

Jane Hutt AC / AM
Y Gweinidog Cyllid ac Arweinydd y Tŷ
Minister for Finance and Leader of the House



Llywodraeth Cymru
Welsh Government

Eich cyf/Your ref
Ein cyf/Our ref: MB/JH/7052/11

Aled Roberts AM,
The National Assembly for Wales,
Cardiff Bay,
Cardiff
CF99 1NA

28 October 2011

Dear Aled,

During my oral assembly questions on 19 October, you asked a supplementary question concerning the presentation of the baseline figures used in the Draft Budget 2012-13.

I know that there have been a number of issues raised during the scrutiny committees around the presentation and transparency of our Budget proposals. For this reason, I thought it would be helpful to write to you on this matter to set out the issues more fully.

Some of the points that have been raised during the scrutiny stage relate to specific portfolio issues. These issues relate mainly to the reprioritisation and restructuring that individual portfolio Ministers have undertaken within their respective Departmental allocations. As such, these are matters for the relevant portfolio Minister.

However, there have been concerns expressed about the way we have presented the figures in the Draft Budget and our approach of showing changes against the latest published plans, rather than year on year changes. This is an issue which was raised with me when I gave evidence to the Finance Committee on 12 October. As I said then, the way we have presented the figures this year is the standard approach we have always taken when we have already published a set of indicative figures. Last year was unusual in that we were starting a new Spending Review period and publishing a Budget without having previously published a set of indicative figures.

The key change in this year's Draft Budget is the additional allocations we have made in line with our priorities set out in the Programme for Government. These allocations are shown in detail in Table 2.1 of the Budget document. In addition, in Tables 5.1, 5.2 and 5.3 of the Budget document, we have also set out the DEL resource and capital budgets allocated to Departments for the Budget period and the percentage change in budgets from 2011-12. In conjunction with the detail we provide in the MEG Action tables, I believe this approach is the most helpful way of presenting the information and supporting the scrutiny process. However, I have invited the Finance Committee's views on the approach we have taken and I would be happy to reflect on this further in light of the feedback.

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Given the wider interest in this issue, I am copying this letter to the Chair of the Finance Committee and placing a copy in the Members Library.

I hope this is helpful.

A handwritten signature in black ink, appearing to read 'Jane Hutt', written in a cursive style.

Jane Hutt AC / AM

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