

Answers issued to Members on 14 October 2008

[R] signifies that the Member has declared an interest.

[W] signifies that the question was tabled in Welsh.

Contents

- 2 Questions to the Minister for Finance and Public Service Delivery

Questions to the Minister for Finance and Public Service Delivery

Mike German (South Wales East): When setting the budget, what rate of inflation does the Welsh Assembly Government use in its calculations? (WAQ52575)

The Minister for Finance and Public Service Delivery (Andrew Davies): The Final Budget published in January 2008 set Departmental budgets for 2008-09 to 2010-11. The budget was set within the context of the UK Comprehensive Spending Review in which the UK Government assumption was for Consumer Price Index (CPI) inflation to be close to 2% over the CSR period.

Our draft budget proposals refine the 2008-09 Final Budget and contain details of the additional strategic allocations to the 3-year plans in the Final Budget that we propose to make from our reserves to drive forward the One Wales agenda.

The original plans and these additional allocations were made with an awareness of the price pressures facing all individuals and organisations across Wales, although future inflation rates are not possible to forecast accurately and may also vary substantially across different service areas.