

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



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

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