



Llywodraeth Cymru
Welsh Government

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Welsh Government

Supplementary Budget 2011-2012

Explanatory Note



June 2011

ISBN 978 0 7504 6347 8

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WG12797

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1. Introduction

- 1.1 The Welsh Government today tabled the First Supplementary Budget for 2011-12 in accordance with Standing Order 27. This Supplementary Budget proposes a number of changes to the Final Budget for 2011-12 as approved by the Assembly on 8 February 2011.
- 1.2 This Supplementary Budget is mainly administrative in nature and provides for the restructuring of budgets in line with new Ministerial portfolios. It also makes a small number of allocations from Reserves that have been agreed since the Final Budget was approved. Adjustments have also been made to the Wales DEL budget to reflect transfers and consequentials received in the UK Government's March Budget.
- 1.3 The changes proposed are summarised in the Tables contained in Section 2 [Key Changes in the Supplementary Budget](#), along with the detailed schedule of budget transfers in Annex 1. Details of the Main Expenditure Group (MEG) allocations based on the new structure are provided in the Departmental chapters.
- 1.4 This document supports the detailed Action Tables available on the Welsh Government's website.

2. Key Changes in the Supplementary Budget

Changes to Ministerial Portfolios

- 2.1** The main purpose of this Supplementary Budget is to align the 2011-12 budget structures with the changes to Ministerial portfolios and responsibilities announced by the Welsh Government in May.
- 2.2** The changes to Ministerial portfolios entail changes to budget structures at a number of levels, including at MEG, Spending Programme Area (SPA) and Action level. In terms of the changes at MEG level, where MEGs are largely unaltered by changes, they have been renamed, as necessary, to reflect Ministerial portfolios – for example Children, Education, Lifelong Learning and Skills becomes Education and Skills. Where there have been more fundamental structural changes, for example to responsibilities for Economy and Transport, a MEG in the old structure has been designated as the core of the new MEG. This MEG has been renamed and the necessary budget transfers have been made to it. The detailed budget movements are set out in Annex 1.
- 2.3** The restructuring also means that two MEGs have disbanded and budgets transferred to the relevant portfolio in line with Ministerial responsibilities:
- **Rural Affairs MEG** – the majority of the functions which previously sat in this MEG have transferred to the Business, Enterprise, Technology and Science MEG. Some functions have transferred to the Environment and Sustainable Development MEG; and
 - **Public Services and Performance MEG** – functions have either been transferred to the Local Government and Communities MEG or the Central Services and Administration MEG.
- 2.4** Full details of the structural changes can be found in the Departmental Chapters but the table below illustrates the relationship between the old and

new MEG structure based on the assumptions that have been used to form the new MEGs.

Table 2.1 – Relationship between New MEGs and Old MEGs

Old MEG Title	New MEG title
Health & Social Services	Health, Social Services & Children
Social Justice & Local Government	Local Government & Communities
Economy & Transport	Business, Enterprise, Technology & Science
Children, Education, Lifelong Learning & Skills	Education & Skills
Environment, Sustainability & Housing	Environment & Sustainable Development
Rural Affairs	N/A
Heritage	Housing, Regeneration & Heritage
Public Services & Performance	N/A
Central Services & Administration	Central Services & Administration

2.5 The changes described above are entirely structural and have no impact on the total resources allocated overall to Welsh Government Departments as set out in the Final Budget 2011-12. The MEG allocations as stated in the Final Budget have been restated based on the new structure and these are reflected in the Departmental Chapters.

2.6 Budget changes to reflect Ministerial portfolios also have an impact on indicative MEG budgets for future years as stated in the Final Budget. Again, these changes do not affect the total amount of resources allocated to Departmental budgets. To facilitate scrutiny of the Draft Budget 2012-13 to be published later this year, the indicative allocations for 2012-13 and 2013-14 have been restated in this Supplementary Budget based on the new structure. These figures are shown in Tables 2.5 to 2.8.

Allocations to Welsh Government Departments from Reserves

2.7 There are a small number of allocations from Reserves agreed since the Final Budget that are reflected in the Supplementary Budget. These are:

- £21.5m is allocated to Health, Social Services and Children for orthopaedic services;
- £5m to Education and Skills for Adapt, the Career Transition Single Point of Contact Service;
- £150k to Housing, Regeneration and Heritage for the National Botanic Garden of Wales;
- £8.8m for the costs of the Assembly elections;
- £18.4m to Environment and Sustainable Development for funding in respect of animal health and welfare; and
- £200k to Central Services and Administration for running costs associated with the devolution of animal health and welfare.

Adjustments to Resource and Capital Baselines

Fiscal Resource DEL

2.8 The fiscal resource DEL baseline has increased by £23.5m which comprises:

- a transfer in of £18.6m from DEFRA for funding in respect of animal health and welfare.
- an increase of £4.9m for consequential received in the UK Government's March Budget.

Fiscal Capital DEL

2.9 The capital baseline has increased by £19.4m which comprises:

- an increase of £19.4m for consequential received in the UK Government's March Budget.

Adjustments to Annually Managed Expenditure (AME) Budgets

2.10 AME budgets detailed in this Supplementary Budget reflect the latest forecasts provided to HM Treasury. Further details can be found in the Departmental Chapters.

Changes proposed in this Supplementary Budget

2.11 Tables 2.2 and 2.3 show the Departmental allocations as at Final Budget in the old structure and then reinstated in line with new Ministerial portfolios.

Table 2.2 – Allocation of the Wales DEL as at Final Budget 2011-12

MAIN EXPENDITURE GROUPS (MEGs)	£000s		
	Budget 2011-12	Indicative Allocations 2012-13	Indicative Allocations 2013-14
Departmental Expenditure Limits (DEL)			
Health & Social Services	6,150,610	6,131,610	6,118,167
Social Justice & Local Government	4,374,755	4,374,166	4,419,086
Economy & Transport	841,493	875,843	846,920
Children, Education, Lifelong Learning & Skills	1,884,685	1,876,146	1,881,888
Environment, Sustainability & Housing	740,953	714,729	678,125
Rural Affairs	136,798	134,462	134,136
Heritage	156,236	152,953	151,798
Public Services & Performance	63,782	60,913	57,049
Central Services & Administration	330,586	319,539	304,332
Total Allocated to Welsh Government Departments	14,679,898	14,640,361	14,591,501
Resource Reserves			
Fiscal Resource DEL ¹	209,490	244,660	312,326
Non-Fiscal Resource DEL	25,942	11,192	20,559
Capital Reserves	50,448	50,449	50,449
Assembly Commission	48,822	44,729	45,021
Auditor General for Wales	4,853	4,853	4,853
Public Services Ombudsman for Wales	3,854	3,961	3,960
Direct Charges to the Welsh Consolidated Fund	675	675	675
Total Expenditure within the Wales DEL Budget	15,023,982	15,000,880	15,029,344

¹ This figure is a total of Fiscal Resource DEL reserves and the £56,770k DEL adjustment from finding in-year savings

Table 2.3 - Allocations based on revised MEG structures

MAIN EXPENDITURE GROUPS (MEGs)	£000s		
	Budget ² 2011-12	Indicative Allocations 2012-13	Indicative Allocations 2013-14
Departmental Expenditure Limits (DEL)			
Health, Social Services & Children	6,214,742	6,194,786	6,185,018
Local Government & Communities	5,115,327	5,155,015	5,176,630
Business, Enterprise, Technology & Science	280,234	270,326	262,798
Education & Skills	1,795,174	1,788,933	1,791,468
Environment & Sustainable Development	311,311	309,338	302,278
Housing, Regeneration & Heritage	600,760	572,487	541,540
Central Services & Administration	362,350	349,476	331,769
Total Allocated to Welsh Government Departments	14,679,898	14,640,361	14,591,501
Resource Reserves			
Fiscal Resource DEL ³	209,490	244,660	312,326
Non-Fiscal Resource DEL	25,942	11,192	20,559
Capital Reserves	50,448	50,449	50,449
Assembly Commission	48,822	44,729	45,021
Auditor General for Wales	4,853	4,853	4,853
Public Services Ombudsman for Wales	3,854	3,961	3,960
Direct Charges to the Welsh Consolidated Fund	675	675	675
Total Expenditure within the Wales DEL Budget	15,023,982	15,000,880	15,029,344

² Budget figures as per Final Budget 2011-12 but restated based on the new structure. The total overall allocation to Welsh Government Departments remains as set out in the Final Budget 2011-12.

³ This figure is a total of Fiscal Resource DEL reserves and the £56,770k DEL adjustment from finding in-year savings.

Table 2.4 – Changes to the 2011-12 Reserves since Final Budget and the allocations from Reserves being made in this Supplementary Budget.

	£000s				
	Fiscal Resource DEL	Non-Fiscal Resource DEL	Resource DEL	Capital DEL	Total DEL
Reserves at Final Budget	209,490⁴	25,942	235,432	50,448	285,880
Transfers & consequentials since Final Budget	23,456	-	23,456	19,432	42,888
Revised Estimates of Charges from the Welsh Consolidated Fund	44	-	44	-	44
Revised Reserves	232,990	25,942	258,932	69,880	328,812
Agreed Allocations:					
Orthopaedics	21,500	-	21,500	-	21,500
Adapt	5,000	-	5,000	-	5,000
National Botanic Gardens of Wales	150	-	150	-	150
Animal Health	18,598 ⁵	-	18,598	-	18,598
Assembly Elections	8,800	-	8,800	-	8,800
Reserves after Allocations	178,942	25,942	204,884	69,880	274,764

⁴ This figure is a total of Fiscal Resource reserves and the £56,770k DEL adjustment from finding in-year savings.

⁵ This figure includes £18,398k that has gone into the Environment and Sustainable Development MEG and £200k that has gone into the Central Services and Administration MEG

Table 2.5 - Revised Resource MEG Allocations for 2011-12 and restated indicative allocations for 2012-13 and 2013-14 based on the new structure

MAIN EXPENDITURE GROUPS (MEGs)	£000s				
	Budget ⁶ 2011-12	Allocations from Reserves	Revised Budget 2011-12	Indicative Allocations 2012-13	Indicative Allocations 2013-14
Health, Social Services & Children	5,952,639	21,500	5,974,139	5,954,183	5,970,540
Local Government & Communities	4,834,155	0	4,834,155	4,893,374	4,943,339
Business, Enterprise, Technology & Science	185,646	0	185,646	181,870	183,428
Education & Skills	1,625,201	5,000	1,630,201	1,627,590	1,647,634
Environment & Sustainable Development	250,669	18,398	269,067	247,709	248,040
Housing, Regeneration & Heritage	284,022	150	284,172	277,929	278,976
Central Services & Administration	331,630	9,000	340,630	321,012	306,456
Total Allocation to Welsh Government Departments	13,463,962	54,048	13,518,010	13,503,667	13,578,413

⁶ Budget figures as per Final Budget 2011-12 but restated based on the new structure

Table 2.6 - Revised Capital MEG Allocations for 2011-12 and restated indicative allocations for 2012-13 and 2013-14 based on the new structure

MAIN EXPENDITURE GROUPS (MEGs)	£000s				
	Budget ⁷ 2011-12	Allocations from Reserves	Revised Budget 2011-12	Indicative Allocations 2012-13	Indicative Allocations 2013-14
Health, Social Services & Children	262,103	0	262,103	240,603	214,478
Local Government & Communities	281,172	0	281,172	261,641	233,291
Business, Enterprise, Technology & Science	94,588	0	94,588	88,456	79,370
Education & Skills	169,973	0	169,973	161,343	143,834
Environment & Sustainable Development	60,642	0	60,642	61,629	54,238
Housing, Regeneration & Heritage	316,738	0	316,738	294,558	262,564
Central Services & Administration	30,720	0	30,720	28,464	25,313
Total Allocation to Welsh Government Departments	1,215,936	0	1,215,936	1,136,694	1,013,088

⁷ Budget figures as per Final Budget 2011-12 but restated based on the new structure

Table 2.7 - Revised MEG Allocations for 2011-12 and restated indicative allocations for 2012-13 and 2013-14 based on the new structure

MAIN EXPENDITURE GROUPS (MEGs)	£000s				
	Budget ⁸ 2011-12	Allocations from Reserves	Revised Budget 2011-12	Indicative Allocations 2012-13	Indicative Allocations 2013-14
Health, Social Services & Children	6,214,742	21,500	6,236,242	6,194,786	6,185,018
Local Government & Communities	5,115,327	0	5,115,327	5,155,015	5,176,630
Business, Enterprise, Technology & Science	280,234	0	280,234	270,326	262,798
Education & Skills	1,795,174	5,000	1,800,174	1,788,933	1,791,468
Environment & Sustainable Development	311,311	18,398	329,709	309,338	302,278
Housing, Regeneration & Heritage	600,760	150	600,910	572,487	541,540
Central Services & Administration	362,350	9,000	371,350	349,476	331,769
Total Allocation to Welsh Government Departments	14,679,898	54,048	14,733,946	14,640,361	14,591,501

⁸ Budget figures as per Final Budget 2011-12 but restated based on the new structure

Table 2.8 – Wales AME Budget

MAIN EXPENDITURE GROUPS (MEGs)	£000s					
	SPA	2011-12 Final Budget	Changes	2011-12 Revised Budget	Indicative Allocations 2012-13	Indicative Allocations 2013-14
Health, Social Services & Children	NHS Impairments	118,948	65,751	184,699	129,764	89,827
Local Government & Communities	Local Government Funding	13,583	-	13,583	13,583	13,583
	Improve Domestic Connectivity (Regional & National)	-	24,138	24,138	-	40,703
Business, Enterprise, Technology & Science	Infrastructure	41,402	-	41,402	41,402	41,402
Education & Skills	Business Improvement & Resource Investment	217,656	-92,354	125,302	122,312	112,009
Environment & Sustainable Development	-	-	-	-	-	-
Housing, Regeneration & Heritage	Museums & Archives & Libraries	2,265	-	2,265	2,490	2,740
	Housing	-72,000	-	-72,000	-61,000	-55,000
Central Services & Administration	Central Running Costs ⁹	924	-2,024	-1,100	-800	-400
Total Welsh Government AME Budget		322,778	-4,489	318,289	247,751	244,864
Assembly Commission		500	-	500	500	500
Total Expenditure within the Wales AME Budget		323,278	-4,489	318,789	248,251	245,364

Tables 2.2 to 2.8 in this section show budgets on an administrative basis. The figures in the Annual Budget Motion, which authorises Welsh Ministers to spend up to a certain level for specified purpose, are on a resource basis. Annex 2 explains these differences in more detail and reconciles administrative to resource budgets.

⁹ At Final Budget 2011-12 this SPA was named 'Staff Costs and Salaries'.

3. Health, Social Services and Children

Structural Changes to Budgets

- 3.1** The Health, Social Services and Children MEG remains largely unchanged but now includes functions relating to children's services, transferred from the former Children, Education, Lifelong Learning and Skills MEG.

Allocations from Reserves

- 3.2** A transfer in of £21,500k to the 'NHS Delivery' Action in the 'NHS Delivery' SPA in respect of targeted funding to reduce waiting times for orthopaedic services.

Changes to AME Budgets

- 3.3** The AME budget has increased by £65,751k to reflect latest forecasts of impairments on the NHS estate.

Table 3.1 – Health, Social Services and Children SPA Allocations

DEL	£000s			£000s		
	2011-12 Resource			2011-12 Capital		
	Budget ¹⁰	Changes ¹¹	Revised Budget	Budget ¹²	Changes	Revised Budget
NHS Delivery	5,386,003	21,500	5,407,503	247,573	-	247,573
Health Central Budgets	212,185	-	212,185	-	-	-
Public Health & Prevention	155,592	-	155,592	5,418	-	5,418
Social Services	188,721	-	188,721	9,112	-	9,112
CAFCASS Cymru	10,138	-	10,138	-	-	-
Total DEL	5,952,639	21,500	5,974,139	262,103	-	262,103
AME						
NHS Impairments	118,948	65,751	184,699	-	-	-
Total Managed Expenditure (TME)	6,071,587	87,251	6,158,838	262,103	-	262,103

¹⁰ Budget figures as per Final Budget 2011-12 but restated based on the new structure.

¹¹ For AME this column shows changes in forecasts since Final Budget 2011-12

¹² Budget figures as per Final Budget 2011-12 but restated based on the new structure.

4. Local Government and Communities

Structural Changes to Budgets

- 4.1** The former Social Justice and Local Government MEG forms the basis of the new Local Government and Communities MEG. This MEG now includes functions relating to transport, substance misuse and youth justice, and the majority of the former Public Services and Performance MEG. Functions relating to digital inclusion, equalities, gypsies and travellers, and non devolved issues on asylum, immigration, migrant workers and community cohesion have transferred to the Central Services and Administration MEG.
- 4.2** There are no additional allocations to this MEG.

Table 4.1 – Local Government and Communities SPA Allocations

DEL	£000s			£000s		
	2011-12 Resource			2011-12 Capital		
	Budget ¹³	Changes	Revised Budget	Budget ¹⁴	Changes	Revised Budget
Local Government Funding	4,209,918	-	4,209,918	20,000	-	20,000
Supporting Communities & People	58,662	-	58,662	17,280	-	17,280
Safer Communities	43,841	-	43,841	9,156	-	9,156
Local Government Policy	37,552	-	37,552	-	-	-
Local Taxation Policy	10,744	-	10,744	-	-	-
Care & Social Services Inspectorate	15,757	-	15,757	-	-	-
Healthcare Inspectorate Wales	2,824	-	2,824	-	-	-
Estyn	13,437	-	13,437	339	-	339
Inspection, Regulation & Performance Frameworks	400	-	400	-	-	-
Local & Regional Collaboration	1,560	-	1,560	-	-	-
Efficiency & Innovation	3,197	-	3,197	-	-	-
Improve Domestic Connectivity (Regional & National)	234,063	-	234,063	83,674	-	83,674
Improve International Connectivity	114,487	-	114,487	59,088	-	59,088
Improve Integrate Transport (Local)	84,657	-	84,657	80,713	-	80,713
Improve Road Safety & Transport's Impact on the Environment	3,056	-	3,056	10,922	-	10,922
Total DEL	4,834,155	-	4,834,155	281,172	-	281,172
AME						
Local Government Funding	13,583	-	13,583	-	-	-
Improve Domestic Connectivity (Regional & National)	24,138	-	24,138	-	-	-
Total Managed Expenditure (TME)	4,871,876	-	4,871,876	281,172	-	281,172

¹³ Budget figures as per Final Budget 2011-12 but restated based on the new structure.

¹⁴ As above

5. Business, Enterprise, Technology and Science

Structural Changes to Budgets

5.1 The former Economy and Transport MEG forms the basis of the Business, Enterprise, Technology and Science MEG although functions relating to transport now form part of the Local Government and Communities MEG. The new MEG also incorporates functions relating to science, which have transferred from the former Children, Education, Lifelong Learning and Skills MEG; functions relating to tourism which have transferred from the former Heritage MEG and the majority of the former Rural Affairs MEG and support for social enterprises from the Local Government and Communities MEG.

5.2 There are no additional allocations to this MEG.

Table 5.1 – Business, Enterprise, Technology and Science SPA Allocations

DEL	£000s			£000s		
	2011-12 Resource			2011-12 Capital		
	Budget ¹⁵	Changes	Revised Budget	Budget ¹⁶	Changes	Revised Budget
Sectors & Business	48,871	-	48,871	69,129	-	69,129
Encouraging Innovation	3,162	-	3,162	433	-	433
Regional Funding	2,005	-	2,005	995	-	995
Finance Wales	5,102	-	5,102	1,500	-	1,500
Major Event	3,930	-	3,930	-	-	-
Marketing	2,840	-	2,840	-	-	-
Infrastructure	21,470	-	21,470	6,291	-	6,291
Strategy & Corporate Programmes	4,677	-	4,677	449	-	449
WEFO	1,522	-	1,522	-	-	-
Rural Affairs	79,320	-	79,320	13,001	-	13,001
Tourism	12,747	-	12,747	2,790	-	2,790
Total DEL	185,646	-	185,646	94,588	-	94,588
AME						
Infrastructure	41,402	-	41,402	-	-	-
Total Managed Expenditure (TME)	227,048	-	227,048	94,588	-	94,588

¹⁵ Budget figures as per Final Budget 2011-12 but restated based on the new structure.

¹⁶ As above

6. Education and Skills

Structural Changes to Budgets

- 6.1** The former Children, Education, Lifelong Learning and Skills MEG forms the basis of the Education and Skills MEG although functions relating to children's services now form part of the Health, Social Services and Children MEG.

Allocation from Reserves

- 6.2** A transfer in of £5,000k to the 'Business and Skills' Action in the 'Skills, Higher Education and Lifelong Learning' SPA in respect of funding for Adapt, the Career Transition Single Point of Contact Service.

Changes to AME Budgets

- 6.3** The total AME budget has reduced by £92,354k to reflect latest forecasts of the cost of providing student loans, primarily as a result of the introduction of a resource element to budget for the movements on student loans provision and revisions to the accounting treatment.

Table 6.1 – Education and Skills SPA Allocations

DEL	£000s			£000s		
	2011-12 Resource			2011-12 Capital		
	Budget ¹⁷	Changes ¹⁸	Revised Budget	Budget ¹⁹	Changes ²⁰	Revised Budget
Children, Young People & School Effectiveness	122,697	-	122,697	-	-	-
Qualification, Curriculum & Learning Improvement	158,194	-	158,194	-	-	-
Skills, Higher Education & Lifelong Learning	1,005,644	5,000	1,010,644	-	-	-
Business Improvement & Resource Investment	338,666	-	338,666	169,973	-	169,973
Total DEL	1,625,201	5,000	1,630,201	169,973	-	169,973
AME						
Business Improvement & Resource Investment	-	-115,649	-115,649	217,656	23,295	240,951
Total Managed Expenditure (TME)	1,625,201	-110,649	1,514,552	387,629	23,295	410,924

¹⁷ Budget figures as per Final Budget 2011-12 but restated based on the new structure.

¹⁸ For AME this column shows changes in forecasts since Final Budget 2011-12

¹⁹ Budget figures as per Final Budget 2011-12 but restated based on the new structure.

²⁰ For AME this column shows changes in forecasts since Final Budget 2011-12

7. Environment and Sustainable Development

Structural Changes to Budgets

7.1 The former Environment, Sustainability and Housing MEG forms the basis of the Environment and Sustainable Development MEG. Functions relating to housing now form part of the Housing, Regeneration and Heritage MEG. Functions relating to animal health have transferred in from the old Rural Affairs MEG.

Allocation from Reserves

7.2 A transfer in of £18,398k to the 'Protecting and Improving Animal Health and Welfare' Action in the 'Improving Animal Health and Welfare' SPA in respect of funding for animal health and welfare, a result of a transfer of responsibilities from the Department for Environment, Food and Rural Affairs.

Table 7.1 – Environment and Sustainable Development SPA Allocations

DEL	£000s			£000s		
	2011-12 Resource			2011-12 Capital		
	Budget ²¹	Changes ²²	Revised Budget	Budget ²³	Changes	Revised Budget
Climate Change & Sustainability	117,485	-	117,485	56,209	0	56,209
Environment	80,768	-	80,768	4,600	0	4,600
Planning	7,772	-	7,772	-	-	-
Protecting & Improving Animal Health & Welfare	22,640	18,398	41,038	-	-	-
Evidence Base	404	-	404	38	0	38
Common Agriculture Policy & the Countryside	21,600	-	21,600	-205	0	-205
Total DEL	250,669	18,398	269,067	60,642	0	60,642
Total Managed Expenditure (TME)	250,669	18,398	269,067	60,642	0	60,642

²¹ Budget figures as per Final Budget 2011-12 but restated based on the new structure.

²² For AME this column shows changes in forecasts since Final Budget 2011-12

²³ Budget figures as per Final Budget 2011-12 but restated based on the new structure.

8. Housing, Regeneration and Heritage

Structural Changes to Budgets

8.1 This MEG brings together the housing and regeneration functions which formed part of the former Environment, Sustainability and Housing MEG and most of the former Heritage MEG.

Allocation from Reserves

8.2 A transfer in of £150k to the 'Support and sustain a strong arts sector via the Arts Council and others' Action in the 'Support and sustain a strong arts sector via the Arts Council and others' SPA in respect of funding for the National Botanic Garden of Wales.

Table 8.1 – Housing, Regeneration and Heritage SPA Allocations

DEL	£000s			£000s		
	2011-12 Resource			2011-12 Capital		
	Budget ²⁴	Changes ²⁵	Revised Budget	Budget ²⁶	Changes	Revised Budget
Housing	154,765	-	154,765	249,392	-	249,392
Regeneration	14,489	-	14,489	55,343	-	55,343
Support & sustain a strong arts sector via the Arts Council & others	35,397	150	35,547	460	-	460
Museums, Archives & Libraries	38,191	-	38,191	5,637	-	5,637
Delivery of effective sports & physical activity programmes	25,437	-	25,437	345	-	345
Media & Publishing	4,031	-	4,031	25	-	25
Conserve, protect, sustain & promote access to the historic environment	11,712	-	11,712	5,500	-	5,500
Total DEL	284,022	150	284,172	316,738	-	316,738
AME						
Museums, Archives & Libraries	2,265	-	2,265	-	-	-
Housing	-72,000	-	-72,000	-	-	-
Total Managed Expenditure (TME)	214,287	150	214,437	316,738	-	316,738

²⁴ Budget figures as per Final Budget 2011-12 but restated based on the new structure.

²⁵ For AME this column shows changes in forecasts since Final Budget 2011-12

²⁶ Budget figures as per Final Budget 2011-12 but restated based on the new structure.

9. Central Services and Administration

Structural Changes to Budgets

- 9.1** The MEG is largely unchanged but now includes certain functions relating to the former Public Services and Performance MEG and those in respect of equalities which transferred from the Local Government and Communities MEG.
- 9.2** The Actions within this MEG have been re-organised into new SPAs, to better reflect the functions within the MEG.

Allocation from Reserves

- 9.3** A transfer in of £8,800k to the 'Election Costs' Action in the 'Information and Support Services' SPA in respect of funding for the Assembly elections.
- 9.4** A transfer in of £200k to the 'Staff Costs' Action in the 'Delegated Running Costs' SPA in respect of running costs associated with the devolution of animal health and welfare.

Changes to AME Budgets

- 9.5** Changes in the AME forecast reflects the movement in non-fiscal resource DEL provisions related to the delivery of the voluntary severance scheme.

Table 9.1 – Central Services and Administration SPA Allocations

DEL	£000s			£000s		
	2011-12 Resource			2011-12 Capital		
	Budget ²⁷	Changes ²⁸	Revised Budget	Budget ²⁹	Changes	Revised Budget
Delegated Running Costs	214,126	200	214,326	-	-	-
Central Running Costs	91,176	-	91,176	11,982	0	11,982
Information & Support Services	11,524	8,800	20,324	-	-	-
Central Programmes	14,804	-	14,804	18,738	0	18,738
Total DEL	331,630	9,000	340,630	30,720	0	30,720
AME						
Central Running Costs	924	-2,024	-1,100	-	-	-
Total Managed Expenditure (TME)	332,554	6,976	339,530	30,720	0	30,720

²⁷ Budget figures as per Final Budget 2011-12 but restated based on the new structure.

²⁸ For AME this column shows changes in forecasts since Final Budget 2011-12

²⁹ Budget figures as per Final Budget 2011-12 but restated based on the new structure.

Annex 1 – Schedule of Detailed Budget Movements to Effect Portfolio Changes

Health, Social Services and Children MEG (HSS&C)

Resource

From	£000s			To	£000s			Description of Changes
	2011-12	2012-13	2013-14		2011-12	2012-13	2013-14	
HSS&C	-27,475	-27,475	-27,475	LGC	27,475	27,475	27,475	Substance Misuse

Capital

From	£000s			To	£000s			Description of Changes
	2011-12	2012-13	2013-14		2011-12	2012-13	2013-14	
HSS&C	-6,117	-5,690	-5,072	LGC	6,117	5,690	5,072	Substance Misuse

Local Government and Communities MEG (LGC)

Resource

From	£000s			To	£000s			Description of Changes
	2011-12	2012-13	2013-14		2011-12	2012-13	2013-14	
LGC	-881	-881	-881	BETS	881	881	881	Social Enterprise
LGC	-1,000	0	0	BETS	1,000	0	0	Infrastructure – ECM2
LGC	-1,000	-1,000	-1,000	CSA	1,000	1,000	1,000	Digital Inclusion
LGC	-200	-200	-200	CSA	200	200	200	Community Cohesion
LGC	-965	-925	-855	CSA	965	925	855	Inclusion – Refugees, Asylum Seekers & Migrant Workers
LGC	-863	-838	-790	CSA	863	838	790	Equality & Human Rights

Capital

From	£000s			To	£000s			Description of Changes
	2011-12	2012-13	2013-14		2011-12	2012-13	2013-14	
LGC	-2,000	-1,750	-1,500	CSA	2,000	1,750	1,500	Gypsy Travellers

Business, Enterprise, Technology and Science MEG (BETS)

Resource

From	£000s			To	£000s			Description of Changes
	2011-12	2012-13	2013-14		2011-12	2012-13	2013-14	
BETS	-468	-468	-468	CSA	468	468	468	Economic Research & Advisory Panel
BETS	-24,684	-21,162	-21,875	LGC	24,684	21,162	21,875	Improve & Maintain Trunk Road Network (Domestic Routes)
BETS	-175,598	-174,988	-170,705	LGC	175,598	174,988	170,705	Improve Public Transport – Rail
BETS	-34,781	-65,136	-65,136	LGC	34,781	65,136	65,136	Improve & Maintain Trunk Road Network (Domestic Routes) – NON CASH
BETS	-40,577	-39,927	-39,904	LGC	40,577	39,927	39,904	Improve International Connectivity
BETS	-73,910	-105,104	-105,104	LGC	73,910	105,104	105,104	Improve International Connectivity - NON CASH
BETS	-84,527	-84,667	-91,384	LGC	84,527	84,667	91,384	Develop Sustainable Travel
BETS	-3,056	-3,056	-2,056	LGC	3,056	3,056	2,056	Improve Road Safety & Transport's impact on the Environment

Capital

From	£000s			To	£000s			Description of Changes
	2011-12	2012-13	2013-14		2011-12	2012-13	2013-14	
BETS	-56,569	-46,010	-32,765	LGC	56,569	46,010	32,765	Improve & Maintain Trunk Road Network (Domestic Routes)
BETS	-27,105	-27,660	-23,085	LGC	27,105	27,660	23,085	Improve Public Transport (Rail)
BETS	-59,088	-56,029	-83,836	LGC	59,088	56,029	83,836	Improve International Connectivity
BETS	-39,584	-29,171	-23,757	LGC	39,584	29,171	23,757	Develop Sustainable Travel
BETS	-24,646	-32,899	-6,317	LGC	24,646	32,899	6,317	Improve & Maintain Local Roads Infrastructure
BETS	-16,483	-15,332	-13,667	LGC	16,483	15,332	13,667	General Capital Funding - Road
BETS	-10,922	-10,922	-10,922	LGC	10,922	10,922	10,922	Improve Road Safety & Transport's impact on the Environment

Education and Skills MEG (E&S)

Resource

From	£000s			To	£000s			Description of Changes
	2011-12	2012-13	2013-14		2011-12	2012-13	2013-14	
E&S	-1,000	0	0	BETS	1,000	0	0	National Science Academy
E&S	-94,294	-96,341	-99,398	HSS&C	94,294	96,341	99,398	Children & Young People's Strategy
E&S	-4,715	-4,950	-5,200	LGC	4,715	4,950	5,200	Youth Justice

Capital

From	£000s			To	£000s			Description of Changes
	2011-12	2012-13	2013-14		2011-12	2012-13	2013-14	
E&S	-3,430	0	0	HSS&C	3,430	0	0	Children & Young People's Strategy (Flying Start)

Environment and Sustainable Development MEG (ESD)

Resource

From	£000s			To	£000s			Description of Changes
	2011-12	2012-13	2013-14		2011-12	2012-13	2013-14	
ESD	-274	-274	-274	HRH	274	274	274	Achieve quality housing
ESD	-2,617	-2,549	-2,561	HRH	2,617	2,549	2,561	Develop Housing Policy, legislation & regulation
ESD	-144,456	-141,079	-141,681	HRH	144,456	141,079	141,681	Enable people to live independent lives
ESD	-97	-95	-95	HRH	97	95	95	Increase the supply & choice of housing
ESD	-7,321	-7,150	-7,181	HRH	7,321	7,150	7,181	Tackle homelessness
ESD	-5,189	-6,436	-6,497	HRH	5,189	6,436	6,497	Implementation of strategic regeneration areas
ESD	-8,200	-7,900	-7,900	HRH	8,200	7,900	7,900	Manage delivery of legacy regeneration areas
ESD	-1,100	0	0	HRH	1,100	0	0	Community Development
ESD	-130	-108	-85	LGC	130	108	85	Promote protected landscapes & countryside access (Cycling)

Capital

From	£000s			To	£000s			Description of Changes
	2011-12	2012-13	2013-14		2011-12	2012-13	2013-14	
ESD	-178,503	-169,714	-157,007	HRH	178,503	169,714	157,007	Achieve quality housing
ESD	-1,641	-1,641	-1,641	HRH	1,641	1,641	1,641	Enable people to live independent lives
ESD	-69,248	-60,615	-48,134	HRH	69,248	60,615	48,134	Increase the supply & choice of housing
ESD	-39,693	-36,500	-33,000	HRH	39,693	36,500	33,000	Implementation of strategic regeneration areas
ESD	-3,900	-3,400	-2,000	HRH	3,900	3,400	2,000	Manage delivery of legacy regeneration areas
ESD	-11,500	-11,577	-10,888	HRH	11,500	11,577	10,888	Regeneration & Other Local Services – General Capital Funding
ESD	-250	0	0	HRH	250	0	0	Coalfields Regeneration Trust Capital

Housing, Regeneration and Heritage MEG (HRH)

Resource

From	£000s			To	£000s			Description of Changes
	2011-12	2012-13	2013-14		2011-12	2012-13	2013-14	
HRH	-8,390	-8,587	-8,701	BETS	8,390	8,587	8,701	Increase visitor demand & conversion
HRH	-4,357	-4,136	-3,925	BETS	4,357	4,136	3,925	Developing the Visitor Experience
HRH	-13,858	-13,958	-14,058	E&S	13,858	13,958	14,058	Welsh Language Board
HRH	-20	-20	-20	E&S	20	20	20	Welsh Language

Capital

From	£000s			To	£000s			Description of Changes
	2011-12	2012-13	2013-14		2011-12	2012-13	2013-14	
HRH	-50	-100	-100	E&S	50	100	100	Welsh Language Board

Rural Affairs MEG (RA)

Resource

From	£000s			To	£000s			Description of Changes
	2011-12	2012-13	2013-14		2011-12	2012-13	2013-14	
RA	-20	-20	-20	BETS	20	20	20	Cost Sharing & Responsibility
RA	-7,360	-7,355	-7,350	BETS	7,360	7,355	7,350	Making Payments in accordance with EU & WAG rules
RA	-62,512	-61,818	-62,993	BETS	62,512	61,818	62,993	Delivering the programmes within the Rural Development Plan
RA	-806	-806	-806	BETS	806	806	806	Developing an appropriate evidence base to support the work of the Department
RA	-1,642	-1,542	-1,442	BETS	1,642	1,542	1,442	Developing, managing & enforcing Welsh Fisheries & Aquaculture
RA	-5,275	-5,000	-5,000	BETS	5,275	5,000	5,000	Developing & marketing Welsh Food & drink sector
RA	-1,705	-1,705	-1,705	BETS	1,705	1,705	1,705	Meeting the needs of rural communities & rural proofing WAG actions
RA	-22,640	-22,260	-22,260	ESD	22,640	22,260	22,260	Protecting & Improving Animal Health & Welfare
RA	-352	-302	-252	ESD	352	302	252	Developing & appropriate evidence base to support the work of the Department
RA	-52	-52	-52	ESD	52	52	52	Protecting plant health & developing GM policies
RA	-21,600	-21,200	-20,700	ESD	21,600	21,200	20,700	Implementing the new Woodland Strategy through Forestry Commission Wales

Capital

From	£000s			To	£000s			Description of Changes
	2011-12	2012-13	2013-14		2011-12	2012-13	2013-14	
RA	-11,601	-11,369	-10,723	BETS	11,601	11,369	10,723	Delivering the programme within the Rural Development Plan
RA	-1,400	-1,200	-1,000	BETS	1,400	1,200	1,000	Developing, managing & enforcing Welsh Fisheries & Aquaculture
RA	-2,790	-2,595	-2,313	BETS	2,790	2,595	2,313	Developing the Visitor Experience
RA	-38	-38	-38	ESD	38	38	38	Developing & appropriate evidence base to support the work of the Department
RA	205	205	205	ESD	-205	-205	-205	Implementing the new Woodland Strategy through Forestry Commission Wales

Public Services and Performance MEG (PSP)

Resource

From	£000s			To	£000s			Description of Changes
	2011-12	2012-13	2013-14		2011-12	2012-13	2013-14	
PSP	-9,530	-9,187	-8,746	CSA	9,530	9,187	8,746	Match Funding
PSP	-15,757	-15,190	-14,461	LGC	15,757	15,190	14,461	CSSIW
PSP	-2,824	-2,722	-2,591	LGC	2,824	2,722	2,591	Health Inspectorate Wales
PSP	-13,437	-12,968	-12,364	LGC	13,437	12,968	12,364	Estyn
PSP	-400	-400	-400	LGC	400	400	400	Inspection, Regulation & Performance Frameworks
PSP	-1,560	-1,500	-1,300	LGC	1,560	1,500	1,300	Local & Regional Collaboration
PSP	-3,197	-3,062	-3,028	LGC	3,197	3,062	3,028	Efficiency & Innovation

Capital

From	£000s			To	£000s			Description of Changes
	2011-12	2012-13	2013-14		2011-12	2012-13	2013-14	
PSP	-16,738	-15,569	-13,878	CSA	16,738	15,569	13,878	Match Funding
PSP	-339	-315	-281	LGC	339	315	281	Estyn

Annex 2 – Reconciliation between the Welsh Block Budget & Resource Allocations in the Budget Motion

This document supports the Supplementary Budget Motion, which sets out the changes to both the resources that the Welsh Government is proposing to use in 2011-12 and the cash it is seeking authority to draw from the Welsh Consolidated Fund. The tables within this report show budgets on an administrative basis, whereas the figures in the Supplementary Budget Motion are on a resource basis.

The Welsh Government's administrative budget contains a number of items which are scored outside the accounts of the Welsh Government and therefore do not score as part of the Resources Required by Welsh Ministers. This Annex reconciles the administrative and resource budgets of each Main Expenditure Group.

Health, Social Services and Children

	£000s
DEL	
Resource	5,974,139
Capital	262,103
AME	
Resource	184,699
Capital	-
TME	6,420,941
Reconciliation to Resources	
Resource Consumption of WGSBs and NHS bodies	-326,574
Supported Borrowing	-4,570
National Insurance Fund Receipts (and collection costs)	-887,859
Resources Requested	5,201,938

Local Government and Communities

	£000s
DEL	
Resource	4,834,155
Capital	281,172
AME	
Resource	37,721
Capital	-
TME	5,153,048
Reconciliation to Resources	
National Non Domestic Rates payable (and collection costs)	-872,172
Supported Borrowing	-13,152
PFI	-8,101
Resources Requested	4,259,623

Business, Enterprise, Technology & Science

	£000s
DEL	
Resource	185,646
Capital	94,588
AME	
Resource	41,402
Capital	-
TME	321,636
Reconciliation to Resources	
Direct Charges on the Welsh Consolidated Fund	-1,704
Resources Requested	319,932

Education and Skills

	£000s
DEL	
Resource	1,630,201
Capital	169,973
AME	
Resource	-115,649
Capital	240,951
TME	1,925,476
Reconciliation to Resources	
Resource Consumption of WGSBs and NHS bodies	-213
Supported Borrowing	-42,660
Resources Requested	1,882,603

Environment and Sustainable Development

	£000s
DEL	
Resource	269,067
Capital	60,642
AME	
Resource	-
Capital	-
TME	329,709
Reconciliation to Resources	
Resource Consumption of WGSBs and NHS bodies	-3,090
Supported Borrowing	-11,441
Resources Requested	315,178

Housing Regeneration and Heritage

	£000s
DEL	
Resource	284,172
Capital	316,738
AME	
Resource	-69,735
Capital	-
TME	531,175
Reconciliation to Resources	
Resource Consumption of WGSBs and NHS bodies	-5,533
Supported Borrowing	-48,388
Resources Requested	477,254

Central Services and Administration

	£000s
DEL	
Resource	340,630
Capital	30,720
AME	
Resource	-1,100
Capital	-
TME	370,250
Reconciliation to Resources	
Direct Charges on the Welsh Consolidated Fund	-8,903
Resources Requested	361,347

Annex 3 – Glossary

Action	Within each Spending Programme Area (SPA), budgets are allocated to a number of sub-programmes known as Actions. Tables showing budgets at Action level are available at: http://wales.gov.uk/about/budget/?lang=en
Ambits	Descriptions of the specific purposes for which Welsh Ministers are authorised by the National Assembly for Wales to spend resources. Ambit Descriptions and resource limits are contained within the Annual Budget Motion. Ambits correspond to MEGs.
Annually Managed Expenditure (AME)	Expenditure which cannot reasonably be subject to firm, multi-year limits in the same way as DEL and is therefore reviewed twice a year as part of the HM Treasury's Budget and Pre-Budget Report processes. AME typically consists of programmes which are large, volatile or demand-led; for example the issue of student loans.
Budget Motion	The means by which the National Assembly for Wales authorises Welsh Ministers to spend resources up to a specific level for specified purposes and to draw cash up to a specific limit from the Welsh Consolidated Fund.
Capital	Expenditure that in the main results in a physical asset, for example a new building. The Welsh Government DEL and AME budgets have separate capital and resource limits.
Departmental Expenditure Limit (DEL)	The multi-year budget limit for the Welsh Government set by the HM Treasury. DEL is planned and controlled on a three year basis in Spending Reviews.
Depreciation	The drop in value of an asset due to wear and tear, age and obsolescence. Under resource budgeting, depreciation is part of the Welsh Government's DEL but is a non-fiscal resource DEL item.
Direct Charges on the Welsh Consolidated Fund	Expenditure which is legally required to be charged directly to the Welsh Consolidated Fund and therefore does not score against the budgets of the Welsh Government or any other body. Direct Charges include the remuneration of the Presiding Officer and Auditor General.

Fiscal Resource DEL	Accruals measures of transactions that normally turn into cash flows soon, for example, pay, current procurement, resource grants and subsidies.
Main Expenditure Group (MEG)	The Assembly Government DEL is divided into a number of Main Expenditure Groups. There are currently 7 MEGs: Health, Social Services and Children; Local Government and Communities; Business, Enterprise, Technology and Science; Education and Skills; Environment and Sustainable Development; Housing, Regeneration and Heritage; and Central Services and Administration.
Non-Fiscal Resource DEL	Accruals measures included in budgets to ensure they reflect the full economic cost of activities even though there is not a direct link to cash flows in the relevant period - for example, depreciation and provisions. Non-fiscal resource DEL cannot be used to fund fiscal resource DEL spending.
Receipts	Some areas of Welsh Government activity generate income, for example, through the sale or rental of assets. There are represented in the budget as a receipt and shown as a negative figure.
Resource budgeting	The Welsh Government's budget is set on a resource basis derived from accruals information. Accruals information measures resources as they are consumed rather than when the cash is paid. So, for example, resource budget includes a charge for depreciation, a measure of the consumption or wearing out of capital assets.
Resource	Current expenditure, for example, funding for the pay of public sector workers and to purchase consumable goods and services.
Spending Programme Area (SPA)	Within each MEG, budgets are allocated to Spending Programme Areas according to the kind of services they will deliver.
Spending Review	Every two or three years HM Treasury reviews expenditure for each UK Government Department and sets budgets for the forthcoming three years. Budgets for the devolved administrations are derived from these budgets via the Barnett formula.

Total Managed Expenditure (TME)	The total Departmental Expenditure Limit plus Annually Managed Expenditure.
Welsh Consolidated Fund	The account into which the money voted by the UK Parliament for use by the Welsh Government, the Assembly Commission, the Auditor General, and the Public Services Ombudsman for Wales is paid.
WGSB	Welsh Government Sponsored Body.