
Welsh Government Draft Budget Proposals 2021-22

Laid before Senedd Cymru by the Minister for Finance and Trefnydd in accordance with Standing Order 20.7 and 20.7A

December 2020

Draft Budget Proposals

1. These proposals are laid in accordance with Standing Order 20.7 and 20.7A. They are intended to be read alongside the supporting tables detailing the MEG allocations which have been published in accordance with Standing Order 20.7B.
2. Welsh Ministers propose to use resources (including accruing resources) during the financial year ending 31 March 2022:

Ambit	2021-22	
	Resources (£000)	Accruing Resources (£000)
Health and Social Services	9,211,739	68,636
Housing and Local Government	4,831,138	22,503
Economy and Transport	1,683,355	38,065
Education	2,696,216	327,718
Mental Health, Wellbeing and the Welsh Language	336,084	12,187
Environment, Energy and Rural Affairs	709,126	103,439
Central Services and Administration	413,251	411,053
Total	19,880,909	983,601

3. Welsh Ministers propose to draw cash out of the Welsh Consolidated Fund for the financial year ending 31 March 2022 as follows:

	2021-22 (£000)
Net Resources Requirement	19,880,909
Adjustments:	
Capital Charges	(402,385)
Impairments	(354,821)
Movements in Provisions	(104,696)
Profit/Loss on sale of assets	0
Movements in stocks	0
Movements in debtors/creditors	542,000
Use of Provisions	0
Other	0
Net Cash Requirement for issue from the Welsh Consolidated Fund	19,561,007

4. Welsh Ministers propose to finance its expenditure for the financial year ending 31 March 2022 as follows:

	2021-22 (£000)
Block Grant (Departmental Expenditure Limit)	17,534,446
Annually Managed Expenditure	1,146,810
Devolved Financing:	
Non Domestic Rates	1,101,000
Welsh Rate of Income Tax	2,064,061
Land Transaction Tax	230,998
Landfill Disposals Tax	32,728
Borrowing (net)	143,113
Total financing for the Welsh Government ^{Note}	22,253,156

Note: Includes financing for expenditure outside Ambits, e.g. unallocated provisions.

5. Welsh Ministers propose borrowing for capital purposes for the financial year ending 31 March 2022 as follows:

	2021-22 (£000)
Total borrowing outstanding as at 1 April (principal)	197,500
Proposed capital borrowing to be drawn in-year	150,000
Repayment of principal in-year	(6,887)
Aggregate capital borrowing outstanding as at 31 March	340,613
Interest payments due in-year	3,569

Repayment Schedule based on borrowing at the levels detailed above			
	Amounts falling due within 1 year (£000)	Amounts falling due within 1 – 5 years (£000)	Amounts falling due after 5 years (£000)
Principal	6,887	50,188	290,425
Interest	3,589	18,845	42,479

Notes:

1. Direct borrowing for capital purposes comprises funds borrowed under s122A of Government of Wales Act 2006 (as amended) and previous loans from the National Loans Fund by the former Development Board for Rural Wales and the Mid Wales Development Corporation.
2. Loans taken out by the former Development Board for Rural Wales and Mid Wales Development Corporation are due to be repaid by 2042.
3. Capital borrowing under the s122A of Government of Wales Act 2006 (as amended) is assumed to be on a 25 year term, so borrowing in 2021-22 will be repaid in 2046-47.