	252,519	278,219	-16,832	-6.2	-22,991	-8.5	8,868	3.3	-4,538	-1.7
AME											
Local Government Funding	20,717	24,488	24,488	3,771	18.2	3,174	15.3	3,771	18.2	2,591	12.5
Improve Domestic Connectivity (Regional & National)	30,668	27,918	28,946	-2,750	-9.0	-3,431	-11.2	-1,722	-5.6	-3,117	-10.2
TOTAL AME	51,385	52,406	53,434	1,021	2.0	-257	-0.5	2,049	4.0	-526	-1.0
Revenue DEL	4,826,288	4,899,317	4,926,458	73,029	1.5	-46,467	-1.0	100,170	2.1	-137,214	-2.8
Capital DEL	269,351	252,519	278,219	-16,832	-6.2	-22,991	-8.5	8,868	3.3	-4,538	-1.7
TOTAL DEL	5,095,639	5,151,836	5,204,677	56,197	1.1	-69,458	-1.4	109,038	2.1	-141,753	-2.8
Annually Managed Expenditure	51,385	52,406	53,434	1,021	2.0	-257	-0.5	2,049	4.0	-526	-1.0
TOTAL LGC	5,147,024	5,204,242	5,258,111	57,218	1.1	-69,715	-1.4	111,087	2.2	-142,278	-2.8

Source: Research Service calculations from Welsh Government's Final Budget 2013-14 and HM Treasury's GDP deflators.

6. Business, Enterprise, Technology and Science (BETS)

Table 13 provides information on the overall allocations within the BETS MEG at the SPA level, and shows changes from 2012-13 to 2014-15 and the overall change for the budget period (2012-13 to 2014-15), in both cash and real terms.

The BETS MEG accounts for around **2 per cent** of the Welsh Government's total DEL allocation in 2013-14.

There has been an overall **increase of £21 million TME in 2013-14 and £32.3 million in 2014-15** in the BETS portfolio, as compared with the draft budget proposals. These allocations relate entirely to DEL and are split as follows:

- £2 million in 2013-14 and £3.3 million in 2014-15 is revenue DEL; and
- £19 million in 2013-14 and £29 million in 2014-15 is capital DEL.

The additional revenue DEL allocations of **£2 million in 2013-14 and £3.3 million in 2014-15** have been made from revenue reserves (as shown in [table 1](#)) These allocations have been made into the *Sectors* action²⁴ in the Sectors and Business SPA,²⁵ and it relates to a **targeted scheme of business rates relief to be available across all seven Enterprise Zones in Wales**. It is also stated that a **further £0.8 million will be allocated in 2012-13 in relation to this**, to be actioned in the second Supplementary Budget 2012-13 (likely to be in February 2013).²⁶

The additional capital DEL allocations of **£19 million in 2013-14 and £29 million in 2014-15** have been made from capital reserves (as shown in [table 1](#)). These allocations have been made as follows:

- **£10 million in 2013-14 and £20 million in 2014-15** to the *Sectors* action in the Sectors and Business SPA.²⁷ This is to support a second phase of the

²⁴ **Action** - the most detailed level published in the budget documentation and indicate policy or initiative areas. However, it should be noted that actions may not necessarily provide detail of allocations at the level of specific policy or programme. Previously known as budget expenditure lines (BELs).

²⁵ Welsh Government, [Final Budget 2013-14 expenditure allocation tables](#), 27 November 2012 [accessed 28 November 2012]

²⁶ Welsh Government, [Final Budget 2013-14 Narrative](#), 27 November 2012 (page 4) [accessed 28 November 2012]

²⁷ Welsh Government, [Final Budget 2013-14 expenditure allocation tables](#), 27 November 2012 [accessed 28 November 2012]

Wales Economic Growth Fund,²⁸ which provides non-repayable grants aimed at providing short-term assistance to businesses in Wales.²⁹

- **£1 million in 2013-14 and £9 million in 2014-15** has gone into the *Science* action of the Science and Innovation SPA.³⁰ This is to support the **creation of a science and research facility** led by Bangor University, in collaboration with Aberystwyth University,³¹ as agreed with Plaid Cymru.³²
- **£8 million in 2013-14** has gone into the *Deliver Property Related Infrastructure* action in the Infrastructure SPA.³³ This is to support the **use of public sector land for housing**.³⁴ The corresponding allocation of **£8.7 million in 2014-15 has been allocated to the Housing, Regeneration and Heritage MEG** (as detailed in [section 9](#)).

TME in the BETS MEG shows:

- 2012-13 to 2014-15: decrease of £1.3 million or 0.4% in cash terms. In real terms this represents a reduction of £9 million or 2.8%.
- Over the budget period (2012-13 to 2014-15): increase of £8.6 million, or 2.7% in cash terms, representing a reduction of £7 million, or 2.2% in real terms.

Total DEL in the BETS MEG shows:

- 2012-13 to 2014-15: increase of £20.1 million or 7.3% in cash terms. In real terms this represents an increase of £12.9 million or 4.7%.
- Over the budget period (2012-13 to 2014-15): increase of £30 million, or 10.9% in cash terms, representing an increase of £15.3 million, or 5.6% in real terms.

Revenue DEL in the BETS MEG shows:

- 2012-13 to 2014-15: increase of £7.4 million or 4.2% in cash terms. In real terms this represents a increase of £2.9 million or 1.6%.

²⁸ Welsh Government, [Final Budget 2013-14 Narrative](#), 27 November 2012 (page 4) [accessed 28 November 2012]

²⁹ Further information on the Wales Economic Growth Fund can be found on the Welsh Government's website: [Wales Economic Growth Fund \[accessed 28 November 2012\]](#)

³⁰ Welsh Government, [Final Budget 2013-14 expenditure allocation tables](#), 27 November 2012 [accessed 28 November 2012]

³¹ Welsh Government, [Final Budget 2013-14 Narrative](#), 27 November 2012 (page 5) [accessed 28 November 2012]

³² Welsh Government, News Release, [A joint statement from Carwyn Jones, First Minister and Leanne Wood, Leader of Plaid Cymru](#), 8 November 2012

³³ Welsh Government, [Final Budget 2013-14 expenditure allocation tables](#), 27 November 2012 [accessed 28 November 2012]

³⁴ Welsh Government, [Final Budget 2013-14 Narrative](#), 27 November 2012 (page 3) [accessed 28 November 2012]

- Over the budget period (2012-13 to 2014-15): increase of £10 million, or 5.7% in cash terms, representing an increase of £1 million, or 0.6% in real terms.

Capital DEL in the BETS MEG shows:

- 2012-13 to 2014-15: increase of £12.7 million or 12.9% in cash terms. In real terms this represents an increase of £10 million or 10.2%.
- Over the budget period (2012-13 to 2014-15): increase of £20 million, or 20.3% in cash terms, representing an increase of £14.3 million, or 14.5% in real terms.

AME in the BETS MEG shows:

- 2012-13 to 2014-15: decrease of £21.4 million, or 51.7% in cash terms. In real terms this represents a decrease of £21.9 million or 52.9%.
- Over the budget period (2012-13 to 2014-15): decrease of £21.4 million, or 51.7% in cash terms, representing a decrease of £22.4 million, or 54.0% in real terms.

Further details on some of the year-on-year changes within the MEG can be found in the Research Service paper: [***Draft Budget Proposals 2013-14***](#). Differences between the year-on-year changes shown above and those at the draft budget are due to the additional allocations made in this Final Budget (as discussed above).

Table 13: Year-on-year change to BETS MEG

Spending Programme Area (SPA)	2012-13 baseline	2013-14 Final Budget	2014-15 indicative Final Budget	Change 2012-13 to 2013-14		Real terms change 2012-13 to 2013-14		Overall change 2012-13 to 2014-15		Real terms overall change 2012-13 to 2014-15	
	£000s	£000s	£000s	£000s	per cent	£000s	per cent	£000s	per cent	£000s	per cent
REVENUE DEL											
Sectors and Business	50,722	57,847	58,579	7,125	14.0	5,714	11.3	7,857	15.5	5,034	9.9
Science & Innovation	10,656	14,269	14,895	3,613	33.9	3,265	30.6	4,239	39.8	3,521	33.0
Major Events	4,831	4,740	4,740	-91	-1.9	-207	-4.3	-91	-1.9	-319	-6.6
Infrastructure	22,415	20,642	22,171	-1,773	-7.9	-2,276	-10.2	-244	-1.1	-1,312	-5.9
Strategy & Corporate Programmes	12,478	10,138	10,060	-2,340	-18.8	-2,587	-20.7	-2,418	-19.4	-2,903	-23.3
WEFO	1,522	1,522	1,522	0	0.0	-37	-2.4	0	0.0	-73	-4.8
Rural Affairs	74,246	75,116	74,916	870	1.2	-962	-1.3	670	0.9	-2,940	-4.0
TOTAL REVENUE	176,870	184,274	186,883	7,404	4.2	2,910	1.6	10,013	5.7	1,008	0.6
CAPITAL DEL											
Sectors and Business	68,832	56,519	66,144	-12,313	-17.9	-13,692	-19.9	-2,688	-3.9	-5,875	-8.5
Science & Innovation	1,107	3,613	11,979	2,506	226.4	2,418	218.4	10,872	982.1	10,295	930.0
Infrastructure	11,031	36,456	28,456	25,425	230.5	24,536	222.4	17,425	158.0	16,054	145.5
Strategy & Corporate Programmes	1,917	59	68	-1,858	-96.9	-1,859	-97.0	-1,849	-96.5	-1,852	-96.6
Rural Affairs	15,469	14,423	11,723	-1,046	-6.8	-1,398	-9.0	-3,746	-24.2	-4,311	-27.9
TOTAL CAPITAL	98,356	111,070	118,370	12,714	12.9	10,005	10.2	20,014	20.3	14,310	14.5
AME											
Infrastructure	41,402	20,000	20,000	-21,402	-51.7	-21,890	-52.9	-21,402	-51.7	-22,366	-54.0
TOTAL AME	41,402	20,000	20,000	-21,402	-51.7	-21,890	-52.9	-21,402	-51.7	-22,366	-54.0
Revenue DEL	176,870	184,274	186,883	7,404	4.2	2,910	1.6	10,013	5.7	1,008	0.6
Capital DEL	98,356	111,070	118,370	12,714	12.9	10,005	10.2	20,014	20.3	14,310	14.5
TOTAL DEL	275,226	295,344	305,253	20,118	7.3	12,914	4.7	30,027	10.9	15,318	5.6
Annually Managed Expenditure	41,402	20,000	20,000	-21,402	-51.7	-21,890	-52.9	-21,402	-51.7	-22,366	-54.0
TOTAL BETS	316,628	315,344	325,253	-1,284	-0.4	-8,975	-2.8	8,625	2.7	-7,048	-2.2

Source: Research Service calculations from Welsh Government's Final Budget 2013-14 and HM Treasury's GDP deflators.

7. Education and Skills (E&S)

Table 14 provides information on the overall allocations within the E&S MEG at the SPA level, and shows changes from 2012-13 to 2013-14 and the overall change for the budget period (2012-13 to 2014-15), in both cash and real terms.

The E&S MEG accounts for around **13 per cent** of the Welsh Government's total DEL allocation in 2013-14.

There has been an overall **increase of £20 million TME in both 2013-14 and 2014-15** in the E&S portfolio, as compared with the draft budget proposals. These allocations relate entirely to revenue DEL.

The additional revenue DEL allocations of **£20 million in 2013-14 and 2014-15** have been made from revenue reserves (as shown in **table 1**) These allocations have been made into the *Post 16 Education* action in the Education and Training Standards SPA,³⁵ and relate to the additional **allocations in relation to apprenticeships as agreed with Plaid Cymru**.³⁶ These allocations have initially been made from revenue reserves, however it is intended that this will eventually be funded from use of the BES.³⁷ Therefore, the final budget narrative document³⁸ shows that **£20 million will be carried forward to each of the 2013-14 and 2014-15 financial years, to replace this allocation from reserves**, thus making no call on the reserve. As funds carried forward under BES are not available for use until part way through the following financial year, the allocations have initially been made from reserves until these funds are available and can be returned to reserves through subsequent budgets.

TME in the E&S MEG shows:

- 2012-13 to 2014-15: increase of £14.7 million or 0.7% in cash terms. In real terms this represents a reduction of £35.3 million or 1.7%.
- Over the budget period (2012-13 to 2014-15): increase of £5.5 million, or 0.3% in cash terms, representing a reduction of £92.7 million, or 4.6% in real terms.

³⁵ Welsh Government, [Final Budget 2013-14 expenditure allocation tables](#), 27 November 2012 [accessed 28 November 2012]

³⁶ Welsh Government, News Release, [A joint statement from Carwyn Jones, First Minister and Leanne Wood, Leader of Plaid Cymru](#), 8 November 2012 [accessed 28 November 2012]

³⁷ Welsh Government, [Final Budget 2013-14 Narrative](#), 27 November 2012 (page 4) [accessed 28 November 2012]

³⁸ Welsh Government, [Final Budget 2013-14 Narrative](#), 27 November 2012 (page 5 and Table 4.1 page 8) [accessed 28 November 2012]

Total DEL in the E&S MEG shows:

- 2012-13 to 2014-15: increase of £16.1 million or 0.9% in cash terms. In real terms this represents a reduction of £29.5 million or 1.6%.
- Over the budget period (2012-13 to 2014-15): increase of £646,000, or 0.0% in cash terms, representing a reduction of £88.8 million, or 4.8% in real terms.

Revenue DEL in the E&S MEG shows:

- 2012-13 to 2014-15: increase of £17.3 million or 1.0% in cash terms. In real terms this represents a decrease of £24 million or 1.4%.
- Over the budget period (2012-13 to 2014-15): increase of £25.1 million, or 1.5% in cash terms, representing a reduction of £56.9 million, or 3.4% in real terms.

Capital DEL in the E&S MEG shows:

- 2012-13 to 2014-15: decrease of £1.2 million or 0.7% in cash terms. In real terms this represents a reduction of £5.5 million or 3.1%.
- Over the budget period (2012-13 to 2014-15): decrease of £24.5 million, or 13.7% in cash terms, representing a reduction of £31.9 million, or 17.9% in real terms.

AME in the E&S MEG shows:

- 2012-13 to 2014-15: decrease of £1.4 million or 0.8% in cash terms. In real terms this represents a decrease of £5.8 million or 3.2%.
- Over the budget period (2012-13 to 2014-15): an increase of £4.8million, or 2.7% in cash terms, representing a decrease of £4 million, or 2.2% in real terms.

Further details on some of the year-on-year changes within the MEG can be found in the Research Service paper: [***Draft Budget Proposals 2013-14***](#). Differences between the year-on-year changes shown above and those at the draft budget are due to the additional allocations made in this Final Budget (as discussed above).

Table 14: Year-on-year change to E&S MEG

Spending Programme Area (SPA)	2012-13 baseline	2013-14 Final Budget	2014-15 indicative Final Budget	Change 2012-13 to 2013-14		Real terms change 2012-13 to 2013-14		Overall change 2012-13 to 2014- 15		Real terms overall change 2012-13 to 2014-15	
	£000s	£000s	£000s	£000s	per cent	£000s	per cent	£000s	per cent	£000s	per cent
REVENUE DEL											
Education and Training Standards	1,166,961	1,204,252	1,209,052	37,291	3.2	7,919	0.7	42,091	3.6	-16,168	-1.4
Skilled Workforce	89,649	81,403	81,403	-8,246	-9.2	-10,231	-11.4	-8,246	-9.2	-12,168	-13.6
Economic and Social Wellbeing and Reducing Inequality	390,752	379,019	382,054	-11,733	-3.0	-20,977	-5.4	-8,698	-2.2	-27,108	-6.9
Welsh Language	24,976	25,076	25,076	100	0.4	-512	-2.0	100	0.4	-1,108	-4.4
Delivery Support	4,191	4,049	4,049	-142	-3.4	-241	-5.7	-142	-3.4	-337	-8.0
TOTAL REVENUE	1,676,529	1,693,799	1,701,634	17,270	1.0	-24,042	-1.4	25,105	1.5	-56,889	-3.4
CAPITAL DEL											
Education and Training Skills	178,293	177,134	153,834	-1,159	-0.7	-5,479	-3.1	-24,459	-13.7	-31,872	-17.9
TOTAL CAPITAL	178,293	177,134	153,834	-1,159	-0.7	-5,479	-3.1	-24,459	-13.7	-31,872	-17.9
AME											
Economic and Social Wellbeing and Reducing Inequality	178,309	176,869	183,149	-1,440	-0.8	-5,754	-3.2	4,840	2.7	-3,985	-2.2
TOTAL AME	178,309	176,869	183,149	-1,440	-0.8	-5,754	-3.2	4,840	2.7	-3,985	-2.2
Revenue DEL	1,676,529	1,693,799	1,701,634	17,270	1.0	-24,042	-1.4	25,105	1.5	-56,889	-3.4
Capital DEL	178,293	177,134	153,834	-1,159	-0.7	-5,479	-3.1	-24,459	-13.7	-31,872	-17.9
TOTAL DEL	1,854,822	1,870,933	1,855,468	16,111	0.9	-29,522	-1.6	646	0.0	-88,761	-4.8
Annually Managed Expenditure	178,309	176,869	183,149	-1,440	-0.8	-5,754	-3.2	4,840	2.7	-3,985	-2.2
TOTAL E&S	2,033,131	2,047,802	2,038,617	14,671	0.7	-35,275	-1.7	5,486	0.3	-92,746	-4.6

Source: Research Service calculations from Welsh Government's Final Budget 2013-14 and HM Treasury's GDP deflators.

8. Environment and Sustainable Development (ESD)

Table 15 provides information on the overall allocations within the ESD MEG at the SPA level, and shows changes from 2012-13 to 2013-14 and the overall change for the budget period (2012-13 to 2014-15), in both cash and real terms.

The ESD MEG accounts for around **2 per cent** of the Welsh Government's total DEL allocation in 2013-14.

There has been **no change** in the ESD MEG since the draft budget proposals.

TME in the ESD MEG shows:

- 2012-13 to 2013-14: decrease of £13.8 million or 4.0% in cash terms. In real terms this represents a reduction of £21.7 million or 6.4%.
- Over the budget period (2012-13 to 2014-15): decrease of £12.4 million, or 3.6% in cash terms, representing a reduction of £28.2 million, or 8.3% in real terms.

Total DEL in the ESD MEG shows:

- 2012-13 to 2013-14: decrease of £13.8 million or 4.0% in cash terms. In real terms this represents a reduction of £21.7 million or 6.4%.
- Over the budget period (2012-13 to 2014-15): decrease of £12.4 million, or 3.6% in cash terms, representing a reduction of £28.2 million, or 8.3% in real terms.

Revenue DEL in the ESD MEG shows:

- 2012-13 to 2013-14: decrease of £698,000 or 0.3% in cash terms. In real terms this represents a reduction of £7.1 million or 2.7%.
- Over the budget period (2012-13 to 2014-15): increase of £703,000, or 0.3% in cash terms, representing a reduction of £12.1 million, or 4.6% in real terms.

Capital DEL in the ESD MEG shows:

- 2012-13 to 2013-14: decrease of £13.1 million or 17.3% in cash terms. In real terms this represents a reduction of £14.6 million or 19.3%.
- Over the budget period (2012-13 to 2014-15): decrease of £13.1 million, or 17.4% in cash terms, representing a reduction of £16.1 million, or 21.4% in real terms.

There is no AME in the ESD MEG.

Further details on some of the year-on-year changes within the MEG can be found in the Research Service paper: [*Draft Budget Proposals 2013-14*](#).

Table 15: Year-on-year change to ESD MEG

Spending Programme Area (SPA)	2012-13	2013-14	2014-15	Change 2012-13		Real terms		Overall change		Real terms overall	
	baseline	Final Budget	indicative Final Budget	to 2013-14	per cent	change 2012-13 to 2013-14	per cent	2012-13 to 2014-15	per cent	change 2012-13 to 2014-15	per cent
	£000s	£000s	£000s	£000s	per cent	£000s	per cent	£000s	per cent	£000s	per cent
REVENUE DEL											
Climate Change and Sustainability	115,855	120,118	123,885	4,263	3.7	1,333	1.2	8,030	6.9	2,061	1.8
Environment	80,887	97,216	95,704	16,329	20.2	13,958	17.3	14,817	18.3	10,205	12.6
Planning	7,403	7,090	7,090	-313	-4.2	-486	-6.6	-313	-4.2	-655	-8.8
Protecting & Improving Animal Health & Welfare	39,454	38,895	38,041	-559	-1.4	-1,508	-3.8	-1,413	-3.6	-3,246	-8.2
Evidence Base	354	1,136	1,136	782	220.9	754	213.1	782	220.9	727	205.4
Forestry	21,200	0		-21,200	-100.0	-21,200	-100.0	-21,200	-100.0	-21,200	-100.0
TOTAL REVENUE	265,153	264,455	265,856	-698	-0.3	-7,148	-2.7	703	0.3	-12,107	-4.6
CAPITAL DEL											
Climate Change and Sustainability	69,936	58,628	58,584	-11,308	-16.2	-12,738	-18.2	-11,352	-16.2	-14,175	-20.3
Environment	5,600	3,645	3,645	-1,955	-34.9	-2,044	-36.5	-1,955	-34.9	-2,131	-38.0
Evidence Base	38	38	38	0	0.0	-1	-2.4	0	0.0	-2	-4.8
Forestry	-205	0	0	205	-100.0	205	-100.0	205	-100.0	205	-100.0
TOTAL CAPITAL	75,369	62,311	62,267	-13,058	-17.3	-14,578	-19.3	-13,102	-17.4	-16,102	-21.4
Revenue DEL	265,153	264,455	265,856	-698	-0.3	-7,148	-2.7	703	0.3	-12,107	-4.6
Capital DEL	75,369	62,311	62,267	-13,058	-17.3	-14,578	-19.3	-13,102	-17.4	-16,102	-21.4
TOTAL DEL	340,522	326,766	328,123	-13,756	-4.0	-21,726	-6.4	-12,399	-3.6	-28,210	-8.3
Annually Managed Expenditure	0	0	0	0	0.0	0	0.0	0	0.0	0	0.0
TOTAL ESD	340,522	326,766	328,123	-13,756	-4.0	-21,726	-6.4	-12,399	-3.6	-28,210	-8.3

Source: Research Service calculations from Welsh Government's Final Budget 2013-14 and HM Treasury's GDP deflators.

9. Housing, Regeneration and Heritage (HRH)

Table 16 provides information on the overall allocations within the HRH MEG at the SPA level, and shows changes from 2012-13 to 2013-14 and the overall change for the budget period (2012-13 to 2014-15), in both cash and real terms.

The HRH MEG accounts for around **4 per cent** of the Welsh Government's total DEL allocation in 2013-14.

There has been an overall **increase of £8.7 million TME in 2014-15** in the HRH portfolio, as compared with the draft budget proposals. These allocations relate entirely to capital DEL.

The additional capital DEL allocation of **£8.7 million in 2014-15** has been made from capital reserves (as shown in [table 1](#)) This has been allocated to the *Increase the Supply and Choice of Housing* action in the Homes and Places SPA,³⁹ and relate to the **use of public land for housing**.⁴⁰ The **corresponding allocation of £8 million in 2013-14** has been allocated to the BETS MEG (as detailed in [section 6](#)).

TME in the HRH MEG shows:

- 2012-13 to 2013-14: decrease of £38.9 million or 7.4% in cash terms. In real terms this represents a reduction of £50.8 million or 9.6%.
- Over the budget period (2012-13 to 2014-15): decrease of £36.7 million, or 7.0% in cash terms, representing a reduction of £60.3 million, or 11.4% in real terms.

Total DEL in the HRH MEG shows:

- 2012-13 to 2013-14: decrease of £36.2 million or 6.1% in cash terms. In real terms this represents a reduction of £49.7 million or 8.4%.
- Over the budget period (2012-13 to 2014-15): decrease of £33.9 million, or 5.7% in cash terms, representing a reduction of £60.8 million, or 10.3% in real terms.

Revenue DEL in the HRH MEG shows:

³⁹ Welsh Government, [Final Budget 2013-14 expenditure allocation tables](#), 27 November 2012 [accessed 28 November 2012]

⁴⁰ Welsh Government, [Final Budget 2013-14 Narrative](#), 27 November 2012 (page 3) [accessed 28 November 2012]

- 2012-13 to 2013-14: increase of £3.1 million or 1.1% in cash terms. In real terms this represents a reduction of £3.8 million or 1.4%.
- Over the budget period (2012-13 to 2014-15): increase of £3.1 million, or 1.1% in cash terms, representing a reduction of £10.4 million, or 3.7% in real terms.

Capital DEL in the HRH MEG shows:

- 2012-13 to 2013-14: decrease of £39.3 million or 12.5% in cash terms. In real terms this represents a reduction of £46 million or 14.6%.
- Over the budget period (2012-13 to 2014-15): decrease of £37.1 million, or 11.8% in cash terms, representing a reduction of £50.4 million, or 16.0% in real terms.

AME in the HRH MEG shows:

- 2012-13 to 2013-14: decrease of £2.8 million, or 4.2% in cash terms.
- Over the budget period (2012-13 to 2014-15): decrease of £2.8 million, or 4.2% in cash terms.⁴¹

Further details on some of the year-on-year changes within the MEG can be found in the Research Service paper: [***Draft Budget Proposals 2013-14***](#). Differences between the year-on-year changes shown above and those at the draft budget are due to the additional allocations made in this Final Budget (as discussed above).

⁴¹ Note that the AME in the HRH MEG is a negative budget. Therefore, real terms changes are not shown because they would show as being greater than the cash increases, as they represent increases on a negative figure (the figure becomes less negative and closer to zero).

Table 16: Year-on-year change to HRH MEG

Spending Programme Area (SPA)	2012-13 baseline	2013-14 Final Budget	2014-15 indicative Final Budget	Change 2012-13 to 2013-14		Real terms change 2012-13 to 2013-14		Overall change 2012-13 to 2014-15		Real terms overall change 2012-13 to 2014-15	
	£000s	£000s	£000s	£000s	per cent	£000s	per cent	£000s	per cent	£000s	per cent
REVENUE DEL											
Housing Policy	150,493	150,736	150,741	243	0.2	-3,433	-2.3	248	0.2	-7,016	-4.7
Homes and Places	15,038	17,278	17,278	2,240	14.9	1,819	12.1	2,240	14.9	1,407	9.4
Support and sustain a strong arts sector via the arts council and others	34,802	35,643	35,643	841	2.4	-28	-0.1	841	2.4	-876	-2.5
Museums, Archives and Libraries	37,436	37,445	37,445	9	0.0	-904	-2.4	9	0.0	-1,795	-4.8
Delivery of effective sports & physical activity programmes	24,923	24,853	24,899	-70	-0.3	-676	-2.7	-24	-0.1	-1,224	-4.9
Media and Publishing	3,980	3,926	3,926	-54	-1.4	-150	-3.8	-54	-1.4	-243	-6.1
Conserve, protect, sustain and promote access to the historic environment	11,658	11,541	11,541	-117	-1.0	-398	-3.4	-117	-1.0	-673	-5.8
TOTAL REVENUE	278,330	281,422	281,473	3,092	1.1	-3,772	-1.4	3,143	1.1	-10,420	-3.7
CAPITAL DEL											
Housing Policy	1,641	1,641	1,641	0	0.0	-40	-2.4	0	0.0	-79	-4.8
Homes and Places	302,566	263,529	265,729	-39,037	-12.9	-45,465	-15.0	-36,837	-12.2	-49,641	-16.4
Support and sustain a strong arts sector via the arts council and others	455	450	450	-5	-1.1	-16	-3.5	-5	-1.1	-27	-5.9
Museums, Archives and Libraries	3,973	4,043	4,043	70	1.8	-29	-0.7	70	1.8	-125	-3.1
Delivery of effective sports & physical activity programmes	345	345	345	0	0.0	-8	-2.4	0	0.0	-17	-4.8
Media and Publishing	25	25	25	0	0.0	-1	-2.4	0	0.0	-1	-4.8
Conserve, protect, sustain and promote access to the historic environment	5,313	5,031	5,031	-282	-5.3	-405	-7.6	-282	-5.3	-524	-9.9
TOTAL CAPITAL	314,318	275,064	277,264	-39,254	-12.5	-45,963	-14.6	-37,054	-11.8	-50,414	-16.0
AME											
Museums and Libraries Pensions	2,490	2,740	2,740	250	10.0	183	7.4	250	10.0	118	4.7
Housing	-68,000	-71,000	-71,000	-3,000	-4.4	-1,268	-1.9	-3,000	-4.4	421	0.6
TOTAL AME	-65,510	-68,260	-68,260	-2,750	-4.2	-1,085	-1.7	-2,750	-4.2	539	0.8
Revenue DEL	278,330	281,422	281,473	3,092	1.1	-3,772	-1.4	3,143	1.1	-10,420	-3.7
Capital DEL	314,318	275,064	277,264	-39,254	-12.5	-45,963	-14.6	-37,054	-11.8	-50,414	-16.0
TOTAL DEL	592,648	556,486	558,737	-36,162	-6.1	-49,735	-8.4	-33,911	-5.7	-60,834	-10.3
Annually Managed Expenditure	-65,510	-68,260	-68,260	-2,750	-4.2	..	..	-2,750	-4.2	..	..
TOTAL HRH	527,138	488,226	490,477	-38,912	-7.4	-50,820	-9.6	-36,661	-7.0	-60,295	-11.4

Source: Research Service calculations from Welsh Government's Final Budget 2013-14 and HM Treasury's GDP deflators.

10. Central Services and Administration (CSA)

Table 17 provides information on the overall allocations within the CSA MEG at the SPA level, and shows changes from 2012-13 to 2013-14 and the overall change for the budget period (2012-13 to 2014-15), in both cash and real terms.

The CSA MEG accounts for around **2 per cent** of the Welsh Government's total DEL allocation in 2013-14.

There has been **no change** in the CSA MEG since the draft budget proposals.

TME in the CSA MEG shows:

- 2012-13 to 2013-14: decrease of £10.8 million or 3.0% in cash terms. In real terms this represents a reduction of £19.3 million or 5.4%.
- Over the budget period (2012-13 to 2014-15): decrease of £7.8 million, or 2.2% in cash terms, representing a reduction of £24.8 million, or 6.9% in real terms.

Total DEL in the CSA MEG shows:

- 2012-13 to 2013-14: decrease of £14.3 million or 3.9% in cash terms. In real terms this represents a reduction of £22.8 million or 6.3%.
- Over the budget period (2012-13 to 2014-15): decrease of £11.8 million, or 3.2% in cash terms, representing a reduction of £28.7 million, or 7.9% in real terms.

Revenue DEL in the CSA MEG shows:

- 2012-13 to 2013-14: decrease of £11.1 million or 3.3% in cash terms. In real terms this represents a reduction of £19 million or 5.7%.
- Over the budget period (2012-13 to 2014-15): decrease of £8.6 million, or 2.6% in cash terms, representing a reduction of £24.3 million, or 7.3% in real terms.

Capital DEL in the CSA MEG shows:

- 2012-13 to 2013-14: decrease of £3.2 million or 11.1% in cash terms. In real terms this represents a reduction of £3.8 million or 13.2%.
- Over the budget period (2012-13 to 2014-15): decrease of £3.2 million, or 11.1% in cash terms, representing a reduction of £4.4 million, or 15.4% in real terms.

AME in the CSA MEG shows:

- 2012-13 to 2013-14: increase of £3.5 million, or over 100 per cent in cash terms.
- Over the budget period (2012-13 to 2014-15): an increase of £4 million, or over 100 per cent in cash terms.⁴²

Further details on some of the year-on-year changes within the MEG can be found in the Research Service paper: [*Draft Budget Proposals 2013-14*](#).

⁴² Note that the AME in the CSA MEG is a negative budget. Therefore, real terms changes are not shown because they would show as being greater than the cash increases, as they represent increases on a negative figure (the figure becomes less negative and closer to zero).

Table 17: Year-on-year change to CSA MEG

Spending Programme Area (SPA)	2012-13 baseline	2013-14 Final Budget	2014-15 indicative Final Budget	Change 2012-13 to 2013-14		Real terms change 2012-13 to 2013-14		Overall change 2012-13 to 2014-15		Real terms overall change 2012-13 to 2014-15	
	£000s	£000s	£000s	£000s	per cent	£000s	per cent	£000s	per cent	£000s	per cent
REVENUE DEL											
Delegated Running Costs	205,613	195,372	195,372	-10,241	-5.0	-15,006	-7.3	-10,241	-5.0	-19,655	-9.6
Central Running Costs	91,429	88,616	88,635	-2,813	-3.1	-4,974	-5.4	-2,794	-3.1	-7,065	-7.7
Information & Support Services	23,016	12,508	12,608	-10,508	-45.7	-10,813	-47.0	-10,408	-45.2	-11,016	-47.9
Central Programmes	14,361	26,800	29,177	12,439	86.6	11,785	82.1	14,816	103.2	13,410	93.4
TOTAL REVENUE	334,419	323,296	325,792	-11,123	-3.3	-19,008	-5.7	-8,627	-2.6	-24,325	-7.3
CAPITAL DEL											
Central Running Costs	11,145	9,935	9,935	-1,210	-10.9	-1,452	-13.0	-1,210	-10.9	-1,689	-15.2
Central Programmes	17,319	15,378	15,378	-1,941	-11.2	-2,316	-13.4	-1,941	-11.2	-2,682	-15.5
TOTAL CAPITAL	28,464	25,313	25,313	-3,151	-11.1	-3,768	-13.2	-3,151	-11.1	-4,371	-15.4
AME											
Central Running Costs	-1,842	1,634	2,152	3,476	-188.7	3,436	-186.5	3,994	-216.8	3,890	-211.2
TOTAL AME	-1,842	1,634	2,152	3,476	-188.7	3,436	-186.5	3,994	-216.8	3,890	-211.2
Revenue DEL	334,419	323,296	325,792	-11,123	-3.3	-19,008	-5.7	-8,627	-2.6	-24,325	-7.3
Capital DEL	28,464	25,313	25,313	-3,151	-11.1	-3,768	-13.2	-3,151	-11.1	-4,371	-15.4
TOTAL DEL	362,883	348,609	351,105	-14,274	-3.9	-22,777	-6.3	-11,778	-3.2	-28,696	-7.9
Annually Managed Expenditure	-1,842	1,634	2,152	3,476	188.7	..	..	3,994	216.8	..	..
TOTAL CSA	361,041	350,243	353,257	-10,798	-3.0	-19,341	-5.4	-7,784	-2.2	-24,806	-6.9

Source: Research Service calculations from Welsh Government's Final Budget 2013-14 and HM Treasury's GDP deflators.