# WRITTEN STATEMENT

# BY

# THE WELSH GOVERNMENT

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| **TITLE**  | **Capital investment**  |
| **DATE**  | **16 January 2018**  |
| **BY** | **Mark Drakeford AM, Cabinet Secretary for Finance** |

Today, the National Assembly will debate the final Budget 2018-19, which sets out a series of new revenue allocations for Wales as a result of funding consequentials received from the UK Autumn Budget.

In December, I committed to making an announcement about any early decisions about capital investments flowing from Wales’ UK Budget consequentials, ahead of today’s final Budget debate.

I am therefore announcing capital investment of almost £200m up to 2020-21, which will support the Welsh Government’s investment priorities. These are:

* An extra £75m will be invested over the next three years to accelerate the delivery of the 21st Century Schools and Education programme.
* £30m as an immediate capital injection this year into the 21st Century Schools and Education Programme to support our target of a million Welsh speakers by 2050. This means an equivalent £30m will be released from the programme in future years to support capital projects dedicated to supporting and growing the use of the Welsh language in education. This is a shared priority with Plaid Cymru.
* An additional £70m over the next two years will be allocated to support improvements in the NHS, which will in turn support the delivery of modern, effective and high-quality patient care. The funding will allow the Cabinet Secretary for Health and Social Services to press ahead with his consideration of a range of clinical priorities, including continued support for the new Velindre Cancer Centre and investment in neonatal services in Carmarthen and Swansea.
* £9m of financial transaction funding over the next three years to support the development of health innovation centres based on the Welsh Wound Innovation Centre model.
* An additional £14.6m over the next three years to support local authorities to make improvements to air quality, building on the extra £5.6m revenue allocated in the final Budget 2018-19.

I am also discussing proposals for a road refurbishment scheme of up to £30m with the Welsh Local Government Association, which will provide vital investment in our local roads.

I am committed to bringing forward a new Wales Infrastructure Investment Plan in the spring. This will reflect the outcome of further discussions with Cabinet colleagues to ensure we maximise the use of additional capital funding available to deliver our investment priorities, which are aligned to *Taking Wales Forward* and *Prosperity for All*. Discussions will also continue with Plaid Cymru on areas of shared priorities for capital investment.

I will update Assembly Members about further capital allocations in the spring when the Wales Infrastructure Investment Plan is published.