

**Mark Drakeford AM/AC**  
Ysgrifennydd y Cabinet dros Gyllid  
Cabinet Secretary for Finance



Llywodraeth Cymru  
Welsh Government

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Llyr Gruffydd  
Temporary Chair  
Finance Committee  
National Assembly for Wales  
Cardiff Bay  
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5 October 2018

Dear Llyr

I am writing to provide the Finance Committee with additional information to aid its scrutiny of the Welsh Government's outline draft Budget 2019-20, which was published on October 2.

Annex B in the outline draft budget narrative document, which was published as part of the draft Budget, provides a breakdown of the year-on-year changes for each Main Expenditure Group (MEG). On p57, the figures provided in the tables reflect the year-on-year changes to the MEG overall totals.

Tables are provided on pages 58 to 61 showing breakdowns of capital and AME spending. I believe it would be helpful to the committee if I were to provide a further table, which showed how these MEG numbers are broken down to provide year-on-year changes for day-to-day spending (fiscal resource). This information is therefore set out in the table attached. I will also update the outline draft Budget narrative to incorporate this table.

Yours sincerely

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Ysgrifennydd y Cabinet dros Gyllid.  
Cabinet Secretary for Finance

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.



FISCAL RESOURCE - Year on Year Percentage Change		£000s	
MAIN EXPENDITURE GROUPS (MEGs)	2018-19	2019-20	
	Supplementary Budget June 2018	New Plans	% Change
Health and Social Services	7,124,209	7,623,206	7.00%
Local Government and Public Services	3,719,010	3,729,895	0.29%
Economy and Transport	458,948	476,535	3.83%
Education	1,541,631	1,554,850	0.86%
Energy, Planning and Rural Affairs	232,734	235,918	1.37%
Central Services and Administration	282,002	277,684	(1.53)%
<b>Total Fiscal Resource Allocations to Welsh Government MEGs</b>	<b>13,358,534</b>	<b>13,898,088</b>	
FISCAL RESOURCE - Year on Year Percentage Change - Real Terms		£000s	
MAIN EXPENDITURE GROUPS (MEGs)	2018-19	2019-20	
	Supplementary Budget June 2018	New Plans	% Change
Health and Social Services	7,124,209	7,623,206	5.4%
Local Government and Public Services	3,719,010	3,729,895	(1.3)%
Economy and Transport	458,948	476,535	2.2%
Education	1,541,631	1,554,850	(0.7)%
Energy, Planning and Rural Affairs	232,734	235,918	(0.2)%
Central Services and Administration	282,002	277,684	(3.1)%
<b>Total Fiscal Resource Allocations to Welsh Government MEGs</b>	<b>13,358,534</b>	<b>13,898,088</b>	