

Jane Hutt AM
Minister for Finance
Welsh Government
Cathay's Park
CF10 3NQ

29 November 2012

Dear Minister,

Thank you for sending the Finance Committee a copy of the 2011-12 outturn report over the summer. We are keen to ensure our scrutiny looks at the whole financial cycle, so this is invaluable information. Having had an opportunity to discuss the paper at our first meeting back, I am writing seeking clarification on a number of points.

1. In the Committee's second supplementary Budget 2011-12 we requested a full breakdown of additional financial support provided to LHBs during 2011-12. In your response you said you would be "happy to provide this information alongside the Written Report on final out turn".
2. We would like to see additional detail around the changes to the non-fiscal DEL
3. Could you provide further explanation of the £2.28 million revenue DEL underspend in the Central Services and Administration MEG which is stated to relate to programmes designed to contribute to longer term savings targets?
4. In relation to the £10.3 million capital DEL underspends in the Local Government and Communities MEG, £7 million is due to the transfer with BETS, to what is the remaining £3.3 million due?
5. The transfer of £7 million capital DEL from Local Government to BETS here appears to be repaid in revenue DEL in the 2012-13 supplementary budget. Does this amount to a capital to revenue DEL switch across years? And if so has this been permitted by HM Treasury?
6. Of the £92.7 million to be carried forward into 2012-13, £33.2 million is pre-allocated. Are there any plans as yet as to how the remaining £59.4 million will be utilised?

I appreciate the draft budget process will dominate all of our lives over the next couple of weeks, but I look forward to your response, and hope this will allow us to close the book on the 2011-12 financial year.

Yours Sincerely

A handwritten signature in black ink, reading "Jocelyn Davies". The signature is written in a cursive, flowing style.

Jocelyn Davies AM
Chair, Finance Committee