

CSR Outcome for Wales

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Andrew Davies, Minister For Finance and Public Service Delivery

I have now seen the CSR documents and had first sight of the settlement for Wales, equating to an extra £2bn additional spending power in cash terms for Wales by 2010-11.

The published figures show that Wales is to receive an average real terms increase in its DEL of 2.4% per year in the period 2008-09 to 2010-11. This compares to 2.1% growth in total UK DEL, 1.8% for Scotland and 1.7% for the Northern Ireland Executive.

These increases are, however, calculated on an adjusted baseline – down by £200m on our actual 2007-08 baseline. Based on our actual 2007-08 baseline, the average increase is 1.8% in real terms, an extra £2bn additional spending power by 2010-11.

My assessment is that, even against our actual baseline, this is a reasonable settlement for Wales. It is clearly very challenging, particularly in year one, but I am confident that we will have the resources we need to be able to deliver our One Wales commitments.

I need to have further discussions with Treasury to clarify the baseline issue where we still have serious concerns about the adjustments. I will aim to resolve these in time for the publication of our future spending plans in November.