



Ein cyf/Our ref SF/JH/0768/15

Jocelyn Davies AM,
Chair, Finance Committee,
The National Assembly for Wales,
Cardiff Bay,
Cardiff
CF99 1NA

9 March 2015

Dear Jocelyn,

I welcomed the opportunity to attend Finance Committee on 25 February to support your scrutiny of the Second Supplementary Budget 2014-15.

In those sessions we touched on a number of issues which I said I would follow up in writing. I am also taking the opportunity to provide the clarification which you requested in your letter of 25 February.

Local Health Boards – approval of 3 year plans

I understand that the latest 3 year plans were received on 30th January and are still going through a thorough assessment. The Minister for Health and Social Services will provide an update on the process in due course.

Protection offered to the Local Government Budget

As a consequence of UK Government decisions, by 2015-16 the Welsh Government budget will be around 9% lower in real terms than it was in 2010-11. We have protected Local Government from the bulk of these cuts.

As a result, the settlement for local government in Wales has been considerably better than that for England over the period of the 2010 Spending Review. Over the past five years, spending per head on local services in Wales has increased by 3% in cash terms, whilst in England it has decreased by around 7%.

The commissioning of the Nuffield Report

In response to your letter of 25 February, I can confirm that the Welsh Government commissioned the Nuffield Trust to undertake the study and resulting report 'A Decade of Austerity in Wales'.

I hope this is helpful.

A handwritten signature in black ink that reads "Jane". The signature is written in a cursive style with a horizontal line above the first few letters.

Jane Hutt AC / AM

Y Gweinidog Cyllid a Busnes y Llywodraeth
Minister for Finance & Government Business

Annex 1: Financial Transactions CDEL – schemes and allocations

Portfolio and Scheme	2013-14 £m	2014-15 £m	2015-16 £m	Total £m
Economy, Science and Transport				
Cardiff International Airport Ltd To provide a repayable loan to facilitate improvements to the Cardiff Airport facilities and services and access to the terminal.		10.000		10.000
Finance Wales Investment Funds for SMEs To provide access to finance for SMEs, support business growth, boost exports and create/safeguard jobs.	32.500	7.000	42.500	82.000
Housing and Regeneration				
Houses into Homes To expand the pilot of the Houses into Homes initiative to bring empty homes in Wales back into use.	10.000			10.000
Affordable Housing Land Scheme A new pilot scheme to provide loans to local authorities and registered social landlords to acquire land sites in order to accelerate the development of affordable housing schemes.		5.000		5.000
Town Centre Property Fund A new pilot scheme to support the regeneration of town centres and increase housing supply. It will provide a recyclable loans scheme to assist developers to convert empty commercial properties into homes for sale or rent.		5.000		5.000
Help to Buy Cymru Shared Equity Scheme To help qualifying home buyers to purchase a new build home with a low loan-to-value mortgage and provide a boost to the construction industry in Wales over the next three years.	34.500	69.000	71.000	174.500

<p>Barry Island Strategic Regeneration Area - Link Road A local authority loan which will accelerate delivery of a key transport route as part of our strategic regeneration programme.</p>	2.000			2.000
<p>Culture and Sport</p>				
<p>Capital Loan Scheme for Sport and Leisure Facilities A new pilot scheme to provide loans to local authorities to enable them to improve sports and leisure facilities through an invest-to-save approach, increase participation in sport and physical activity and contribute to health outcomes.</p>			5.000	5.000