

Mark Drakeford AM/AC

Ysgrifennydd y Cabinet dros Gyllid a Llywodraeth Leol
Cabinet Secretary for Finance and Local Government



Llywodraeth Cymru
Welsh Government

Eich cyf/Your ref

Simon Thomas AM
Chair, Finance Committee
National Assembly for Wales
Cardiff
CF99 1NA

10 May 2017

Dear Simon

UK March Budget 2017 - 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 March budget. It is important to highlight that figures are indicative and 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 2017-18 to 2020-21.

I hope that this information is useful to the Committee.

Yours sincerely

Mark Drakeford AC / AM

Y Gweinidog Cyllid dros Gyllid a Llywodraeth Leol
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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.

Annex A – Impact of the UK Government March Budget 2017 on the Wales DEL

Table 1. Barnett Consequentials Aggregates

Expenditure Classification	£000s ¹			
	2017-18	2018-19	2019-20	2020-21
Resource DEL	71,338	48,613	29,081	-
Capital DEL	11,855	12,704	13,780	13,414
Total DEL	83,193	61,317	42,861	13,414

Table 2 Consequentials

Measure	Expenditure Classification ²	£000s			
		2017-18	2018-19	2019-20	2020-21
Business Rates					
Business Rates - Mitigating Impact of SBRR (Lost revenue to Exchequer)	RDEL	509	509	594	
Business Rates - Mitigating Impact of SBRR (additional LG DEL)	RDEL	509	509	594	
Business Rates - Discretionary Relief Fund (Lost revenue to Exchequer)	RDEL	4,953	2,406	991	
Business Rates - Discretionary Relief Fund (additional LG DEL)	RDEL	4,952	2,406	990	
Business Rates - Pubs (Lost revenue to Exchequer)	RDEL	651			
Business Rates - Pubs (additional LG DEL)	RDEL	651			
LAs delivering Business Rates Reforms	RDEL	238			
Education					
16-19 Education: Sainsbury Review	RDEL		2,830	5,445	
110 Free Schools Schools	RDEL	906	962	1,019	
110 Free Schools Schools	CDEL		396	1,472	13,414
Schools Maintenance	CDEL		6,113	6,113	
School Buses	RDEL		125	187	

¹ Figures are subject to HM Treasury roundings.

² Resource DEL (RDEL), Capital DEL (CDEL) (traditional)

Other Measures					
Social Care	RDEL	57,188	38,125	19,063	
Health Capital A&E	CDEL	5,660			
Social Transformation Programme Funding	CDEL	6,195	6,195	6,195	
Midlands Engine					
Work Coaches	RDEL	311	311		
Employee Mental Health	RDEL	0	198	198	
Midlands Skills Challenge (English Language Training)	RDEL	57	57		
International Women's Day					
Returnships	RDEL	119	175		
Suffragette Centenary	RDEL	294			
Total Changes	RDEL	71,338	48,613	29,081	
Total Changes	CDEL	11,855	12,704	13,780	13,414