

[REDACTED]

From: [REDACTED] HMT OFFICIAL
Sent: 24 May 2010 10:17 WALS OFFICE OFFICIAL, WAG OFFICIAL
To: [REDACTED]; Jones, Glynne;
andrew.jeffreys [REDACTED] WAG OFFICIALS
[REDACTED]
Bisson, Piers; [REDACTED] WALS OFFICIAL HMT OFFICIAL WALS OFFICE OFFICIAL
Cc: [REDACTED]
Subject: £6bn savings
Attachments: 20100524 - Wales.xls; 6bnw.doc



20100524 -
Wales.xls (25 KB)



6bnw.doc (111 KB)

Dear all <<20100524 - Wales.xls>> <<6bnw.doc>>

Please see attached letter and spreadsheet providing details of the £6bn savings announced today. We would be happy to answer any queries.

[REDACTED] HMT OFFICIAL

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WALES

1. £6 billion savings for 2010-11

	UK depts' savings £m	Population %	Comparability %	Barnett consequentials £m
Education	670	5.82%	100.0%	38.994
Transport	683	5.82%	68.3%	27.150
CLG Communities	780	5.82%	99.6%	45.214
CLG Local Government DEL	405	5.82%	100.0%	23.571
Business, Innovation and Skills	836	5.82%	75.6%	36.783
Home Office	367	5.82%	0.0%	0.000
Justice	325	5.82%	0.0%	0.000
Law Officers' Departments	18	5.82%	0.0%	0.000
Foreign and Commonwealth Office	55	5.82%	0.0%	0.000
Energy and Climate Change	85	5.82%	33.5%	1.657
Environment, Food and Rural Affairs	162	5.82%	88.3%	8.325
Culture, Media and Sport	88	5.82%	90.6%	4.640
Work and Pensions	535	5.82%	0.8%	0.249
HM Revenue and Customs	125	5.82%	0.8%	0.058
HM Treasury	326			
<i>of which: DEL spending (remainder AME)</i>	6	5.82%	0.8%	0.003
Cabinet Office	79	5.82%	7.2%	0.331
TOTAL				186.976

2. Additions resulting from recycled savings

	UK dept addition £m	Population %	Comparability %	Barnett consequentials £m
Further education colleges	50	5.82%	100.0%	2.910
Apprenticeships in SMEs	150	5.82%	100.0%	8.730
Social Housing	170	5.82%	100.0%	9.894
Business Rates	50	5.82%	100.0%	2.910
TOTAL additions				24.444

Net reduction to WAG Departmental Expenditure Limit

162.532



HM TREASURY

1 Horse Guards Road
London
SW1A 2HQ
24 May 2010

Andrew Jeffreys
Welsh Assembly Government

£6bn efficiency savings

Dear Andrew

I am writing to inform you about the Barnett consequentials of the £6bn savings in 2010–2011 announced by the Chancellor today.

The Barnett formula has been applied in the normal way. The Barnett DEL share for the Welsh Assembly Government is £187m. The details of the calculations are attached. As the Chancellor announced on 17 May the Welsh Assembly Government exceptionally may if it wishes defer the DEL cut to next year. I would be grateful if you would let me know the Welsh Assembly Government's decision. It is for the Welsh Assembly Government to decide where to make savings. We will inform you shortly about the split between RDEL and CDEL when this split has been determined for UK departments.

In addition, there are DEL increases of £24m reflecting the Barnett consequentials of recycling savings into social housing, further education and apprenticeships and temporarily freezing payments of backdated business rates under the 8 year schedule of payments, including businesses in ports. If the Welsh Assembly Government decides to defer the savings, these recycled savings will also be deferred. If the Welsh Assembly Government freezes rates as in England, there would be an increase in block grant but not DEL..

We would be happy to answer any queries you may have, and to share together your and our experience and ideas on how best to make efficiency savings.

Yours sincerely,

 HMT OFFICIAL



INVESTOR IN PEOPLE



INVESTOR IN PEOPLE

Message: W2010/0010162

From: [REDACTED] HMT OFFICIAL
To: andrew.jeffreys [REDACTED] SCOTTISH GOVERNMENT OFFICIAL
Cc: [REDACTED] DFPNI OFFICIAL
Bisson, Piers, [REDACTED]
Sent: 09/06/2010 at 14:37 SCOTLAND OFFICE OFFICIAL
Received: 09/06/2010 at 14:37 N. IRELAND OFFICE OFFICIAL
Subject: Olympics HMT OFFICIALS

Andrew/[REDACTED] SCOTTISH GOVERNMENT OFFICIAL
DFPNI OFFICIAL

Thank you for raising the issue of Barnett consequentials on the Olympics aspect of the £6.2bn cuts.

The Barnett consequentials of the £6.2bn cuts were correctly calculated based on the departmental DEL reductions. At the time of the announcement the details of the £27m Olympics cuts were yet to be agreed across government. That agreement has now been reached. In the CSR it was decided that the Olympics was not comparable for Barnett calculations given its UK wide nature, although we are aware that the DAs have questioned this position through the dispute resolution process. Therefore consistent with the CSR position the Chief Secretary has agreed that Barnett consequentials will not apply to the £27m savings. This has the effect of providing SE, WAG and NIE with an additional £2.7m/£1.6m/£0.9m respectively ie the population based share of the £27m.

Best wishes

[REDACTED] HMT OFFICIAL

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Message: W2011/0002406

From: [REDACTED] HMT OFFICIAL
To: [REDACTED] WALES OFFICE OFFICIAL
Cc:
Sent: 05/01/2011 at 11:52
Received: 05/01/2011 at 11:53
Subject: [UNCLASSIFIED] RE: Giving Green Paper - BARNETT CONSEQUENTIALS

[REDACTED] WALES OFFICE OFFICIAL

Our DA person has come back and confirmed that [REDACTED] CABINET OFFICE OFFICIAL's response is correct - if you require further detail then please contact [REDACTED]

HMT OFFICIAL

Many thanks

[REDACTED] HMT OFFICIAL

From: [REDACTED] WALES OFFICE OFFICIAL
Sent: 05 January 2011 10:45
To: [REDACTED] HMT OFFICIAL
Subject: RE: Giving Green Paper - BARNETT CONSEQUENTIALS

Hi [REDACTED] HMT OFFICIAL

I would be grateful if you could confirm this for me following my email to [REDACTED]
Our SoS has now asked me to find out as well. CABINET OFFICE OFFICIAL

Thank you,

[REDACTED] WALES OFFICE OFFICIAL

[REDACTED]
[REDACTED]
Swyddfa Cymru / Wales Office
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

From: [REDACTED] CABINET OFFICE OFFICIAL
Sent: 05 January 2011 10:21
To: [REDACTED] WALES OFFICE OFFICIAL

Cc: [REDACTED] HMT OFFICIAL
Subject: RE: Giving Green Paper - BARNETT CONSEQUENTIALS

Hi [REDACTED] WALES OFFICE OFFICIAL

The money for both the volunteering match fund and the community first programme was agreed as part of the Spending Review last year and hence is not new money. I am confident, therefore, that the Barnett consequential for the DAs was determined at the time. However, if you wanted to follow this up then [REDACTED] (cc'd), our contact at HM, would be able to help you.

HMT OFFICIAL

Would be great to hear about any points of interest from the meeting with the Community Foundation - thanks.

Best wishes,

[REDACTED] CABINET OFFICE OFFICIAL

[REDACTED]

[REDACTED] | Cabinet Office | [REDACTED]

From: [REDACTED] WALES OFFICE OFFICIAL
Sent: 04 January 2011 17:59
To: [REDACTED] CABINET OFFICE OFFICIAL
Subject: RE: Giving Green Paper - BARNETT CONSEQUENTIALS
Importance: High

Hi [REDACTED] CABINET OFFICE OFFICIAL

There are a couple of initiatives in the green paper which involve funding and are England only. Therefore we need to ascertain whether they will result in a Barnett consequential for the DAs. One is the Volunteering Match fund (£10m) and the other is the Community First Programme (£50m). I'd be grateful if you could let me know if this is new money and therefore the DAs are due a share. I'm surprised they haven't asked already actually!

On a more general note our SoS is meeting Community Foundation in Wales on Monday - they are a sort of broker/fund management organisation for philanthropists - we'll be pushing them to respond to the Green Paper - I'll be at the meeting and will let you know if anything interesting comes out of it.

Regards,

WALES OFFICE OFFICIAL

Swyddfa Cymru / Wales Office

From:

CABINET OFFICE OFFICIAL

Sent: 04 January 2011 10:21

To:

Subject: Giving Green Paper

UK GOVERNMENT OFFICIALS

WAG OFFICIALS

SCOTTISH GOVERNMENT OFFICIALS

All,

Happy New Year to you all - I hope you all enjoyed the break.

Very brief e-mail just in case you haven't seen the final Giving Green Paper and contributory essays: <http://www.cabinetoffice.gov.uk/resource-library/giving-green-paper> Also, a few links to press coverage over the Christmas break:

<http://www.guardian.co.uk/politics/2010/dec/28/coalition-charity-donations-cash-machines>

<http://www.telegraph.co.uk/finance/newsbysector/banksandfinance/8228620/Philanthropy-plan-donate-to-charity-every-time-you-pay-by-bank-card.html>


<http://www.telegraph.co.uk/comment/8229076/The-wisdom-of-putting-our-faith-in-charity.html>

<http://www.ft.com/cms/s/0/0f48e3c8-12c1-11e0-b4c8-00144feabdc0.html#axzz19UOpmXRm>



<http://www.dailymail.co.uk/news/article-1342334/The-charity-cashpoints-Users-asked-donate-time-withdraw-money.html>

Please circulate among your key stakeholders as you see fit - I'm around for any queries if you need me.

Best wishes,

 CABINET OFFICE OFFICIAL



 | Cabinet Office | 



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E-mail Message

From: [REDACTED] HMT OFFICIAL
To: Bisson, Piers [EX:/O=HMCOURTS-SERVICE/OU=ARAMIS/CN=RECIPIENTS/CN=PBISSON]
Cc: [REDACTED] HMT OFFICIAL
Sent: 26/11/2010 at 09:47
Received: 26/11/2010 at 09:48
Subject: [UNCLASSIFIED] Barnett analysis

Attachments: English Whitehall depts equivalent devolved DEL ss34 &35.xls

Piers,

Apologies for the delay in sending this out.

I hope the attached spreadsheet contains the data you're after. I've taken the snapshots provided earlier by Franziska and using just near-cash and capital DEL I've removed all devolved departments, the reserved departments (MoD, FCO & DfID) and the reserved programme objects. I've added a sheet to show exactly which programme objects have been removed.

I hope this is useful.

Regards

[REDACTED] HMT OFFICIAL

[REDACTED] (PERS) Branch | [REDACTED]
[REDACTED] | HM Treasury
[REDACTED]

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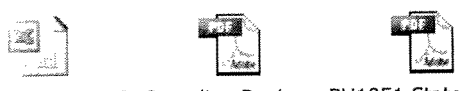
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Dept.group alias (excl splits)	(Multiple Items)
PO Group Description	(All)
PO Group Code	(All)

	Data									
Budget CAP/CUR	Sum of 2003-04	Sum of 2004-05	Sum of 2005-06	Sum of 2006-07	Sum of 2007-08	Sum of 2008-09	Sum of 2009-10	Sum of 2010-11		
B-CAP	18,665,116	17,725,914	19,533,971	23,953,201	26,662,538	31,706,050	33,071,317	36,093,585		
B-CON	124,720,288	133,363,022	146,220,245	177,972,899	190,529,201	205,065,862	218,214,840	228,788,375		
Grand Total	143,385,404	151,088,936	165,754,216	201,926,100	217,191,739	236,771,912	251,286,157	264,881,960		

[REDACTED]
From: [REDACTED] HMT OFFICIAL
Sent: 20 October 2010 13:35
To: WALES OFFICE OFFICIAL [REDACTED] Jones, Glynne; andrew.jeffreys [REDACTED]
WAG OFFICIALS [REDACTED] Bisson, Piers;
WALES OFFICE OFFICIAL [REDACTED]
Cc: [REDACTED] HMT OFFICIALS
Subject: [REDACTED] [RESTRICTED] SR2010 - Wales

Attachments: Settlement - W.XLS; Spending Review 2010_web.pdf; PU1051 Statement of funding Policy FINAL PDF.PDF



Settlement - W.XLS (131 KB) Spending Review 2010_web.pdf (... of funding Po...

Dear all

I attach the SR report, the SFP and details of the WAG Barnett consequentials. We will forward the CST's WAG settlement letter as soon as we see it.

Best wishes

[REDACTED] HMT OFFICIAL

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Wales Office	5.761	5.712	5.747	5.827	4.726	-0.049	-0.014	0.066	-1.035	0.0%	5.79%	0.000	0.000	0.000
Total Consequentials												22.081	36.772	179.581
Adjustments for Olympics														
DH settlement	98,659.191	101,479.526	103,988.450	106,933.602	109,791.220									
<i>less Olympic Spending</i>	0.000	1.600	5.600	0.000	0.000									
Total for Barnett	98,659.191	101,477.926	103,982.850	106,933.602	109,791.220									
DfT settlement	5,140.821	5,299.161	5,033.163	4,970.974	4,435.885									
<i>less Olympic Spending</i>	0.000	5.000	14.000	0.000	0.000									
Total for Barnett	5,140.821	5,294.161	5,019.163	4,970.974	4,435.885									
CLG settlement	2,234.680	1,963.459	1,704.905	1,606.210	1,214.135									
<i>less Olympic Spending</i>	0.000	13.900	114.700	7.100	0.000									
Total for Barnett	2,234.680	1,949.559	1,590.205	1,599.110	1,214.135									
HO settlement	9,282.034	8,925.303	8,513.112	8,077.635	7,812.921									
<i>less Olympic Spending</i>	0.000	107.500	226.300	0.000	0.000									
Total for Barnett	9,282.034	8,817.803	8,286.812	8,077.635	7,812.921									
DCMS settlement	1,353.129	1,433.194	1,876.948	1,212.771	1,125.560									
<i>less Olympic Spending</i>	0.000	64.700	568.400	35.300	0.000									
Total for Barnett	1,353.129	1,368.494	1,308.548	1,177.471	1,125.560									

22.081 **36.772** **179.581** **216.765**

Ringfenced depreciation etc (including Student Loan ringfence in DEL)

	2010-11	2011-12	2012-13	2013-14	2014-15	2011-12	2012-13	2013-14	2014-15	Comp	Pop	2011-12	2012-13	2013-14	2014-15
	Baseline	Plans	Plans	Plans	Plans	Change	Change	Change	Change		Wales				
DfE	12,000	28,000	28,000	28,000	29,000	16,000	16,000	16,000	17,000	100.0%	5.79%	0.926	0.926	0.926	0.984
DH	1,101,000	1,141,000	1,182,000	1,224,000	1,268,000	100,000	81,000	123,000	167,000	99.1%	5.79%	2,295	4,648	7,058	9,582
Transport	836,404	936,900	981,200	936,000	933,100	400,496	144,796	99,596	96,696	73.1%	5.79%	4,253	6,128	4,215	4,093
CLG Communities	43,896	40,405	38,645	37,537	35,972	-3,491	-5,251	-6,359	-7,924	99.5%	5.79%	-0.201	-0.303	-0.366	-0.457
CLG Local Government DEL	1,256	1,671	0,790	0,745	0,558	0,415	-0,466	-0,511	-0,698	100.0%	5.79%	0.024	-0,027	-0,030	-0,040
Business, Innovation and Skills	236,508	586,000	579,000	593,000	604,000	349,492	342,492	356,492	367,492	78.4%	5.79%	15,865	15,547	16,182	16,682
Home Office	210,000	256,000	253,000	231,000	248,000	46,000	43,000	21,000	38,000	0.0%	5.79%	0.000	0.000	0.000	0.000
Home Office	418,000	503,500	551,900	576,700	606,000	85,500	133,900	158,700	188,000	0.0%	5.79%	0.000	0.000	0.000	0.000
Justice	8,170	14,300	14,000	10,800	8,000	6,130	5,830	2,630	-0,170	0.0%	5.79%	0.000	0.000	0.000	0.000
Law Officers' Departments	9,000	7,000	8,000	8,000	8,000	-2,000	-1,000	0.000	-1,000	0.0%	5.79%	0.000	0.000	0.000	0.000
Energy and Climate Change	209,700	235,998	191,608	190,034	191,139	26,298	-18,092	-19,666	-18,561	20.6%	5.79%	-0.024	-0.012	0.000	-0.012
Environment, Food and Rural Affairs	138,100	148,000	635,600	295,300	175,500	9,900	497,500	157,200	37,400	91.6%	5.79%	1,395	-0,960	-1,043	-0,984
Culture, Media and Sport	235,000	239,000	241,000	145,000	137,000	4,000	6,000	-90,000	-98,000	90.2%	5.79%	0.517	25,982	8,210	1,953
Work and Pensions	227,000	231,000	227,000	239,000	252,000	4,000	0.000	12,000	25,000	0.5%	5.79%	0.001	0.000	0.003	0.007
HM Revenue and Customs	8,800	8,000	7,200	6,400	5,600	-0,800	-1,600	-2,400	-3,200	0.5%	5.79%	0.000	0.000	-0.001	-0.001
HM Treasury	31,000	17,000	19,000	17,000	15,000	-14,000	-12,000	-14,000	-16,000	6.3%	5.79%	-0.051	-0.044	-0.051	-0.058
Cabinet Office	331,500	375,000	412,900	445,250	493,800	43,500	81,400	113,750	162,300	6.3%	5.79%	0.159	0.297	0.415	0.592
Single Intelligence Account															
Small Depits															
COI	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	6.3%	5.79%	0.000	0.000	0.000	0.000
CC	0.451	1.480	0.770	0.800	0.850	1.029	0.319	0.349	0.399	6.3%	5.79%	0.004	0.001	0.001	0.001
Crown Estate Office	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.5%	5.79%	0.000	0.000	0.000	0.000
Electoral Commission	2,477	2,525	2,582	2,650	2,720	0.048	0.105	0.173	0.243	0.0%	5.79%	0.000	0.000	0.000	0.000
ECGD	0.750	0.765	0.782	0.802	0.824	0.015	0.032	0.052	0.074	78.4%	5.79%	0.001	0.001	0.002	0.003
FSA	1,861	1,180	0.977	0.810	0.702	-0.681	-0.884	-1.051	-1.159	99.1%	5.79%	-0.039	-0.051	-0.060	-0.067
GAD	0.346	0.250	0.250	0.250	0.250	-0.096	-0.096	-0.096	-0.096	0.5%	5.79%	0.000	0.000	0.000	0.000
GEO	0.564	0.636	0.654	0.671	0.688	0.072	0.090	0.107	0.124	0.5%	5.79%	0.000	0.000	0.000	0.000
HoC: Admin	19,000	19,370	19,809	20,329	20,868	0.370	0.809	1.329	1.868	0.3%	5.79%	0.000	0.000	0.000	0.000
HoC: Members	1,000	1,019	1,043	1,070	1,098	0.019	0.043	0.070	0.098	0.3%	5.79%	0.000	0.000	0.000	0.000
House of Lords	8,080	8,237	8,424	8,645	8,874	0.157	0.344	0.565	0.794	0.3%	5.79%	0.000	0.000	0.000	0.000
IPSA	0.411	0.419	0.429	0.440	0.451	0.008	0.018	0.029	0.040	0.3%	5.79%	0.000	0.000	0.000	0.000
LG Boundary Commission for England	0.062	0.063	0.065	0.066	0.068	0.001	0.003	0.004	0.006	0.3%	5.79%	0.000	0.000	0.000	0.000
TNA	6,985	5,600	5,900	5,800	5,600	-1,385	-1,085	-1,185	-1,385	0.0%	5.79%	0.000	0.000	0.000	0.000
NAO	1,700	1,700	1,700	1,700	1,700	0.000	0.000	0.000	0.000	0.0%	5.79%	0.000	0.000	0.000	0.000
NS&I	2,983	2,400	2,500	2,600	2,700	-0.583	-0.483	-0.383	-0.283	0.3%	5.79%	0.000	0.000	0.000	0.000
NSG	0.500	0.000	0.000	0.000	0.000	-0.500	-0.500	-0.500	-0.500	0.5%	5.79%	0.000	0.000	0.000	0.000
NI Office	2,158	2,062	1,966	1,869	1,773	-0.096	-0.192	-0.289	-0.385	6.3%	5.79%	-0.002	-0.002	-0.002	-0.002
OfSted	4,000	4,000	4,000	4,000	4,000	0.000	0.000	0.000	0.000	100.0%	5.79%	0.000	0.000	0.000	0.000
OfCom	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	100.0%	5.79%	0.000	0.000	0.000	0.000
OFT	2,089	2,167	2,248	2,393	2,536	0.078	0.159	0.304	0.447	78.4%	5.79%	0.000	0.000	0.000	0.000
OfGem	1,000	1,019	1,043	1,070	1,098	0.019	0.043	0.070	0.098	20.6%	5.79%	0.004	0.001	0.014	0.020
ONS	19,925	1,706	16,957	15,475	15,256	-18,219	-2,968	-4,450	-4,669	0.3%	5.79%	-0.003	-0.001	-0.001	-0.001
OfQual	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	100.0%	5.79%	0.000	0.000	0.000	0.000
ORR	1,026	1,046	1,070	1,098	1,127	0.020	0.044	0.072	0.101	73.1%	5.79%	0.001	0.002	0.003	0.004
Office of Water Services	0.227	0.231	0.237	0.243	0.249	0.004	0.010	0.016	0.022	91.6%	5.79%	0.001	0.001	0.001	0.001
Parliamentary and Health Service Ombi	1,600	1,600	1,600	1,600	1,600	0.000	0.000	0.000	0.000	0.3%	5.79%	0.000	0.000	0.000	0.000
Postal Services Commission	0.626	0.638	0.653	0.670	0.688	0.012	0.027	0.044	0.062	78.4%	5.79%	0.001	0.001	0.002	0.003
Scotland Office	0.265	0.253	0.241	0.230	0.218	-0.012	-0.024	-0.035	-0.047	0.0%	5.79%	0.000	0.000	0.000	0.000
Supreme Court	1,040	1,060	1,084	1,113	1,142	0.020	0.044	0.073	0.102	0.0%	5.79%	0.000	0.000	0.000	0.000
UKTI	1,090	1,100	1,100	2,000	1,800	0.010	0.010	0.910	0.710	78.4%	5.79%	0.000	0.000	0.041	0.032

Wales Office	0.361	0.305	0.305	0.305	0.305	0.305	0.305	0.305	0.305	0.305	0.305	0.305	0.000	0.000	0.000	0.000	0.000
Total Consequentials													25.125	52.145	35.522	32.339	
Student Loans ring-fenced RDEL	1,497.000	1,363.300	1,690.000	2,262.000	2,862.000	-133.700	193.000	765.000	1,365.000	78.4%	5.79%	-6.069	8.761	34.726	61.962		

Capital

	2010-11	2011-12	2012-13	2013-14	2014-15	2011-12	2012-13	2013-14	2014-15	Change	Comp	Pop	2011-12	2012-13	2013-14	2014-15	
	Baseline	Plans	Plans	Plans	Plans	Change	Change	Change	Change	Change	%	%	2011-12	2012-13	2013-14	2014-15	
DfE	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	100.0%	5.79%	-156.240	-197.882	-252.739	-246.202	
DH	7,630.672	4,932.231	4,213.019	3,265.570	3,378.470	-2,698.441	-3,417.653	-4,365.102	-4,252.202	-4,252.202	99.1%	5.79%	-39.835	-39.864	-39.296	-27.189	
Transport	5,121.852	4,427.600	4,427.100	4,437.000	4,648.000	-694.252	-694.752	-684.852	-473.852	-473.852	73.1%	5.79%	1.814	16.601	-8.732	-7.169	
CLG Communities	7,686.157	7,729.018	8,078.396	7,479.850	7,516.783	42.861	392.239	-206.307	-169.374	-169.374	99.5%	5.79%	-200.081	-257.498	-285.091	-276.622	
CLG Local Government DEL	6,762.589	3,289.588	2,292.951	1,814.000	1,961.000	-3,473.001	-4,469.638	-4,948.589	-4,801.589	-4,801.589	100.0%	5.79%	-0.710	-0.710	-0.710	-0.710	
Business, Innovation and Skills	1,849.333	1,179.588	1,089.224	800.446	979.221	-669.745	-760.109	-1,048.887	-870.112	-870.112	78.4%	5.79%	-30.402	-34.504	-47.613	-39.498	
Home Office	829.222	437.742	436.606	365.004	465.000	-391.480	-392.616	-464.218	-364.222	-364.222	0.0%	5.79%	0.000	0.000	0.000	0.000	
Justice	551.464	429.308	310.478	278.483	301.142	-122.156	-240.986	-272.981	-250.322	-250.322	0.0%	5.79%	0.000	0.000	0.000	0.000	
Law Officers' Departments	11.810	6.025	6.086	5.476	6.944	-5.785	-5.724	-6.334	-4.866	-4.866	0.0%	5.79%	0.000	0.000	0.000	0.000	
Energy and Climate Change	1,746.676	1,502.061	2,013.092	2,207.782	2,710.528	-244.615	266.416	461.106	963.852	963.852	20.6%	5.79%	-2.918	3.178	5.500	11.496	
Environment, Food and Rural Affairs	568.314	372.601	380.534	379.128	410.756	-195.713	-187.760	-189.186	-157.558	-157.558	91.6%	5.79%	-10.380	-9.959	-10.034	-8.356	
Culture, Media and Sport	160.526	182.173	229.102	122.207	59.531	21.647	68.576	-38.319	-100.995	-100.995	90.2%	5.79%	1.131	3.581	-2.001	-5.275	
Work and Pensions	233.152	245.468	323.960	385.367	241.884	12.316	90.808	152.215	8.732	8.732	0.0%	5.79%	0.000	0.000	0.000	0.000	
HM Revenue and Customs	207.549	286.764	144.268	122.214	128.578	79.215	-63.281	-85.335	-78.971	-78.971	0.5%	5.79%	0.023	-0.018	-0.025	-0.023	
HM Treasury	6.700	51.526	25.524	14.120	5.164	44.826	18.824	7.420	-1.536	-1.536	0.5%	5.79%	0.013	0.005	0.002	0.000	
Cabinet Office	47.887	38.283	45.226	51.984	38.083	-9.604	-2.661	4.097	-9.804	-9.804	6.3%	5.79%	-0.035	-0.010	0.015	-0.036	
Single Intelligence Account	298.000	355.000	334.000	334.500	318.000	57.000	36.000	36.500	20.000	20.000	6.3%	5.79%	0.208	0.131	0.133	0.073	
Small Depts																	
COI	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	6.3%	5.79%	0.000	0.000	0.000	0.000	
CC	0.700	0.357	0.361	0.325	0.412	-0.343	-0.339	-0.375	0.288	0.288	6.3%	5.79%	-0.001	-0.001	0.000	0.000	
Crown Estate Office	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.5%	5.79%	0.000	0.000	0.000	0.000	
Electoral Commission	1.030	0.330	0.350	0.250	0.200	-0.700	-0.680	-0.780	-0.830	-0.830	0.0%	5.79%	0.000	0.000	0.000	0.000	
ECGD	0.500	0.255	0.258	0.232	0.294	-0.245	-0.242	-0.268	-0.206	-0.206	78.4%	5.79%	-0.011	-0.011	-0.012	-0.009	
FSA	0.601	0.307	0.310	0.279	0.353	-0.294	-0.291	-0.322	-0.248	-0.248	99.1%	5.79%	-0.017	-0.017	-0.018	-0.014	
GAD	0.212	0.336	0.166	0.126	0.287	0.124	-0.046	-0.086	0.075	0.075	0.5%	5.79%	0.000	0.000	0.000	0.000	
GEO	7.000	1.000	1.000	1.000	0.500	-6.000	-6.000	-6.000	-6.500	-6.500	0.0%	5.79%	0.000	0.000	0.000	0.000	
HoC: Admin	29.000	19.500	19.000	18.500	18.000	-9.500	-10.000	-10.500	-11.000	-11.000	0.3%	5.79%	0.000	0.000	0.000	0.000	
HoC: Members	4.002	4.002	4.002	4.002	4.002	0.000	0.000	0.000	0.000	0.000	0.3%	5.79%	0.000	0.000	0.000	0.000	
House of Lords	5.296	17.900	13.700	20.400	21.400	12.604	8.404	15.104	16.104	16.104	0.3%	5.79%	0.002	0.001	0.003	0.003	
IPSA	5.051	5.100	5.100	5.100	5.100	0.049	0.049	0.049	0.049	0.049	0.3%	5.79%	0.000	0.000	0.000	0.000	
LG Boundary Commission for England	0.200	0.060	0.060	0.060	0.060	-0.140	-0.140	-0.140	-0.140	-0.140	0.0%	5.79%	0.000	0.000	0.000	0.000	
TNA	2.100	1.071	1.082	0.974	1.235	-1.029	-1.018	-1.126	-0.865	-0.865	0.0%	5.79%	0.000	0.000	0.000	0.000	
NAO	1.500	1.407	1.377	1.337	1.287	-1.093	-1.123	-1.163	-0.213	-0.213	0.3%	5.79%	0.000	0.000	0.000	0.000	
NS&I	0.464	0.237	0.239	0.215	0.273	-0.227	-0.225	-0.249	-0.191	-0.191	0.5%	5.79%	0.000	0.000	0.000	0.000	
NSG	1.070	0.000	0.000	0.000	0.000	-1.070	-1.070	-1.070	-1.070	-1.070	6.3%	5.79%	-0.004	-0.004	-0.004	-0.004	
NI Office	0.440	0.390	0.341	0.291	0.241	-0.050	-0.099	-0.149	-0.199	-0.199	0.0%	5.79%	0.000	0.000	0.000	0.000	
OfSted	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	100.0%	5.79%	0.000	0.000	0.000	0.000	
OfCom	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	100.0%	5.79%	0.000	0.000	0.000	0.000	
OFT	1.298	0.662	0.669	0.602	0.763	-0.636	-0.629	-0.696	-0.535	-0.535	78.4%	5.79%	0.000	0.000	0.000	0.000	
OfGem	0.950	0.950	0.950	0.950	0.950	0.000	0.000	0.000	0.000	0.000	20.6%	5.79%	0.000	0.000	0.000	0.000	
ONS	15.000	9.122	9.184	8.564	10.055	-5.878	-5.816	-6.436	-4.945	-4.945	0.3%	5.79%	-0.001	-0.001	-0.001	-0.001	
OfQual	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	100.0%	5.79%	0.000	0.000	0.000	0.000	
ORR	0.800	0.800	0.500	0.500	0.500	0.000	0.000	0.000	0.000	0.000	100.0%	5.79%	0.000	0.000	0.000	0.000	
Office of Water Services	0.200	0.400	0.400	0.400	0.400	0.200	0.200	0.300	0.300	0.300	73.1%	5.79%	0.000	-0.013	-0.013	-0.013	
Parliamentary and Health Service Omb	2.100	0.700	0.700	0.700	0.700	-1.400	-1.400	-1.400	-1.400	-1.400	0.3%	5.79%	0.000	0.000	0.000	0.000	
Postal Services Commission	0.150	0.100	0.100	0.000	0.000	-0.050	-0.050	-0.150	-0.150	-0.150	78.4%	5.79%	-0.002	-0.002	-0.007	-0.007	
Scotland Office	0.100	0.089	0.077	0.066	0.055	-0.011	-0.023	-0.034	-0.045	-0.045	0.0%	5.79%	0.000	0.000	0.000	0.000	
Supreme Court	0.100	0.051	0.052	0.046	0.059	-0.049	-0.048	-0.054	-0.041	-0.041	0.0%	5.79%	0.000	0.000	0.000	0.000	
UKTI	3.098	3.300	2.000	3.000	1.200	0.202	-1.098	-0.098	-1.898	-1.898	78.4%	5.79%	0.009	-0.050	-0.004	-0.086	

Wales Office	0.766	0.724	0.724	0.724	0.724	0.025	-0.042	-0.042	-0.042	-0.741	0.0%	5.79%	0.000	0.000	0.000
Total Consequentials															
Adjustments for Olympics															
DH settlement	5,121.852	4,429.000	4,429.000	4,429.000	4,437.000	4,648.000									
less Olympic Spending	0.000	1.400	1.900	0.000	0.000	0.000									
Total for Barnett	5,121.852	4,427.600	4,427.100	4,427.000	4,437.000	4,648.000									
DFT settlement	7,686.157	7,731.418	8,081.696	7,479.850	7,479.850	7,516.783									
less Olympic Spending	0.000	2.400	3.300	0.000	0.000	0.000									
Total for Barnett	7,686.157	7,729.018	8,078.396	7,479.850	7,479.850	7,516.783									
HO settlement	829.222	500.842	500.006	365.004	365.004	465.000									
less Olympic Spending	0.000	63.100	63.400	0.000	0.000	0.000									
Total for Barnett	829.222	437.742	436.606	365.004	365.004	465.000									
DCMS settlement	1,210.526	1,272.773	449.202	122.207	122.207	59.531									
less Olympic Spending	1,050.000	1,090.600	220.100	0.000	0.000	0.000									
Total for Barnett	160.526	182.173	229.102	122.207	122.207	59.531									

NB - Green Investment Bank is a separate DEL and the current intention is that it will be UK wide. Comparability is therefore 0%.

-437.458 -517.066 -640.673 -599.659

SR 2010 - Wales Summary

	2011-12	2012-13	2013-14	2014-15
Fiscal RDEL				
Baseline	13,301.194	13,301.194	13,301.194	13,301.194
Barnett consequentials	22.081	36.772	179.581	216.765
Deferred share of £6 billion cuts	-61.863	-	-	-
2010-11 "Recycled Savings"	5.093	-	-	-
Inter Dept transfers	4.274	4.274	4.274	4.274
TO top-slice	-2.231	-2.266	-2.346	-1.245
Total	13,268.548	13,339.974	13,482.703	13,520.988
RDEL ring-fenced depreciation				
Baseline	353.368	353.368	353.368	353.368
Barnett consequentials	25.125	52.145	35.522	32.339
TO top-slice	-0.164	-0.164	-0.164	-0.164
Total	378.329	405.349	388.726	385.543
RDEL ring-fenced Student Loans				
Baseline	58.889	58.889	58.889	58.889
Barnett consequentials	-6.069	8.761	34.726	61.962
Total	52.820	67.650	93.615	120.851
Capital DEL				
Baseline	1,704.931	1,704.931	1,704.931	1,704.931
Barnett consequentials	-437.458	-517.066	-640.673	-599.659
TO top-slice	0.042	0.042	0.042	0.741
Total	1,267.515	1,187.907	1,064.300	1,106.013
Fiscal RDEL + CDEL				
Baseline	15,010.399			
Settlement	14,536.062	14,527.881	14,547.004	14,627.001
GDP deflator (2010-11 = 100%)	101.95%	104.26%	106.99%	109.83%

[REDACTED]

From: [REDACTED] HMT OFFICIAL
Sent: 15 June 2010 14:55
To: WAG OFFICIALS [REDACTED] Jones, Glynne; andrew.jeffreys [REDACTED] Bisson, Piers;
[REDACTED] WALES OFFICE OFFICIALS
Cc: [REDACTED] HMT OFFICIALS
Subject: £6.2 billion savings: Barnett Consequentials Capital/Resource split
Attachments: 20100615 £6 billion Wales.xls



20100615 £6 billion
Wales.xls ...

All

As foreshadowed in our letter of 24 May giving initial details of the Barnett consequentials of the £6.2 billion savings, we now attach a spreadsheet detailing the final consequentials. This reflects:

1. Final departmental numbers underlying the £6.2 billion savings
 2. The CDEL/RDEL split of the £6.2 billion savings
 3. The CDEL/RDEL split of the recycled spending
 4. The removal of the consequentials of the £27 million savings on the Olympics programme
- Apologies for the delay with these numbers but the data for UK departments has only just been finalised Many thanks [REDACTED] HMT OFFICIAL

> -----Original Message-----

> **From:** [REDACTED] HMT OFFICIAL
> **Sent:** 24 May 2010 10:17 WALES OFFICE OFFICIAL
> **To:** [REDACTED] WAG OFFICIALS
> 'glynne.jones([REDACTED])', 'andrew.jeffreys([REDACTED])',
> 'piers.bisson([REDACTED])', [REDACTED]
> **Cc:** [REDACTED] HMT OFFICIALS
> **Subject:** £6bn savings

> Dear all << File: 20100524 - Wales.xls >> << File: 6bnw.doc >>

> Please see attached letter and spreadsheet providing details of the £6bn savings announced today. We would be happy to answer any queries.

> [REDACTED] HMT OFFICIAL

> <<20100615 £6 billion Wales.xls>>

If you have received this email and it was not intended for you, please let us know, and then delete it. Please treat our information in confidence, as you would expect us to treat yours.

All Treasury information systems may be monitored to ensure that they are operating correctly. Furthermore, the content of emails and other data on these systems may be examined, in exceptional circumstances, for the purpose of investigating or detecting any unauthorised use.

WALES

1. £6 billion savings for 2010-11

	UK depts' savings			Popul ation		Comparability		Barnett consequentials			
	RDEL £m	CDEL £m	Total £m	%	%	RDEL £m	CDEL £m	Total £m	RDEL £m	CDEL £m	Total £m
Education	670.000	0.000	670.000	5.82%	100.0%	38.994	0.000	38.994			
Transport	289.685	399.515									
Transport excluding Olympics (£6.2m)	289.685	399.315	683.000	5.82%	68.3%	11.515	15.635	27.150			
CLG Communities	454.497	336.411									
CLG Communities excluding Olympics (£10.9m)	454.497	325.511	780.008	5.82%	99.6%	26.346	18.869	45.215			
CLG Local Government DEL	325.420	79.230	404.650	5.82%	100.0%	18.939	4.611	23.551			
Business, Innovation and Skills	443.800	392.300	836.100	5.82%	75.6%	19.527	17.261	36.788			
Home Office	331.736	34.493	366.229	5.82%	0.0%	0.000	0.000	0.000			
Justice	142.800	182.200	325.000	5.82%	0.0%	0.000	0.000	0.000			
Law Officers' Departments	16.779	0.790	17.569	5.82%	0.0%	0.000	0.000	0.000			
Foreign and Commonwealth Office	50.000	5.000	55.000	5.82%	0.0%	0.000	0.000	0.000			
Energy and Climate Change	15.022	69.978	85.000	5.82%	33.5%	0.293	1.364	1.657			
Environment, Food and Rural Affairs	96.944	65.056	162.000	5.82%	88.3%	4.982	3.343	8.325			
Culture, Media and Sport	48.426	22.474									
Culture, Media & Sport excluding Olympics (£9.9m)	48.426	12.574	61.000	5.82%	90.6%	2.553	0.663	3.216			
Work and Pensions	483.250	51.750	535.000	5.82%	0.8%	0.225	0.024	0.249			
HM Revenue and Customs	95.000	30.000	125.000	5.82%	0.8%	0.044	0.014	0.058			
HM Treasury	326.000	0.000									
of which: DEL spending (remainder AME)	6.000	0.000	6.000	5.82%	0.8%	0.003	0.000	0.003			
Cabinet Office	72.500	6.500	79.000	5.82%	7.2%	0.304	0.027	0.331			
TOTAL savings for 2010-11			5,190,556			123,726	61,811	185,537			

2. Additions resulting from recycled savings

	UK dept addition			Popul ation		Comparability		Barnett consequentials			
	£m	£m	£m	%	%	RDEL £m	CDEL £m	Total £m	RDEL £m	CDEL £m	Total £m
Further education colleges	50.000	0.000	50.000	5.82%	100.0%	2.910	0.000	2.910			
Apprenticeships in SMEs	150.000	0.000	150.000	5.82%	100.0%	8.730	0.000	8.730			
Social Housing	0.000	170.000	170.000	5.82%	100.0%	0.000	9.894	9.894			
Business Rates	50.000	0.000	50.000	5.82%	100.0%	2.910	0.000	2.910			
TOTAL additions			420,000			14,550	9,894	24,444			

Net reduction to Wales Departmental Expenditure Limit

161.093

Extract from email between HMT and Wales Office Officials

From: [HMT OFFICIAL]
Sent: 25 November 2010 17:01
To: [WALES OFFICE OFFICIAL]
Cc: [HMT OFFICIALS]
Subject: [PROTECT - IL2] RE: Business Rates on Ports

Hi [WALES OFFICE OFFICIAL],

I work with [HMT OFFICIAL] on commercial property tax and she has asked me to respond to your query about rating in ports / backdated business rates.

It's worth noting that although business rates are devolved to the Welsh Assembly Government, Wales uses the same primary legislation as England (but its own secondary legislation), and the VOA is responsible for rating in both England and Wales. The VOA will value property in Wales and England on the same basis – a business rated separately in a port in Wales would also be rated separately if the same port were in England. The method of rating in Wales cannot therefore have an impact on the relative attractiveness of operating out of either an English or Welsh port.

With regards to the backdated business rates that were waived in England as part of the emergency Budget, you rightly state that these were not waived by the WAG. However, Barnett consequentials were provided to the WAG (based on the value of the business rates support offered to English businesses), for the spending review period as part of their spending review settlement. A colleague of yours named [WAG OFFICIAL] recently discussed the consequentials with an HMT colleague, [HMT OFFICIAL].

As background:

- Thousands of businesses every year receive backdated business rates bills totalling hundreds of millions of pounds. Around 700 such businesses located in ports received backdated bills in 08/09 and 09/10, totalling £75m. Concerns were expressed that some of these businesses may become insolvent, and that the backdated rates bills were a significant factor. The previous Government offered an 8-year, interest-free schedule of payments scheme (where the bills could be repaid over an 8-year period), to provide cashflow help for up to £295m of backdated rates bills, including those in ports.
- The current Government announced in the 24 May spending announcement £50m for action in England on backdated business rates (scored as £60m for UK, including £10m Barnett consequentials). This included a freeze on all repayments of bills under the 8-year schedule of payments in England until 31 March 2011, which was estimated to cost £25m, with the remaining £25m in England set aside for further action. Legislation for the freeze was laid on 03 June 2010.
- Subsequently in the Emergency Budget the Government stated its intention to legislate to waive backdated business rates bills eligible for the 8-year schedule of payments scheme introduced at PBR 2008, where the bill is a result of the property having been split from another rateable property. The legislation to enable this will be included in the Localism Bill due to be published shortly.

The Government's line was set out in the Budget document in paragraph 1.67:

"Business rates can be a significant cost, particularly for smaller businesses. The Government has already legislated to freeze payments of certain significant backdated business rates bills until April 2011, including for businesses in ports. To resolve this issue, it will bring forward legislation to cancel such bills for newly assessed properties that were split from a larger rateable property."

I hope this answers any questions you might have; please do let me know should you require any further details.

Kind regards,
[HMT OFFICIAL]

[REDACTED]

From: [REDACTED] HMT OFFICIAL
Sent: 23 June 2010 12:31
To: Jeffreys, Andrew (Strategic Budgeting)
Cc: WAG OFFICIALS [REDACTED]; Jones, Glynne; Bisson, Piers;
WALES OFFICE OFFICIALS [REDACTED]
Subject: RE: June 2010 Budget
Attachments: 20100615 £6 billion Wales.xls



20100615 £6 billion
Wales.xls ... All

Following clarification of the business rates measures, there are in fact two measures. The 24 May announcement gave a +50 addition for England (with Barnett consequentials). Unrelated to this, yesterday's budget adjusted business rates by -25/+85/+17/+17 for England (with Barnett consequentials). The net change for 2010-11 is therefore +25 with the changes for 2011-12 onwards being considered in the Spending Review. The consequential of the net +£25 million is shown in the attached spreadsheet.

[REDACTED] HMT OFFICIAL
[REDACTED]

-----Original Message-----
From: [REDACTED]
Sent: 23 June 2010 09:41
To: 'Jeffreys, Andrew (Strategic Budgeting)'
Cc: [REDACTED] HMT OFFICIALS
[REDACTED] glynne.jones [REDACTED]
[REDACTED] WAG OFFICIAL
piers.bisson [REDACTED] WALES OFFICE OFFICIALS
[REDACTED]; jim.gallagher [REDACTED]
Subject: RE: June 2010 Budget

Andrew
Spreadsheet now corrected to line up with Mark's letter

[REDACTED] HMT OFFICIAL
[REDACTED]

-----Original Message-----
From: Jeffreys, Andrew (Strategic Budgeting)
Sent: 23 June 2010 09:34
To: [REDACTED] HMT OFFICIALS
Cc: [REDACTED]
glynne.jones@ [REDACTED]

[REDACTED] WAG OFFICIAL

piers.bisson [REDACTED]

[REDACTED] WALES OFFICE OFFICIALS

[REDACTED] WAG OFFICIAL

jim.gallagher [REDACTED]

Subject: RE: June 2010 Budget

Could you please confirm whether the rate relief consequential is positive or negative in 2010-11 - Mark's letter has it as negative in 2010-11. Is the consequential in 2010-11 £1.5m lower than suggested in May, or -£1.5m?

-----Original Message-----

From: [REDACTED]

Sent: 23 June 2010 09:02

To: Jeffreys, Andrew (Strategic Budgeting)

[REDACTED] HMT OFFICIALS

Cc: [REDACTED]

[REDACTED] glynne.jones

[REDACTED] piers.bisson

[REDACTED] jim.gallagher

[REDACTED] WALES OFFICE OFFICIALS

Subject: RE: June 2010 Budget

Andrew

Revised spreadsheet attached (1st attachment) showing the revised effects for 2010-11 of the business rates in relation to Barnett consequentials of the £6.2 billion cuts. Later years will be dealt with as part of the Spending Review.

The change to the business rates numbers do not affect the baseline for the Spending Review - latest version of the baseline spreadsheet also attached (2nd attachment). This is the same version that I sent to Delyth yesterday. The £6.2 billion cuts are being baselined for the Spending Review but the recycled savings only relate to 2010-11 and are therefore not baselined. As data for the latter are not yet on COINS, they do not feature in the baseline spreadsheet - if they did, they would be simply added in and then stripped out! Any consequentials for the recycled savings (e.g. Business Rates) that fall into Spending Review years will be dealt with in the normal way in the SR.

Give me a call if you want to discuss further.

[REDACTED] HMT OFFICIAL

-----Original Message-----

From: Jeffreys, Andrew (Strategic Budgeting) [REDACTED]

Sent: 22 June 2010 19:57 HMT OFFICIALS

To: [REDACTED] glynne.jones [REDACTED]

[REDACTED] WALES OFFICE OFFICIALS

[REDACTED] piers.bisson

[REDACTED] jim.gallagher

Cc: [REDACTED]

Subject: RE: June 2010 Budget

[REDACTED] HMT OFFICIALS

Importance: High

Could you please clarify the position in relation to the business rates relief consequential and how that effects:

(a) our net and gross savings figure for 2010-11; and

(b) our baseline for the Spending Review.

Re the first question, it would be helpful if you could adjust the attached spreadsheet. Re the second question, could you adjust and reissue the initial draft of our SR baseline Keith issued last week.

This is urgent as our Minister needs to make a statement to the Assembly tomorrow, so grateful for a response by

9am tomorrow.

Cheers
Andrew

-----Original Message-----

From: [REDACTED] HMT OFFICIALS
Sent: 22 June 2010 13:30 WAG OFFICIALS
To: [REDACTED]; glynne.jones [REDACTED] Jeffreys, Andrew (Strategic
Budgeting); [REDACTED] WALES OFFICE OFFICIALS
piers.bisson [REDACTED]
[REDACTED] jim.gallagher [REDACTED]
Cc: [REDACTED] HMT OFFICIALS
Subject: June 2010 Budget

Dear all

I attach the Wales brief, Press Notice and settlement letter for the June 2010 Budget.

Best wishes

[REDACTED] HMT OFFICIAL

If you have received this email and it was not intended for you, please let us know, and then delete it. Please treat our information in confidence, as you would expect us to treat yours.

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Line from a draft of a Parliamentary Question produced by the Wales Office for Welsh Questions on 3 November 2010 sent to HMT on 28 October 2010


- Barnett has been applied and Welsh Assembly Government is free to allocate its budgets in line with local needs and priorities – I am pleased to see WAG also committed to protecting investment in schools

Extract from email between HMT and Wales Office Officials

From: [HMT OFFICIAL]
Sent: 25 October 2010 15:13
To: [HMT OFFICIAL]; [WALES OFFICE OFFICIAL]
Cc: [HMT OFFICIAL]; Hemmings, Tim
Subject: [UNCLASSIFIED] RE: Welsh query – CSR

This is also presumably part of why they have done better in % terms in previous SRs as LG DEL has been rising, something which they didn't complain about at the time!?

[HMT OFFICIAL]

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From: [HMT OFFICIAL]
Sent: 25 October 2010 15:02
To: [WALES OFFICE OFFICIAL]
Cc: [HMT OFFICIAL]; [HMT OFFICIAL]
Subject: [UNCLASSIFIED] RE: Welsh query - CSR

[WALES OFFICE OFFICIAL]

The Barnett formula comparability factors were agreed with WAG and the treatment of business rates has not changed in this SR.

The background is that in Scotland and Northern Ireland business rate funded spending is part of Annually Managed Spending not DEL, so does not attract Barnett consequentials. In England and Wales it is DEL and so in Wales it does attract Barnett consequentials. This is explained in more detail in para 14.2 of the Statement of Funding Policy. This treatment dates back to when devolution first came in and accords with WAG's own wishes.

[HMT OFFICIAL]

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