



Llywodraeth Cymru  
Welsh Government

Ein cyf/Our ref: MB-JH-2294-15

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

3 November 2015

*Dear Jocelyn,*

Thank you for your letter of 13 October 2015 seeking clarification on matters connected with my 2014-15 Outturn Report.

For the most part your questions contained in the bullet points cover Higher Education funding, which you acknowledge, and so I have agreed that the Minister for Education and Skills will respond on those.

That leaves your question relating to non-fiscal resource reserves. The limit imposed by HM Treasury on the amount the Welsh Government is able to carry forward is 0.6% of the total resource DEL which includes non fiscal resource. As a result in 2014-15 we carried forward a total of £82.9m of Resource DEL which was made up of £69.3m fiscal resource (revenue) and £13.6m non fiscal resource.

The total non fiscal resource reserve set in the Final Budget 2015-16 plus the carry forward total £221.8m is adequate cover for the remainder of the current financial year. No representations were made on that basis. However, I do monitor the position very closely and if the need arises I have an opportunity to raise any issues on carry forward with the Chief Secretary to the Treasury when I confirm Welsh Government budgetary requirements for the UK Supplementary later this year.

I trust this alleviates your concerns.

*Yours sincerely,*  
*Jane*

**Jane Hutt AC / AM**  
Y Gweinidog Cyllid a Busnes y Llywodraeth  
Minister for Finance and Government Business