

## **Explanatory Note**

### **Restatement of 2009-10 Final Budget Figures**

The Assembly Government is in the process of introducing a new planning and reporting system. The aim of this new system is to improve the planning and reporting processes by ensuring that the link between outcomes and budgets is visible and transparent.

As part of this work the Assembly Government's budgets are being restructured. Up to the financial year 2009-10 the Assembly Government's budget was analysed by Main Expenditure Groups (MEGs), Spending Programme Areas (SPAs) and Budget Expenditure Lines (BELs).

The revised structure retains the high level MEG level allocations, which are then still analysed by SPA, although the SPAs have been restructured in some cases. The main change is how the SPAs are analysed. SPAs are now principally split into Actions. An Action is a discrete area of work undertaken by a department.

To facilitate scrutiny of the 2010-11 Draft Budget the 2009-10 Budget for 2009-10 (as updated by the summer Supplementary Budget) has been restated on the new structure. The following tables illustrate what the main changes are at SPA level.

There are two MEGs, Health and Social Services and Central Services and Administration, that have not been restructured for the Assembly Government's 2010-11 Draft Budget. It is anticipated that the structure of the Health and Social Services MEG will be reviewed once the re-organisation of the Health Service has been completed in 2010-11. There are no immediate plans to restructure Central Services and Administration MEG.

**DEPARTMENT FOR SOCIAL JUSTICE AND LOCAL GOVERNMENT  
RESTATEMENT OF 2009-2010 FIGURES UNDER THE NEW BUDGET STRUCTURE**

£000s	New SPAs						Old SPA Total (£000s)
	Local Government Funding	Local Taxation Policy	Local Government Policy	Supporting Communities and People	Safer Communities	Equality, Diversity and Inclusion	
<b>Old SPAs</b>							
Local Authority Support Revenue	4,161,359		31,400				<b>4,192,759</b>
Local Authority Support Capital	37,843						<b>37,843</b>
Valuation Office and other Local Government Services		16,465	7,632				<b>24,097</b>
Strengthening and Regenerating Communities				86,007		3,800	<b>89,807</b>
Safer Communities					58,988		<b>58,988</b>
<b>New SPA Total (£000s)</b>	<b>4,199,202</b>	<b>16,465</b>	<b>39,032</b>	<b>86,007</b>	<b>58,988</b>	<b>3,800</b>	<b>4,403,494</b>

The main change in the structure is to include a separate line for Local Government Policy. The main spending area in this SPA is the Local Government Improvement Agreement Grant. The majority of funding for this department is the Revenue Support Grant to the Local Authorities, which has not changed.

**DEPARTMENT FOR ECONOMY AND TRANSPORT  
RESTATEMENT OF 2009-2010 FIGURES UNDER THE NEW BUDGET STRUCTURE**

£000s	New SPAs														2009/10 reprofirisation	Supplementary Budget SPA Totals	
	Customer Support and Development of Policies and Strategies	Domestic and International Marketing and Major Events	Businesses-Startup, Grow, Prosper and Invest	Developing Sustainable Infrastructure for Economic Development	Internationalising the Welsh Economy	Develop Wales as a Focal Point for Innovation, Technology and Commercialisation	Improve Domestic Connectivity (Regional and National)	Improve International Connectivity	Improve Integrated Transport (Local)	Improve Road Safety and Transport's Impact on the Environment	Strategic and Legacy Regeneration	Corporate Programmes and Services	Public Sector Broadband Aggregation	Manage the Delivery of EU Structural Programmes in Wales			Old SPA Total (£000s)
<b>Old SPAs</b>																	
Flexible Support for Business	1,692		113,977		5,975	23,325									144,969	500	145,469
Property Related Infrastructure				70,225											70,225		70,225
Strategic Regeneration										66,485					66,485	1,484	67,969
ICT Infrastructure Operations			5,556												5,556		5,556
Marketing and Major Events		9,690													9,690	-900	8,790
Policy, Strategy, Development & Corporate Services	1,669		250								12,813	6,600			21,332	-4,955	16,377
European Funding													1,328		1,328	-45	1,283
Maintaining the Trunk Road Network							38,142	51,288							89,430	-51	89,379
Roads Depreciation and Impairment							95,064	155,104							250,168		250,168
Improving the Trunk Road Network							59,193	41,555							100,748	-6,382	94,366
Improving Air and Rail Services							185,839	1,905							187,744	17,547	205,291
Improving Local Roads									103,015						103,015		103,015
Improving Integration & Delivery of Local Transport										123,605	1,341				124,946	-9,739	115,207
Improving Road Safety											21,767				21,767	2,541	24,308
Improving Quality of Local Environment															1,005		1,005
Supporting Walking and Cycling										11,303					11,303		11,303
<b>New SPA Total (£000s)</b>	<b>3,361</b>	<b>9,690</b>	<b>119,783</b>	<b>70,225</b>	<b>5,975</b>	<b>23,325</b>	<b>378,238</b>	<b>249,852</b>	<b>237,923</b>	<b>24,113</b>	<b>66,485</b>	<b>12,813</b>	<b>6,600</b>	<b>1,328</b>	<b>1,209,711</b>	<b>0</b>	<b>1,209,711</b>

The main changes to the budget structure of the department are:

- **Economic Development Group** – The revised structure expands the detail associated with the Enterprise and Innovation functions to better inform the type of activities that lay beneath these high level groupings. Furthermore, the individual budgets associated with the old legacy grant schemes have been combined into a single budget representing the consolidated grant support we now offer to businesses under the Single Investment Fund.
- **Transport** – The Transport Group is showing the biggest change as many of the old budgets were not true ‘Activity’ groupings but were more a reflection of the type of expenditure incurred, such as ‘Studies’ or ‘Purchase of land and buildings’ or ‘vehicles and equipment’. Transport SPAs have been restructured to better reflect the themes set out in the Wales Transport Strategy. Thematic areas have been developed to better reflect the new approach to delivering transport solutions, focusing on the outcomes of interventions as opposed to the activities involved in delivering them.

As with the other tables, the one shown for DE&T provides a reconciliation between the old and new SPAs. As part of DE&T’s annual internal business planning review, there has been a reprioritisation within DE&T’s 2009-10 budgets and the table shows how the new SPAs map to old SPAs following this exercise. The table then shows what the effect of the reprioritisation has been on the old SPAs since the figures published in the 2009-10 Supplementary Budget.

**DEPARTMENT FOR CHILDREN, EDUCATION, LIFELONG LEARNING AND SKILLS  
RESTATEMENT OF 2009-2010 FIGURES UNDER THE NEW BUDGET STRUCTURE**

<i>£000s</i>		<b>New SPAs</b>				<b>Old SPA Total (£000s)</b>
	Children, Young People and School Effectiveness	Qualification, Curriculum and Learning Improvement	Skills, Higher Education and Lifelong Learning	Business Improvement and Resource Investment		
<b>Old SPAs</b>						
Successful Foundations and Opportunities	144,095					<b>144,095</b>
Learner Attainment	32,370	122,255		3,731		<b>158,356</b>
Access and Achievement for All	33,426			272,689		<b>306,115</b>
Infrastructure and Reconfiguration	17,551	5,933	66,671	227,735		<b>317,890</b>
Skills for a Prosperous Wales		12,900	1,002,531	770		<b>1,016,201</b>
<b>New SPA Total (£000s)</b>	<b>227,442</b>	<b>141,088</b>	<b>1,069,202</b>	<b>504,925</b>		<b>1,942,657</b>

The main change within this MEG has been the allocation of the Infrastructure and Reconfiguration SPA amongst the four new SPAs. There has also been some reallocation of budgets between the SPAs to better reflect the underlying activities.

**DEPARTMENT FOR ENVIRONMENT SUSTAINABILITY AND HOUSING  
RESTATEMENT OF 2009-2010 FIGURES UNDER THE NEW BUDGET STRUCTURE**

£000s	New SPAs				Old SPA Total (£000s)
	Housing	Planning	Climate Change and Sustainability	Environment	
<b>Old SPAs</b>					
Improving Housing	222,464		25,020		247,484
Housing New Provision	138,400				138,400
Supporting Vulnerable/At Risk People	156,746				156,746
Planning		7,641			7,641
Waste Strategy			87,600		87,600
Flood and Water			39,906		39,906
Sustainable Environment			30,997	10,937	41,934
Delivery Partners				80,807	80,807
<b>New SPA Total (£000s)</b>	<b>517,610</b>	<b>7,641</b>	<b>183,523</b>	<b>91,744</b>	<b>800,518</b>

The main changes to the department's budget structure have been to regroup the budget in four key themes that better reflect the activity that will deliver the department's objectives.

**DEPARTMENT FOR RURAL AFFAIRS  
RESTATEMENT OF 2009-2010 FIGURES UNDER THE NEW BUDGET STRUCTURE**

£000s	New SPAs					Old SPA Total (£000s)
	Protecting and Improving Animal Health and Welfare	Common Agricultural Policy and the Countryside	Welsh Food, Fish and Drink Industry	Evidence Base	Rural European Policies	
<b>Old SPAs</b>						
Animal Disease Control and Welfare	22,183				300	<b>22,483</b>
Food Fisheries and the Environment	1,020		8,518	1,153		<b>10,691</b>
Forestry Commission Wales		32,991				<b>32,991</b>
Single Payment Scheme					9,421	<b>9,421</b>
Rural Development Expenditure EU & UK					76,785	<b>76,785</b>
<b>New SPA Total (£000s)</b>	<b>23,203</b>	<b>32,991</b>	<b>8,518</b>	<b>1,153</b>	<b>86,506</b>	<b>152,371</b>

The main changes to the department's budget structures have been to allocate the budget on key themes that better reflect the activity that will deliver the outcome, e.g. the creation of a new Action entitled 'Developing and Marketing Welsh Food and Drink' within the Welsh Food, Fish and Drink Industry SPA.

**DEPARTMENT FOR HERITAGE  
RESTATEMENT OF 2009-2010 FIGURES UNDER THE NEW BUDGET STRUCTURE**

£000s	New SPAs						Old SPA Total (£000s)
	Delivery of effective sports and physical activity programmes	Promote wider use of the Welsh Language via Welsh Language Board and others	Conserve, protect, sustain and promote access to the historic environment	Tourism	Museums and Libraries	Support and sustain a strong arts sector via the Arts Council and others	
<b>Old SPAs</b>							
Sport and Active Wales	28,297						28,297
Culture	-275	3,889	32	400	53,967	38,096	96,109
Bilingual Wales		13,781					13,781
Historic Wales			11,742				11,742
Tourism				12,534			12,534
<b>New SPA Total (£000s)</b>	<b>28,022</b>	<b>17,670</b>	<b>11,774</b>	<b>12,934</b>	<b>53,967</b>	<b>38,096</b>	<b>162,463</b>

The main changes for the department have been the set up of Actions and SPAs to better reflect the work of the department including the reallocation of the Culture Fund to these activities.



**DEPARTMENT FOR PUBLIC SERVICES AND PERFORMANCE  
RESTATEMENT OF 2009-2010 FIGURES UNDER THE NEW BUDGET STRUCTURE**

£000s		New SPAs						Old SPA Total (£000s)
	Healthcare Inspectorate Wales	Inspection Regulation and Performance Frameworks	Estyn	Making the Connections	Care and Social Services Inspectorate	Local and Regional Collaboration	Leadership and Management Capacity	
<b>Old SPAs</b>								
Inspectorates	2,895				15,077			<b>17,972</b>
Making the Connections		650		8,645		480	1,211	<b>10,986</b>
Estyn			15,037					<b>15,037</b>
Care and Social Services Inspectorates					15,790			<b>15,790</b>
<b>New SPA Total (£000s)</b>	<b>2,895</b>	<b>650</b>	<b>15,037</b>	<b>8,645</b>	<b>30,867</b>	<b>480</b>	<b>1,211</b>	<b>59,785</b>

The main change in the department has been to allocate the work of Making the Connections into a number of different areas to better reflect the underlying activity.