



Llywodraeth Cymru
Welsh Government

WELSH GOVERNMENT

Supplementary Budget

2024-2025

Explanatory Note

October 2024

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1. Introduction

- 1.1** The Welsh Government today tabled the first supplementary budget for 2024-25 in accordance with Standing Order 20. This supplementary budget proposes changes to the Final Budget for 2024-25 as approved by Senedd Cymru ('the Senedd') on 5 March 2024.
- 1.2** A restatement of the 2024-25 Final Budget was published in June 2024.
- 1.3** A further restatement of the Final Budget sets the baseline for this supplementary budget which realigns the Welsh Government's Main Expenditure Groups to reflect the most recent Cabinet portfolios announced in September.
- 1.4** All the movements from the structure published in June and the current structure are included in the tables in Annex 2.
- 1.5** This supplementary budget regularises allocations to and from reserves, transfers within and between portfolios and includes adjustments to the Wales budget to reflect the impact of UK Government fiscal events.
- 1.6** The changes proposed in this budget are summarised in the following chapters.
- 1.7** This document supports the detailed 'Budget Expenditure Line (BEL) Tables' available on the Welsh Government's website.

2. Key Allocations

Introduction

- 2.1** The purpose of this supplementary budget is to regularise the Welsh Government's budget to reflect changes arising from the UK Government's Spring Budget and 2024-25 Main Estimates in respect of consequential and transfers from and to other government departments.
- 2.2** There are no new allocations in this budget and all changes relate to previously announced funding. Additional funding agreed for the public sector pay awards [announced](#) on 10 September are not included. This will be funded from expected consequential from the UK Government and those allocations will be regularised as part of the second supplementary budget in February 2025.

Superannuation Contributions Adjusted for Past Experience 2024-25

- 2.3** Superannuation Contributions Adjusted for Past Experience (SCAPE) is the process followed for setting employer contributions in unfunded public service pension schemes. A key component of the process is the SCAPE discount rate.
- 2.4** The UK Government has provided additional funding to UK Departments for increased costs of changes to the rate of SCAPE for non-civil service pension schemes and consequential arising from that funding were received for the Welsh Government in the UK Main Estimates.
- 2.5** In respect of these consequential, in this supplementary budget **£117.07m** has been allocated to the Health and Social Care MEG for NHS staff costs; **£63.811m** to the Housing and Local Government MEG for costs relating to teachers (pre-16) (£60.706m) and the Fire Service (£3.105m) and **£11.925m** to the Education MEG for costs relating to teachers in sixth form settings (£3.606m) and FE colleges (£8.319m).

Health and Social Care MEG

- 2.6** This supplementary budget confirms the allocation of the **£141.300m** consequential funding from the March UK Budget to the Health and Social Care MEG. These funds will support allocations to the Welsh NHS.
- 2.7** This budget includes **£39m** allocated to the Health and Social Care MEG to support the [doctors' pay award](#) to bring to an end the 2023-24 industrial action. The respective pay offers were [accepted](#) by the British Medical Association's three branches of practice.

Economy, Energy and Planning MEG

- 2.8** The budget regularises an allocation of **£5m** to the Economy, Energy and Planning MEG to support and protect Wales' culture and sport arm's length bodies and Cadw that was [announced](#) on 7 September.

Social Justice MEG

- 2.9** An allocation of **£1.58m** has been made to the Social Justice MEG to support digital inclusion, local food partnerships and the cost-of-living communications campaign.

Implementation of International Financial Reporting Standard 16 (IFRS16) - Leases

- 2.10** The first supplementary budget of 2024-25 actions the budgetary effects of the changes to the way in which leasing arrangements are reflected in Welsh Government budgets following the implementation of IFRS16.
- 2.11** The new standard was adopted by the public sector from 1st April 2022 and was first reflected in the Welsh Government's 1st Supplementary Budget for 2022-23, published in June 2022.
- 2.12** IFRS16 sets out the principles for the recognition, measurement, presentation and disclosure of leases. The standard requires the

majority of leases, other than those for low value items or for less than one year, to be treated in the financial statements comparably to owned assets.

2.13 IFRS16 brings the vast majority of leases onto the balance sheet. For those leases, there are three impacts on resource (RDEL) and capital (CDEL) budgets:

- capital expenditure (CDEL) at lease commencement, for the asset recognised on-balance sheet;
- ringfenced depreciation (RDEL non-fiscal), due to depreciation on the leased asset over the life of the lease; and
- non-ringfenced resource expenditure (RDEL fiscal) for the interest incurred over the life of the lease.

2.14 There are small impacts on Annually Managed Expenditure (AME) budgets, both capital and revenue in respect of 'peppercorn' leases (i.e., leases with a nominal level of lease payment) and provisions for dilapidations.

2.15 The charge to CDEL only applies to new and renewed leases from 2022-23. Depreciation and interest will apply to all leases assessed under IFRS16 from 2022-23.

2.16 The budget reclassification implications of adopting IFRS16 are being met by HM Treasury for the current Spending Review period i.e., 2022-23 to 2024-25. As the previous settlement included RDEL for the lease payments on existing leases, part of the reclassification is a reduction to the RDEL (fiscal) budget as this is no longer needed. Cash will continue to be available to make lease payments, but these will no longer be reflected through RDEL (fiscal) budgets.

2.17 The implementation of IFRS16 does not affect existing spending power. The adjustments in this supplementary budget reflect the changes to how

leasing arrangements within existing plans are now required to be reported in budgets.

2.18 The implementation of IFRS 16 also applies to the Senedd Commission, Public Services Ombudsman Wales and Audit Wales. Where necessary, each of those bodies have provided an Explanatory Memorandum to the Finance Committee setting out the changes required. Those changes are now reflected in this supplementary budget.

2.19 The overall adjustment to the Welsh budget as a result of IFRS16 implementation is a:

- Reduction to RDEL (fiscal) of £116.928m;
- Increase to RDEL (non-fiscal) of £119.929m; and
- Increase to CDEL (capital) of £338.918m

2.20 Details of the affected MEGs can be found in table 6.1 of Chapter 6. Table 2 sets out the adjustments required to the 2024-25 budget.

Table 2 – Changes to Budgets to Reflect IFRS16 Requirements

MEG Allocations:	DEL			AME	
	Resource (Fiscal)	Resource (Non-fiscal)	Capital	Resource	Capital
	£m	£m	£m	£m	£m
Health & Social Care	-43.354	36.252	80.000	1.569	2.281
Housing & Local Government	0	0	0	0	0
Education	-0.157	0.293	0	0	0
Transport	-66.715	65.306	180.509	0	0
Climate Change and Rural Affairs	0	0	0	0	0
Economy, Energy and Planning	-3.260	3.355	1.260	0	0
Social Justice	-0.286	0.287	0.128	0	0
Central Services & Administration	-1.148	1.318	0.112	0	0
TOTAL	-114.920	106.811	262.009	1.569	2.281

Direct Funded Bodies:	DEL			AME	
	Resource (Fiscal)	Resource (Non-fiscal)	Capital	Resource	Capital
	£m	£m	£m	£m	£m
Senedd Commission	-0.215	0.201	0	0	0
PSOW	-1.768	3.278	0	0	0
Audit Wales	-25	25	0	0	0
TOTAL	-2.008	3.504	0	0	0

Ringfenced reserve		9,614	76.909		
TOTAL	-116.928	119.929	338.918	1.569	2.281

3. Changes to the Wales Budget since Final Budget 2024-25

3.1 Tables 3.1 to 3.4 set out the net impact of all the changes to the Welsh budget. Table 3.5 summarises the total allocations by MEG.

Table 3.1 – Sources of Finance for Welsh Government

COMPONENTS OF WELSH GOVERNMENT FINANCING	2024-25 Final Budget	Changes	2024-25 Supplementary Budget New Plans October 2024
	£000s	£000s	£000s
RESOURCE FINANCING			
Departmental Expenditure Limit (DEL):			
Fiscal	16,097,547	328,554	16,426,101
Non-Fiscal	1,582,490	-532,804	1,049,686
Drawdown from the Wales Reserve	86,000	39,000	125,000
Annually Managed Expenditure (AME):			
Fiscal	38,328	-10,140	28,188
Non-Fiscal	375,811	106,727	482,538
Wales Devolved Financing:			
Non-Domestic Rates	1,079,000	0	1,079,000
Welsh Rate of Income Tax	3,491,131	0	3,491,131
Land Transaction Tax	243,731	0	243,731
Landfill Disposals Tax	28,340	0	28,340
Principal repayment of borrowing	-9,910	1,912	-7,998
TOTAL RESOURCE FINANCING	23,012,468	-66,751	22,945,717
CAPITAL FINANCING			
Departmental Expenditure Limit (DEL):			
General	2,472,126	482,474	2,954,600
Drawdown from the Wales Reserve	50,000	0	50,000
Financial Transactions	165,344	0	165,344
Annually Managed Expenditure (AME):			
Capital	1,285,227	236,155	1,521,382
Wales Devolved Financing:			
Borrowing	150,000	0	150,000
TOTAL CAPITAL FINANCING	4,122,697	718,629	4,841,326
TOTAL WELSH FINANCING	27,135,165	651,878	27,787,043

Table 3.2 – Allocation of the Wales Budget

MAIN EXPENDITURE GROUPS (MEGs)		£000s		
		2024-25 Final Budget (Restated)	Changes	2024-25 Supplementary Budget New Plans October 2024
Health and Social Care		12,126,138	403,097	12,529,235
Housing and Local Government		7,347,230	60,167	7,407,397
Education		3,856,426	-92,404	3,764,022
Transport		1,292,149	369,612	1,661,761
Climate Change and Rural Affairs		710,519	126,877	837,396
Economy, Energy and Planning		743,870	104,888	848,758
Social Justice		148,291	5,611	153,902
Central Services and Administration		406,333	-2,173	404,160
Total Allocation to Welsh Government MEGs		26,630,956	975,675	27,606,631
Unallocated Resource	Fiscal Resource	32,588	3249	35,837
	Non-Fiscal Resource	491,981	-415,231	76,750
General Capital Over Allocation		-108,974	-1,115	-110,089
Unallocated Capital	General Capital – IFRS16	0	76,909	76,909
	Financial Transactions	-1,768	11,756	9,988
Senedd Commission ^{Note 1}		72,195	635	72,830
Public Services Ombudsman for Wales		6,358	0	6,358
Wales Audit Office		9,459	0	9,459
Electoral Commission		1,564	0	1,564
Direct Charges to the Welsh Consolidated Fund		806	0	806
TOTAL WELSH BUDGET		27,135,165	651,878	27,787,043

Notes

1. A supplementary budget for 2024-25 was presented to the Finance Committee by The Senedd Commission in May 2024. It reported an increase of £635k in its fiscal resource.

Table 3.3 – Changes to the Welsh Government MEG Resource Allocations

MAIN EXPENDITURE GROUPS (MEGs)	£000s					
	FISCAL			NON-FISCAL		
	2024-25 Final Budget (Restated)	Changes	2024-25 Supplementary Budget New Plans October 2024	2024-25 Final Budget (Restated)	Changes	2024-25 Supplementary Budget New Plans October 2024
Health and Social Care	11,031,384	330,624	11,362,008	287,309	36,252	323,561
Housing and Local Government	5,057,634	60,923	5,118,557	0	0	0
Education	1,697,506	24,790	1,722,296	518,507	-237,276	281,231
Transport	562,081	-47,995	514,086	226,691	65,306	291,997
Climate Change and Rural Affairs	527,522	239	527,761	20,938	-1,859	19,079
Economy, Energy and Planning	440,160	-5,511	434,649	13,871	18,266	32,137
Social Justice	133,354	5,063	138,417	213	420	633
Central Services and Administration	375,103	-2,551	372,552	17,369	1,318	18,687
Total Allocation to Welsh Government MEGs	19,824,744	365,582	20,190,326	1,084,898	-117,573	967,325

Table 3.4 – Changes to the Welsh Government MEG Capital Allocations

MAIN EXPENDITURE GROUPS (MEGs)	£000s					
	GENERAL CAPITAL			FINANCIAL TRANSACTIONS		
	2024-25 Final Budget (Restated)	Changes	2024-25 Supplementary Budget New Plans October 2024	2024-25 Final Budget (Restated)	Changes	2024-25 Supplementary Budget New Plans October 2024
Health and Social Care	439,030	87,446	526,476	0	0	0
Housing and Local Government	1,071,630	0	1,071,630	105,809	0	105,809
Education	346,500	-373	346,127	2,102	-1,756	346
Transport	457,517	203,789	661,306	13,628	0	13,628
Climate Change and Rural Affairs	232,059	32,497	264,556	20,000	0	20,000
Economy, Energy and Planning	205,699	84,133	289,832	25,615	-10,000	15,615
Social Justice	14,540	128	14,668	-42	0	-42
Central Services and Administration	10,661	-940	9,721	0	0	0
Total Allocation to Welsh Government MEGs	2,777,636	406,680	3,184,316	167,112	-11,756	155,356

3.2 An overview of the changes to the sources of finance are provided below and details of allocations from reserves can be found in chapter 6.

Adjustments to Sources of Finance

Fiscal Resource

- 3.3** The Fiscal Resource baseline has increased by a net amount of £328,554k comprising:
- An increase from Barnett consequentials totalling £338,820k and comprising:
 - £168,280k in respect of funding announced in the UK Spring Budget 2024; and
 - £170,540k received at the UK Government's Main Estimates in May 2024;
 - A transfer in of £75,908k from the Home Office in respect of the Immigration Health Surcharge;
 - Transfers in of £23,086k from HM Treasury reserves comprising:
 - £18,720k in respect of the Core Valley Lines;
 - £4,327k in respect of Financial Advice Services; and
 - £39k in respect of Borders funding;
 - Transfers in of £4,551k from the Ministry of Justice comprising:
 - £3,738k in respect of Parc Learning and Skills Funding; and
 - £813k in respect of the Shared Outcomes Fund;
 - A transfer in of £2,590k from the Department of Levelling Up, Housing and Communities in respect of the Homelessness Prevention Fund;
 - A Machinery of Government transfer in of £637k in respect of the National Cyber Security Programme funding from the Ministry of Justice;
 - A transfer out of £(116,928)k in respect of the implementation of IFRS16; and

- A transfer out of £(110)k to HM Treasury in respect of funding the Office for Budget Responsibility for work undertaken on devolved tax forecasts.

Non-Fiscal Resource

3.4 Since the Final Budget the non-fiscal resource baseline has decreased by £(532,804)k comprising:

- £1,177k received at the 2024 Spring Budget in respect of the correction of a previous consequential adjustment;
- A transfer in of £119,929k in respect of the implementation of IFRS16; and
- A reduction of £(653,910)k in respect of Student Loans at the UK Government's Main Estimates in May 2024.

Wales Devolved Financing

3.5 There are no changes to the devolved tax income in this supplementary budget – forecasts continue to reflect those published at the time of the Final Budget.

The amount required to repay principal borrowing has reduced since the Final Budget. This increases the amount of financing available by £1,912k.

General Capital

3.6 The general capital baseline has increased by a net amount of £482,474k comprising:

- A decrease from Barnett consequentials of £(1,062)k at the UK Government's Main Estimates in May 2024.
- An increase in non-Barnett additions of £81,500k in respect of funding for City and Growth Deals;
- An increase of £338,918k in respect of the implementation of IFRS16;
- Transfers in of £63,171k from HM Treasury reserves comprising:
 - £20,280k in respect of the Core Valley Lines; and
 - £42,891k in respect of Borders funding; and

- A transfer out to the Cabinet Office of £(53)k in respect of Rosa - the cross-government IT service capability with enhanced protective controls for sensitive information.

Financial Transactions Capital

- 3.7** There has been no change to the financial transaction baseline since the 2024-25 Final Budget.

Table 3.5 – Summary of the Welsh Government MEG Total Allocations

2024-25 TOTAL MEG ALLOCATIONS as per SUPPLEMENTARY BUDGET										
£000s										
MAIN EXPENDITURE GROUPS (MEGs)	Resource			Capital			AME			TOTAL MEG ALLOCATION
	Fiscal	Non-Fiscal	Resource Total	General	Financial Transactions	Capital Total	Resource	Capital	AME Total	
Health and Social Care	11,362,008	323,561	11,685,569	526,476	0	526,476	314,909	2,281	317,190	12,529,235
Housing and Local Government	5,118,557	0	5,118,557	1,071,630	105,809	1,177,439	1,111,401	0	1,111,401	7,407,397
Education	1,722,296	281,231	2,003,527	346,127	346	346,473	-105,079	1,519,101	1,414,022	3,764,022
Transport	514,086	291,997	806,083	661,306	13,628	674,934	180,744	0	180,744	1,661,761
Climate Change and Rural Affairs	527,761	19,079	546,840	264,556	20,000	284,556	6,000	0	6,000	837,396
Economy, Energy and Planning	434,649	32,137	466,786	289,832	15,615	305,447	76,525	0	76,525	848,758
Social Justice	138,417	633	139,050	14,668	-42	14,626	226	0	226	153,902
Central Services and Administration	372,552	18,687	391,239	9,721	0	9,721	3,200	0	3,200	404,160
TOTAL ALLOCATIONS TO WELSH GOVERNMENT MEGs	20,190,326	967,325	21,157,651	3,184,316	155,356	3,339,672	1,587,926	1,521,382	3,109,308	27,606,631

4. Transfers between Ministerial Portfolios

4.1 There have been multiple transfers between Ministerial portfolios in this supplementary budget totalling £27,131k. The net impact of the transfers on each of the MEGs is summarised in the table below:

	Fiscal Resource £'000			Capital £'000		
	To	From	Net Transfers	To	From	Net Transfers
Health and Social Care	1,200	-500	700	7,446	0	7,446
Housing and Local Government	1,255	-4,143	-2,888	0	0	0
Education	9,848	-564	9,284	0	-373	-373
Transport	0	0	0	3,000	0	3,000
Climate Change and Rural Affairs	200	0	200	1,052	-11,446	-10,394
Economy, Energy and Planning	274	-7,525	-7,251	1,373	0	1,373
Social Justice	1,143	-1,255	-112	0	0	0
Central Services and Administration	340	-273	67	0	-1,052	-1,052
	14,260	-14,260	0	12,871	-12,871	0

4.2 Details of the transfers in excess of £1m are as follows:

Fiscal Resource

4.3 A transfer of £4,411k from the Apprenticeships BEL within the Economy Energy and Planning MEG to the new Medr Programme Expenditure BEL within the Education MEG in respect of funding for degree apprenticeships.

4.4 A transfer of £3,700m from the Homelessness Support and Prevention BEL within the Housing and Local Government MEG to the Youth

Engagement and Employment BEL within the Education MEG in respect of homelessness early identification and intervention.

- 4.5** A transfer of £1,304k from the Employability Including Young Persons Guarantee BEL within the Economy, Energy and Planning MEG to the Post-16 Provision (CTER) BEL within the Education MEG in respect of the funding of employment bureaus.
- 4.6** A transfer of £1,255k from the Fuel Poverty Programme BEL within the Social Justice MEG to the new Warm Homes BEL within the Housing and Local Government MEG to align the budget with the new Cabinet responsibilities.
- 4.7** A transfer of £1,200k from the Business and Regional Economic Development BEL within the Economy, Energy and Planning MEG to the Other NHS Budgets BEL within the Health and Social Care MEG in respect of funding for the Life Sciences Hub Wales.

General Capital

- 4.8** A transfer of £7,446k from the Welsh Government Energy Services BEL within the Climate Change and Rural Affairs MEG to the Core NHS Services BEL within the Health and Social Care BEL in respect of decarbonisation. £3,822k in respect of Cardiff and Vale University Health Board and £3,624k in respect of Powys Teaching Health Board.
- 4.9** A transfer of £3,000k from the Natural Resources Wales BEL within the Climate Change and Rural Affairs MEG to the Network Operations BEL within the Transport MEG to increase funding on the Strategic Road Network 2024-25.
- 4.10** A transfer of £1,052k from the Invest to Save BEL within the Central Services and Administration MEG to the new Invest to Save Green Growth BEL within the Climate Change and Rural Affairs MEG to correctly align the Green Growth budget.

4.11 A transfer of £1,000k from the Resource Efficiency and Circular Economy BEL within the Climate Change and Rural Affairs MEG to the Business and Regional Economic Development BEL within the Economy, Energy and Planning MEG to support the investment to increase plastic reprocessing capacity in Wales.

5. Transfers within Ministerial Portfolios

5.1 In addition to the transfers between Ministerial Portfolios detailed in chapter 4, there are a number of transfers between BELs within the same portfolios which are included within the published BEL Tables. These are generally administrative in nature and have no net effect on the individual MEG totals. The MEGs where these transfers exceed £1m are detailed below:

Health and Social Care

5.2 Multiple resource transfers totalling £50,328k have taken place between BELs within the Health and Social Care MEG. In summary, these transfers:

- correctly align the pay related allocation from reserves;
- correctly align the allocations to Local Health Boards; and
- align allocations to fund specific commitments.

Education

5.3 Multiple resource transfers totalling £505,687k and a single capital transfer of £1,200k have taken place between BELs within the Education MEG, the most significant of which relate to the transfer of funding to the new Medr Programme Expenditure BEL. These transfers consisted of:

- £381,138k resource funding from the Post-16 Provision (CTER) BEL;
- £118,556k resource funding from the HEFCW Programme Expenditure BEL;
- £4,826k resource funding from the Commission for Tertiary Education and Research (CTER) BEL; and
- £1,200k general capital funding from the Education Infrastructure BEL.

Transport

5.4 Multiple capital transfers totalling £43,053k have taken place between BELs within the Transport MEG, the most significant of which are:

- £34,333k to the Transport for Wales BEL consisting of:
 - £25,840k from the Bus Support BEL,
 - £5,450k from the Local Transport Priorities BEL; and
 - £3,043k from the Sustainable and Active Travel BEL; and
- £8,600k to the Road Safety BEL consisting of:
 - £5,000k from the Local Transport Priorities BEL; and
 - £3,600k from the Sustainable and Active Travel BEL.

Climate Change and Rural Affairs

5.5 Multiple resource transfers totalling £3,551k and capital transfers totalling £10,180k have taken place between BELs within the Climate Change and Rural Affairs MEG, the most significant of which are:

- £1,550k resource funding from the Rural Investment Scheme BEL to the Natural Resources Wales BEL to support the implementation and delivery of the Water Resources (Control of Agricultural Pollution)(Wales) Regulations 2021;
- £6,380k capital funding from the Rural Investment Scheme BEL to the Rural Payments ICT BEL to cover the funding requirements for the Sustainable Farming Scheme; and
- £2,300k capital funding from the Flood Risk Management and Water Policy Delivery BEL to the Natural Resources Wales BEL to fund essential works.

Economy, Energy and Planning

5.6 Multiple resource transfers totalling £4,523k have taken place between BELs within the Economy, Energy and Planning MEG, the most significant of which are:

- £1,396k from the Employability Including Young Persons Guarantee BEL to the Business Wales BEL in respect of self-employment funding;
- £1,242k from the Employability Including Young Persons Guarantee BEL to the Apprenticeships BEL in respect of the Digital Solutions Team and ICT Services; and

- £1,100k from the Broadcasting and Media BEL to the Creative Wales BEL in respect of the merging of BELs following the Cabinet restructure.

Central Services and Administration

5.7 Two capital transfers totalling £6,278k have taken place between BELs in the Central Services and Administration MEG.

- £5,221k has been transferred from the General Administration Expenditure BEL to the new ICT Costs BEL to align budgets to delegated responsibilities; and
- £1,057k has been transferred from the Invest to Save BEL to the Invest to save Repayment BEL:

6. Changes to Reserves

6.1 This budget regularises a number of allocations to and from reserves. A summary can be found in table 6.1 below and a full list detailing all the movements on the Welsh Government's reserves is available on the Welsh Government's website.

Allocations from Fiscal Resource Reserves

6.2 Allocations totalling £492,068k have been made from fiscal resource reserves in this supplementary budget. These comprise £9,283k relating to the implementation of IFRS16, plus the following MEG allocations:

- Health and Social Care - £373,278k:
 - To the Core NHS Allocations BEL, comprising:
 - £141,300k in respect consequential funding from the March UK Budget to support allocations to the Welsh NHS;
 - £117,070k in respect of SCAPE;
 - £75,908k in respect of the Immigration Health Surcharge; and
 - £39,000k to support the doctors pay award.
- Housing and Local Government - £63,811k:
 - To the Local Government General Revenue Funding BEL in respect of SCAPE, comprising:
 - £60,706k in respect of Teachers in Schools (pre-16); and
 - £3,105k in respect of the Fire Service.
- Education - £15,663k:
 - £11,925k to the Medr Programme Expenditure BEL in respect of SCAPE, comprising:
 - £8,319k in respect of further education colleges; and
 - £3,606k in respect of 6th Form.
 - £3,738k to the Offender Learning BEL in respect of funding received from the Ministry of Justice for learning and skills at HM Prison Parc in Bridgend.

- Transport - £18,720k:
 - To the Transport for Wales BEL in respect of the funding received from HMT relating to the Core Valley Lines.

- Climate Change and Rural Affairs - £39k:
 - To the Border Controls BEL in respect of the funding received from HMT.

- Economy, Energy and Planning - £5,000k:
 - In respect of additional in year resource funding for Cadw, the culture and sports arms-length bodies, comprising:
 - £1,500k to the Arts Council of Wales BEL;
 - £1,000k to the Sports Wales BEL;
 - £940k to the Amgueddfa Cymru - National Museums of Wales BEL;
 - £745k to the Cadw BEL;
 - £725k to the National Library of Wales BEL; and
 - £90k to the Royal Commission on the Ancient and Historical Monuments for Wales.

- Social Justice - £5,461k:
 - £2,590k to the Cohesive Communities BEL in respect of the Ukraine humanitarian response;
 - £1,391k to the Advice Services BEL, comprising
 - £1,291 in respect of debt advice; and
 - £100k in respect of the Cost of Living Communications Campaign.
 - £1,000k to the Digital Inclusion BEL in respect of Digital Communities Wales programme; and
 - £480k to the Supporting Communities BEL to support Local Food Partnerships in Wales.

- Central Services and Administration - £813k:
 - To the Central Research BEL in respect of the Shared Outcomes Fund

Transfers to Fiscal Resource Reserves

6.3 Transfers totalling £(126,486)k have been made into fiscal resource reserves in this supplementary budget. These comprise:

- £(124,203)k relating to the implementation of IFRS16;
- £(2,283)k from the Central Services and Administration BEL, comprising:
 - £(2,120)k from the Cost of Borrowing BEL in respect of a reduction in interest payments;
 - £(110)k from the Devolved Taxes BEL in respect of the payment to HMT for the provision of independent tax forecasts by the Office for Budget Responsibility; and.
 - £(53)k from the Civil Contingencies and National Resilience BEL as part of a resource to capital switch to fund the transfer to the Cabinet Office in respect of Rosa actioned as part of UK Government Main Estimates.

Allocations from Non-Fiscal Resource Reserves

6.4 Allocations totalling £124,235k have been made from non-fiscal resource reserves in this supplementary budget. These comprise £106,782k relating to the implementation of IFRS16, plus the following MEG allocations to cover additional non-cash requirements:

- Climate Change and Rural Affairs - £2,253k:
 - £1,545k to the Natural Resources Wales BEL;
 - £700k to the Strategic Evidence, Monitoring, Borders & Intergovernmental Relations;
 - £4k to the Agriculture Customer Engagement BEL, and
 - £4k to the TB Eradication BEL.

- Economy, Energy and Planning - £15,038k:
 - £11,000k to the Property Infrastructure BEL;
 - £1,128k to the National Library of Wales BEL;
 - £1,000k to the Business Finance Funds BEL;
 - £900k to the Amgueddfa Cymru - National Museums of Wales BEL;
 - £550k to the Business & Regional Economic Development BEL;
 - £400k to the Employability Including Young Persons Guarantee BEL;
 - £50k to the Tourism BEL and
 - £10k to the Creative Wales BEL.

- Social Justice - £162k:
 - £125k to the Citizen Voice Body BEL;
 - £27k to the Older People Commissioner BEL; and
 - £10k to the Future Generations Commissioner Wales BEL.

Transfers to Non-Fiscal Resource Reserves

6.5 Transfers totalling £(241,808)k have been made into non-fiscal resource reserves in this supplementary budget to reflect a reduction in non-fiscal requirements. These comprise:

- Education - £(237,569)k from the Student Loans Resource Budget Provision BEL;

- Climate Change and Rural Affairs - £(4,112)k, comprising
 - £(3,349)k from the RPW Administration BEL;
 - £(594)k from the County Parish Holdings Project BEL; and
 - £(169)k from the Fisheries BEL.

- Economy, Energy and Planning - £127k:
 - £(83)k from the Royal Commission on the Ancient and Historical Monuments for Wales BEL; and
 - £(44)k from the Arts Council of Wales BEL.

Allocations from General Capital Reserves

- 6.6** Allocations totalling £406,680k have been made from general capital reserves in this supplementary budget. These comprise:
- £262,009k relating to the implementation of IFRS16.
 - Transport - £20,280k to the Transport for Wales BEL in respect of the funding received from HMT relating to the Core Valley Lines;
 - Climate Change and Rural Affairs - £42,891k to the Border Controls BEL in respect of funding received from HMT at the UK Government's Main Estimates.
 - Economy, Energy and Planning - £81,500k to the City and Growth Deals BEL in respect of Growth Deals;
 - £52,000k relating to Cardiff City;
 - £24,000k relating to Swansea Bay; and
 - £5,500k relating to Mid Wales.
 - Central Services and Administration - £53k to the Civil Contingencies and National Resilience BEL as part of a resource to capital switch to fund the transfer to the Cabinet Office in respect of Rosa actioned as part of UK Government Main Estimates.

Allocations to General Capital Reserves

- 6.7** A single transfer of £(53)k has been made into general capital reserves in this supplementary budget from the Civil Contingencies and National Resilience BEL within the Central Services and Administration MEG. The return to reserves is to cover the cost of the transfer to the Cabinet Office in respect of Rosa which was actioned as part of UK Government Main Estimate.

Allocations to Financial Transaction Capital Reserves

- 6.8** Transfers totalling £(11,756)k have been made into financial transaction capital reserves in this supplementary budget:

- Education - £(1,756)k from the Education Infrastructure BEL comprising:
 - £(1,000)k in respect of a loan repayment for Bridgend College Town Centre Scheme; and
 - £(756)k in respect of MIM Bridgend scheme.
- Economy, Energy and Planning - £(10,000)k in respect of funding provided in the final budget no longer required.

Budget Switches

- 6.9** Within the Central Services and Administrative MEG there has been a switch between the fiscal resource and general capital reserves. The net effect on both reserves is zero but full details of the movements are provided table 6.1 below.

Table 6.1 - Changes to the 2023-24 Reserves since Final Budget and the Allocations from Reserves being made in this Supplementary Budget

	£000s							
	Fiscal Resource	Non-Fiscal Resource	Total Resource	General Capital	IFRS Capital	Financial Transaction Capital	Total Capital	Total
Reserves as per Final Budget	32,588	491,981	524,569	-108,974	0	-1,768	-110,742	413,827
Transfers & Consequentials since the Final Budget	328,554	-532,804	-204,250	143,556	338,918	0	482,474	278,224
Reduction in the principal repayment of borrowing	1,912	0	1,912	0	0	0	0	1,912
Drawdown from the Wales Reserve	39,000	0	39,000	0	0	0	0	39,000
Revised Reserves	402,054	-40,823	361,231	34,582	338,918	-1,768	371,732	732,963
MEG CHANGES AFFECTING RESERVES								
Health and Social Care	-329,924	-36,252	-366,176	0	-80,000	0	-80,000	446,176
Housing and Local Government	-63,811	0	-63,811	0	0	0	0	-63,811
Education	-15,506	237,276	221,770	0	0	1,756	1,756	223,526
Transport	47,995	-65,306	-17,311	-20,280	-180,509	0	-200,789	-218,100
Climate Change and Rural Affairs	-39	1,859	1,820	-42,891	0	0	-42,891	-41,071
Economy, Energy and Planning	-1,740	-18,266	-20,006	-81,500	-1,260	10,000	-72,760	-92,766
Social Justice	-5,175	-420	-5,595	0	-128	0	-128	-5,723
Central Services and Administration	2,618	-1,318	1,300	0	-112	0	-112	1,188

MEG CHANGES AFFECTING RESERVES	-365,582	117,573	-248,009	-144,671	-262,009	11,756	-394,924	-642,933
OTHER CHANGES AFFECTING RESERVES								
Sennedd Commission	-635	0	-635	0		0	0	-635
OTHER CHANGES AFFECTING RESERVES	-635	0	-635	0		0	0	-635
Reserves in this Budget	35,837	76,750	112,587	-110,089	76,909	9,988	-23,192	89,395

7. Annually Managed Expenditure (AME) Budgets

- 7.1** AME budgets detailed in the 2024-25 Final Budget have been updated to reflect the forecasts provided to the Office for Budget Responsibility (OBR) and HM Treasury in September 2024.
- 7.2** The changes reflected in the 1st Supplementary Budget include the impact of the implementation of IFRS16 as detailed in chapter 2.

Table 7.1 below sets out the current AME budgets.

Table 7.1 – Changes to the Welsh Government MEG AME Allocations

MAIN EXPENDITURE GROUPS (MEGs)	£000s					
	RESOURCE			CAPITAL		
	2024-25 Final Budget (Restated)	Changes	2024-25 Supplementary Budget New Plans October 2024	2024-25 Final Budget (Restated)	Changes	2024-25 Supplementary Budget New Plans October 2024
Health and Social Care	368,415	-53,506	314,909	0	2,281	2,281
Housing and Local Government	1,112,157	-756	1,111,401	0	0	0
Education	6,584	-111,663	-105,079	1,285,227	233,874	1,519,101
Transport	32,232	148,512	180,744	0	0	0
Climate Change and Rural Affairs	-90,000	96,000	6,000	0	0	0
Economy, Energy and Planning	58,525	18,000	76,525	0	0	0
Social Justice	226	0	226	0	0	0
Central Services and Administration	3,200	0	3,200	0	0	0
Total Allocation to Welsh Government	1,491,339	96,587	1,587,926	1,285,227	236,155	1,521,382

Annex 1 – Reconciliation between the Portfolio Budgets in the Action Tables and those the Budget Motion

The Explanatory Note supports the Supplementary Budget Motion published alongside this document, which sets out the changes to both the resources that the Welsh Government is proposing to use in 2024-25 and the cash it is seeking authority to draw from the Welsh Consolidated Fund. The tables within this note use the HM Treasury control totals and align with the BEL Tables. However, the figures in the Supplementary Budget Motion align with the Statement of Resource Outturn which is used in the Welsh Government accounts and is prepared on a slightly different basis.

The Welsh Government's budget includes items which do not score as part of the 'Resources Requested' by Welsh Ministers. This Annex provides a reconciliation between the two by each portfolio.

2024-25 SUPPLEMENTARY BUDGET									
£000s									
	Health and Social Care	Housing and Local Government	Education	Transport	Climate Change and Rural Affairs	Economy Energy and Planning	Social Justice	Central Services and Administration	TOTAL
Resource	11,685,569	5,118,557	2,003,527	806,083	546,840	466,786	139,050	391,239	21,157,651
Capital	526,476	1,177,439	346,473	674,934	284,556	305,447	14,626	9,721	3,339,672
Resource AME	314,909	1,111,401	-105,079	180,744	6,000	76,525	226	3,200	1,587,926
Capital AME	2,281	0	1,519,101	0	0	0	0	0	1,521,382
TOTAL MANAGED EXPENDITURE	12,529,235	7,407,397	3,764,022	1,661,761	837,396	848,758	153,902	404,160	27,606,631
Reconciliation to Resources									
Resource Consumption - Welsh Government Sponsored Bodies	-175		-828		-17,545	-38,677			-57,100
Supported Borrowing		-88,800							-88,800
National Insurance Fund Receipts Collection Costs	-906								-906
National Non-Domestic Rates Payable (and Collection Costs)			-1,084,172						-1,084,172
Interest Repayments on Borrowing								-12,254	-12,254
PFI				-10,362					-10,362
RESOURCES REQUESTED	12,528,154	6,234,425	3,763,194	1,651,399	819,851	810,081	153,902	391,906	26,353,037

Annex 2 – Restatement of 2024-25 Final Budget (June 2024)

2024-25										
Final Budget Allocations Prior to Changes in Ministerial Responsibilities										
£000s										
MAIN EXPENDITURE GROUPS (MEGs)	Resource			Capital			AME			TOTAL MEG ALLOCATION
	Fiscal	Non Fiscal	Resource Total	General	Financial Transactions	Capital Total	Resource	Capital	AME Total	
Health and Social Care	11,011,381	287,194	11,298,575	439,000	-	439,000	368,415	-	368,415	12,105,990
Housing, Local Government & Planning	5,060,685	-	5,060,685	1,036,630	105,809	1,142,439	1,112,157	-	1,112,157	7,315,281
Education	1,681,613	518,307	2,199,920	346,250	2,102	348,352	6,584	1,285,227	1,291,811	3,840,083
Transport	562,081	226,691	788,772	457,517	13,628	471,145	32,232	-	32,232	1,292,149
Climate Change & Rural Affairs	521,789	20,938	542,727	267,059	20,000	287,059	(90,000)	-	(90,000)	739,786
Economy, Energy & Welsh Language	372,247	3,830	376,077	155,383	26,846	182,229	29,525	-	29,525	587,831
Culture & Social Justice	237,429	10,375	247,804	64,906	(1,273)	63,633	29,226	-	29,226	340,663
Central Services and Administration	377,519	17,563	395,082	10,891	-	10,891	3,200	-	3,200	409,173
TOTAL ALLOCATIONS TO WELSH GOVERNMENT MEGs	19,824,744	1,084,898	20,909,642	2,777,636	167,112	2,944,748	1,491,339	1,285,227	2,776,566	26,630,956

2024-25 Final Budget Allocations Following Changes in Ministerial Responsibilities										
£000s										
MAIN EXPENDITURE GROUPS (MEGs)	Resource			Capital			AME			TOTAL MEG ALLOCATION
	Fiscal	Non Fiscal	Resource Total	General	Financial Transactions	Capital Total	Resource	Capital	AME Total	
Health and Social Care	11,031,384	287,309	11,318,693	439,030	-	439,030	368,415	-	368,415	12,126,138
Housing & Local Government	5,057,634	-	5,057,634	1,071,630	105,809	1,177,439	1,112,157	-	1,112,157	7,347,230
Education	1,697,506	518,507	2,216,013	346,500	2,102	348,602	6,584	1,285,227	1,291,811	3,856,426
Transport	562,081	226,691	788,772	457,517	13,628	471,145	32,232	-	32,232	1,292,149
Climate Change & Rural Affairs	527,522	20,938	548,460	232,059	20,000	252,059	(90,000)	-	(90,000)	710,519
Economy, Energy & Planning	440,160	13,871	454,031	205,699	25,615	231,314	58,525	-	58,525	743,870
Social Justice	133,354	213	133,567	14,540	(42)	14,498	226	-	226	148,291
Central Services and Administration	375,103	17,369	392,472	10,661	-	10,661	3,200	-	3,200	406,333
TOTAL ALLOCATIONS TO WELSH GOVERNMENT MEGs	19,824,744	1,084,898	20,909,642	2,777,636	167,112	2,944,748	1,491,339	1,285,227	2,776,566	26,630,956

MOVEMENTS										
£000s										
MAIN EXPENDITURE GROUPS (MEGs)	Resource			Capital			AME			TOTAL MEG ALLOCATION
	Fiscal	Non Fiscal	Resource Total	General	Financial Transactions	Capital Total	Resource	Capital	AME Total	
Health and Social Care	20,003	115	20,118	30	-	30	-	-	-	20,148
Housing, Local Government & Planning	(3,051)	-	(3,051)	35,000	-	35,000	-	-	-	31,949
Education	15,893	200	16,093	250	-	250	-	-	-	16,343
Transport	-	-	-	-	-	-	-	-	-	-
Climate Change & Rural Affairs	5,733	-	5,733	(35,000)	-	(35,000)	-	-	-	(29,267)
Economy, Energy & Welsh Language	67,913	10,041	77,954	50,316	(1,231)	49,085	29,000	-	29,000	156,039
Culture & Social Justice	(104,075)	(10,162)	(114,237)	(50,366)	1,231	(49,135)	(29,000)	-	(29,000)	(192,372)
Central Services and Administration	(2,416)	(194)	(2,610)	(230)	-	(230)	-	-	-	(2,840)
NET MOVEMENT	-	-	-	-	-	-	-	-	-	-

2024-25 FINAL BUDGET RESTATEMENT FOLLOWING CHANGES IN MINISTERIAL RESPONSIBILITIES

Note: Unless annotated the movements listed below reflect the transfer of BELs between MEGs

HEALTH and SOCIAL CARE (H&SC)												
£000s												
Movement	From / To	BEL	Resource			Capital			AME			TOTAL
			Fiscal	Non Fiscal	Resource Total	General	Financial Transactions	Capital Total	Resource	Capital	AME Total	
Health and Social Care (H&SC) Allocation			11,011,381	287,194	11,298,575	439,000	-	439,000	368,415	-	368,415	12,105,990
Transferred in:	CS&A	Care Inspectorate Wales	15,058	26	15,084	20	-	20	-	-	-	15,104
	CS&A	Healthcare Inspectorate Wales	4,945	89	5,034	10	-	10	-	-	-	5,044
Restated Health and Social Care Allocation			11,031,384	287,309	11,318,693	439,030	-	439,030	368,415	-	368,415	12,126,138

HOUSING & LOCAL GOVERNMENT (H&LG)												
£000s												
Movement	From / To	BEL	Resource			Capital			AME			TOTAL
			Fiscal	Non Fiscal	Resource Total	General	Financial Transactions	Capital Total	Resource	Capital	AME Total	
Housing, Local Government and Planning (HLG&P) Allocation			5,060,685	-	5,060,685	1,036,630	105,809	1,142,439	1,112,157	-	1,112,157	7,315,281
Transferred in:	CC&RA	Warm Homes ^{Note}	2,475	-	2,475	35,000	-	35,000	-	-	-	37,475
Transferred out:	EE&P	Planning and Environment Decisions Wales	(2,997)	-	(2,997)	-	-	-	-	-	-	(2,997)
	EE&P	Planning and Regulation Expenditure	(1,999)	-	(1,999)	-	-	-	-	-	-	(1,999)
	SJ	Public Services Boards	(530)	-	(530)	-	-	-	-	-	-	(530)
Restated Housing & Local Government Allocation			5,057,634	-	5,057,634	1,071,630	105,809	1,177,439	1,112,157	-	1,112,157	7,347,230

Note:

The Fuel Poverty Programme BEL has been transferred from the CC&RA MEG into the new SJ MEG. However, from the Fuel Poverty Programme budget £2,475k fiscal resource and £35,000k general capital has been transferred into the newly created 'Warm Homes' BEL in the new H&LG MEG.

EDUCATION (Educ)												
£000s												
Movement	From / To	BEL	Resource			Capital			AME			TOTAL
			Fiscal	Non Fiscal	Resource Total	General	Financial Transactions	Capital Total	Resource	Capital	AME Total	
Education (Educ) Allocation			1,681,613	518,307	2,199,920	346,250	2,102	348,352	6,584	1,285,227	1,291,811	3,840,083
Transferred in:	CS&A	Estyn - Programme Expenditure	15,893	200	16,093	250	-	250	-	-	-	16,343
Restated Education Allocation			1,697,506	518,507	2,216,013	346,500	2,102	348,602	6,584	1,285,227	1,291,811	3,856,426

TRANSPORT (Transp)												
£000s												
Movement	From / To	BEL	Resource			Capital			AME			TOTAL
			Fiscal	Non Fiscal	Resource Total	General	Financial Transactions	Capital Total	Resource	Capital	AME Total	
Transport (Transp) Allocation			562,081	226,691	788,772	457,517	13,628	471,145	32,232	-	32,232	1,292,149
					-			-			-	-
Restated Transport Allocation			562,081	226,691	788,772	457,517	13,628	471,145	32,232	-	32,232	1,292,149

CLIMATE CHANGE & RURAL AFFAIRS (CC&RA)												
£000s												
Movement	From / To	BEL	Resource			Capital			AME			TOTAL
			Fiscal	Non Fiscal	Resource Total	General	Financial Transactions	Capital Total	Resource	Capital	AME Total	
Climate Change and Rural Affairs (CC&RA) Allocation			521,789	20,938	542,727	267,059	20,000	287,059	(90,000)	-	(90,000)	739,786
Transferred In:	EE&P	Border Controls	6,426	-	6,426	-	-	-	-	-	-	6,426
	CS&A	Constitutional Reform	1,997	-	1,997	-	-	-	-	-	-	1,997
	CS&A	Justice Transformation	480	-	480	-	-	-	-	-	-	480
	CS&A	Senedd Reform	1,200	-	1,200	-	-	-	-	-	-	1,200
Transferred out:	SJ	Fuel Poverty Programme ^{Note}	(1,895)	-	(1,895)	-	-	-	-	-	-	(1,895)
	H&LG	Fuel Poverty Programme ^{Note}	(2,475)	-	(2,475)	(35,000)	-	(35,000)	-	-	-	(37,475)
Restated Climate Change & Rural Affairs Allocation			527,522	20,938	548,460	232,059	20,000	252,059	(90,000)	-	(90,000)	710,519

Note:

The Fuel Poverty Programme BEL has been transferred from the CC&RA MEG into the new SJ MEG. However, from the Fuel Poverty Programme budget £2,475k fiscal resource and £35,000k general capital has been transferred into the newly created 'Warm Homes' BEL in the new H&LG MEG.

			SOCIAL JUSTICE (SJ)									
			£000s									
Movement	From / To	BEL	Resource			Capital			AME			TOTAL
			Fiscal	Non Fiscal	Resource Total	General	Financial Transactions	Capital Total	Resource	Capital	AME Total	
Culture & Social Justice (C&SJ) Allocation			237,429	10,375	247,804	64,906	(1,273)	63,633	29,226	-	29,226	340,663
Transferred in:	H&LG	Public Services Boards	530	-	530	-	-	-	-	-	-	530
	CC&RA	Fuel Poverty Programme ^{Note}	1,895	-	1,895	-	-	-	-	-	-	1,895
Transferred out:	EE&P	Arts Council of Wales	(30,429)	(119)	(30,548)	(400)	-	(400)	-	-	-	(30,948)
	EE&P	Amgueddfa Cymru - National Museums of Wales	(25,504)	(2,400)	(27,904)	(5,000)	-	(5,000)	-	-	-	(32,904)
	EE&P	National Library of Wales	(11,093)	(1,250)	(12,343)	(2,000)	-	(2,000)	-	-	-	(14,343)
	EE&P	Support for Local Culture and Sport	(6,668)	-	(6,668)	(24,700)	-	(24,700)	-	-	-	(31,368)
	EE&P	Broadcasting and Media	(1,100)	-	(1,100)	-	-	-	-	-	-	(1,100)
	EE&P	Cadw	(8,547)	(5,480)	(14,027)	(10,000)	-	(10,000)	-	-	-	(24,027)
	EE&P	National Botanic Garden of Wales	(525)	-	(525)	(200)	-	(200)	-	-	-	(725)
	EE&P	Royal Commission on the Ancient and Historical Monuments for Wales	(1,656)	(134)	(1,790)	(50)	-	(50)	-	-	-	(1,840)
	EE&P	Sport Wales	(20,978)	(779)	(21,757)	(8,016)	-	(8,016)	-	-	-	(29,773)
	EE&P	Sports Capital Loans Scheme	-	-	-	-	1,231	1,231	-	-	-	1,231
	EE&P	Amgueddfa Cymru - National Museums of Wales Pension Provision - AME	-	-	-	-	-	-	(15,000)	-	(15,000)	(15,000)
	EE&P	National Library of Wales Pension Provision - AME	-	-	-	-	-	-	(9,000)	-	(9,000)	(9,000)
	EE&P	Sport Wales Pension Provision - AME	-	-	-	-	-	-	(5,000)	-	(5,000)	(5,000)
Restated Social Justice Allocation			133,354	213	133,567	14,540	(42)	14,498	226	-	226	148,291

Note:

The Fuel Poverty Programme BEL has been transferred from the CC&RA MEG into the new SJ MEG. However, from the Fuel Poverty Programme budget £2,475k fiscal resource and £35,000k general capital has been transferred into the newly created 'Warm Homes' BEL in the new H&LG MEG.

			CENTRAL SERVICES and ADMINISTRATION (CS&A)									
			£000s									
Movement	From / To	BEL	Resource			Capital			AME			TOTAL
			Fiscal	Non Fiscal	Resource Total	General	Financial Transactions	Capital Total	Resource	Capital	AME Total	
Central Services and Administration (CS&A) Allocation			377,519	17,563	395,082	10,891	-	10,891	3,200	-	3,200	409,173
Transferred in:	EE&P	Welsh Language	33,968		33,968			-			-	33,968
	EE&P	Welsh Language Commissioner	3,189	121	3,310	50	-	50	-	-	-	3,360
Transferred out:	H&SC	Care Inspectorate Wales	(15,058)	(26)	(15,084)	(20)	-	(20)	-	-	-	(15,104)
	H&SC	Healthcare Inspectorate Wales	(4,945)	(89)	(5,034)	(10)	-	(10)	-	-	-	(5,044)
	Educ	Estyn - Programme Expenditure	(15,893)	(200)	(16,093)	(250)	-	(250)	-	-	-	(16,343)
	CC&RA	Constitutional Reform	(1,997)	-	(1,997)	-	-	-	-	-	-	(1,997)
	CC&RA	Justice Transformation	(480)	-	(480)	-	-	-	-	-	-	(480)
CC&RA	Senedd Reform	(1,200)	-	(1,200)	-	-	-	-	-	-	(1,200)	
Restated Central Services and Administration Allocation			375,103	17,369	392,472	10,661	-	10,661	3,200	-	3,200	406,333

Annex 3 – Glossary

Action	Within each Spending Programme Area (SPA), budgets are allocated to a number of sub-programmes known as Actions.
Ambits	Descriptions of the specific purposes for which Welsh Ministers are authorised by Senedd Cymru to spend resources. Ambit Descriptions and resource limits are contained within the Annual and Supplementary Budget Motions. Ambits correspond to MEGs.
Annually Managed Expenditure (AME)	Expenditure which cannot reasonably be subject to firm, multi-year limits in the same way as DEL and is therefore reviewed twice a year as part of the HM Treasury's Budget and Pre-Budget Report processes. AME typically consists of programmes which are large, volatile or demand-led; for example the issue of student loans.
Budget Motion	The means by which Senedd Cymru authorises Welsh Ministers to spend resources up to a specific level for specified purposes and to draw cash up to a specific limit from the Welsh Consolidated Fund.
Budget Expenditure Line (BEL)	Within each Action budgets are allocated to a number of sub-expenditure groups known as BELs. Tables showing budgets at BEL level are available at: http://gov.wales/funding/budget/?lang=en
Capital	Expenditure that in the main results in a physical asset, for example a new building. The Welsh Government DEL and AME budgets have separate capital and resource limits.
Departmental Expenditure Limit (DEL)	The multi-year budget limit for the Welsh Government set by the HM Treasury in Spending Reviews.
Depreciation	The drop in value of an asset due to wear and tear, age and obsolescence. Under resource budgeting, depreciation is part of the Welsh Government's DEL but is a non-fiscal resource DEL item.

Direct Charges on the Welsh Consolidated Fund	Expenditure which is legally required to be charged directly to the Welsh Consolidated Fund and therefore does not score against the budgets of the Welsh Government or any other body. Direct Charges include the remuneration of the Presiding Officer and Auditor General.
Financial Transactions	Financial transactions can only be used for loans and equity purposes. A proportion of the funding also has to be repaid to the Exchequer.
Fiscal Resource DEL (sometimes referred to as revenue)	The Fiscal Resource DEL budget scores most of the department's current expenditure. Expenditure is recorded on an accruals basis. It includes expenditure on pay, current procurement, current grants and subsidies.
Main Expenditure Group (MEG)	The Welsh Government DEL is divided into a number of Main Expenditure Groups. There are currently 8 MEGs: Health and Social Care; Housing and Local Government; Education; Transport; Climate Change and Rural Affairs; Economy, Energy and Planning; Social Justice and Central Services and Administration.
Non-Fiscal Resource DEL (sometimes referred to as 'non cash')	The Non-Fiscal Resource DEL budget scores the department's current expenditure in respect of impairment of student loans and depreciation. Non-Fiscal Resource DEL is ring-fenced and cannot be used to fund fiscal resource DEL spending.
Receipts	Some areas of Welsh Government activity generate income, for example, through the sale or rental of assets. These are represented in the budget as negative figures.
Resource budgeting	The Welsh Government's budget is set on a resource basis derived from accruals information. Accruals information measures resources as they are consumed rather than when the cash is paid. So, for example, resource budgeting includes a charge for depreciation, a measure of the consumption or wearing out of capital assets.

Spending Review	HM Treasury periodically reviews expenditure for each UK Government Department and sets budgets for the forthcoming years. Budgets for the devolved administrations are derived from these budgets via the Barnett formula, which is the mechanism used to calculate public expenditure allocated to Wales to reflect changes in spending levels allocated to public services in England.
Total Managed Expenditure (TME)	This is an HM Treasury control total which is made up of the total Departmental Expenditure Limit plus Annually Managed Expenditure.
Welsh Consolidated Fund	The account into which the money voted by the UK Parliament for use by the Welsh Government, the Senedd Commission, the Auditor General, and the Public Services Ombudsman for Wales is paid.
WGSB	Welsh Government Sponsored Body. Examples include the Higher Education Funding Council for Wales and the Arts Council of Wales.