

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



Llywodraeth Cymru
Welsh Government

Eich cyf/Your ref

Llyr Gruffudd AM
Chair
Finance Committee
National Assembly for Wales
Cardiff
CF99 1NA

19 November 2018

Dear Llyr,

UK Autumn Budget 2018 - Consequentials to the Wales DEL

In line with established practice, I am writing to advise you of the Barnett consequentials for Wales resulting from the UK Government's Autumn Budget. These figures are subject to confirmation in the settlement letter from HM Treasury, which has yet to be received.

Please find attached, at Annex A, a detailed list of all Barnett consequentials, along with aggregated totals for each classification of expenditure, in the financial years 2018-19 to 2020-21.

I am able to confirm the level of additional funding Wales will receive as a result of the operation of the fiscal framework. Following the additional allocations in the UK Autumn Budget, in total the 105 per cent Barnett multiplier provides Wales with an additional £25m in 2018-19 and £74m over the period covered by the Welsh Government's draft Budget 2019-20 (an extra £46m revenue and £53m capital).

Best wishes,

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

Bae Caerdydd • Cardiff Bay
Caerdydd • Cardiff
CF99 1NA

Canolfan Cyswllt Cyntaf / First Point of Contact Centre:
0300 0604400

Gohebiaeth.Mark.Drakeford@llyw.cymru
Correspondence.Mark.Drakeford@gov.wales

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.

Annex A – Impact of the UK Government Autumn Budget 2018 on the Wales DEL

Table 1. Barnett Consequentials Aggregates

Expenditure Classification	£000s ¹			
	2018-19	2019-20	2020-21	Total
Resource DEL	63,111	423,351	-	486,462
Capital DEL (General)	52,596	2,591	4,715	59,902
Capital DEL (Repayable Financial Transactions)	-	-	8,497	8,497
Total DEL	115,707	425,942	13,212	554,861

Table 2 Barnett Consequentials

Measure	Expenditure Classification ²	£000s		
		2018-19	2019-20	2020-21
Business Rates				
Retail Discount (LA Support)	RDEL	-	16,110	-
Retail Discount (Central Share)	RDEL	-	9,855	-
Revision to AB2017 package (Central Share)	RDEL	27,801	2,220	-
Revision to AB2017 package (LA Support)	RDEL	10,976	7,612	-
Health and Social Care				
NHS Settlement	RDEL	-	364,741	-
o/w funded through ongoing baseline transfer from DH budgets	RDEL	-	(31,865)	-
Transport				
Local Road Maintenance	CDEL	24,784	-	-
Air Quality - Implementation Fund	CDEL	372	384	-
Birmingham Future Mobility City	RDEL	-	118	-
Birmingham Future Mobility City	CDEL	-	295	295
Education				

¹ Figures are subject to HM Treasury roundings.

² Resource DEL (RDEL), Capital DEL (CDEL) (general), Capital DEL (FT) (Repayable Financial transactions)

Measure	Expenditure Classification ²	£000s		
		2018-19	2019-20	2020-21
Apprenticeships - Reducing co-investment charge for SMEs	RDEL	-	1,180	-
Children's Social Care	RDEL	-	2,343	-
Regional pilot of on-the-job training for young people	RDEL	-	207	-
National Retraining Scheme	RDEL	-	236	-
National Retraining Scheme	CDEL	-	354	354
Regional Skills for the Self-employed	RDEL	-	295	-
School Capital	CDEL	23,604	-	-
BEIS (Dept for Business, Energy & Industrial Strategy)				
Improving management by supporting peer to peer networks	RDEL	-	1,180	-
Knowledge Transfer Partnerships	CDEL	-	59	177
Small Business Leadership Programme - Conf Enterprise Package	RDEL	-	649	-
University Enterprise Zones	RDEL	295	-	-
DEFRA (Dept for Environment, Food & Rural Affairs)				
Air Quality - Implementation Fund	RDEL	159	266	-
Food Waste Fund	RDEL	-	885	-
Village Halls	RDEL	177	-	-
Landfill Site Clearance	RDEL	-	295	-
Urban Tree Planting	RDEL	-	41	-
Urban Tree Planting	CDEL	-	171	171
Plastics and Waste Innovation Funding	CDEL	-	590	-
MHCLG (Ministry of Housing, Communities and Local Govt)				
Development Corporations	RDEL	-	118	-
Disabled Facilities Grant	CDEL	3,246	-	-
Future to Help to Buy: Equity Loan	FT	-	-	8,497
High Streets	CDEL	-	30	3,334

Measure	Expenditure Classification ²	£000s		
		2018-19	2019-20	2020-21
High Streets	RDEL	99	797	-
Strategic Housing	RDEL	-	236	-
Neighbourhood forums	RDEL	-	165	-
Social Care (2018-19)	RDEL	14,162	-	-
Social Care (2019-20)	RDEL	-	38,357	-
DCMS (Dept for Digital, Culture, Media & Sport)				
Coventry City of Culture	CDEL	-	502	-
Digital Skills Bootcamps	RDEL	-	177	-
Heritage High Streets	CDEL	-	207	384
Heritage High Streets	RDEL	-	89	-
Other				
Reprofile of 2017-18 BRR recosting	RDEL	12,940	-	-
Reprofile of Efficiency Review Savings	RDEL	(3,570)	-	-
Funded from Reserves				
Air Ambulance	CDEL	590	-	-
Apprenticeships - Capacity for IFA	RDEL	-	295	-
Apprenticeships - Supply Chain Flexibility	RDEL	-	5,311	-
Battlefields programme extension	RDEL	-	59	-
Centre for Public Service Leadership	RDEL	-	413	-
Eden Project (North) - Reserve	RDEL	12		-
Flood Risk Management - IPT Money	RDEL		395	-
Holocaust Education Project	RDEL	-	100	-
Maths and Physics Teachers	RDEL	-	295	-
Housing - Toton HS2 Station	RDEL	-	118	-
Miners Welfare	RDEL	59	59	-
Total Barnett Changes		115,707	425,942	13,212