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Ysgrifennydd y Cabinet dros Gyllid
Cabinet Secretary for Finance



Llywodraeth Cymru
Welsh Government

Eich cyf/Your ref
Ein cyf/Our ref

Adam Price AM

Annwyl Adam,

21 March 2018

During the debate on the second supplementary budget, I said I would write to you to clarify the specific issues you raised in respect of transfers within the Education and Economy and Transport MEGs.

There is a £2m transfer from the 'Welsh in Education' action to the 'Welsh Language' action to fund the new Welsh Language Promotion Programme, enhancing and strengthening the promotion function that is already undertaken. This is part of the £5m additional funding allocated in the 2017-18 draft budget as part of our agreement.

The budget changes within the Economy and Transport MEG formalise the programme funding requirements for 2017-18 to align delivery. There is continuous assessment throughout the year in terms of financial performance and delivery of outputs. In terms of the Science and Innovation budgets certain research and development activities are also reclassified from revenue funding to capital to comply with HM Treasury guidance. Overall the total capital and revenue funding for Science and Innovation is £20.7m following the reallocation of budget compared with £23.1m in the June Supplementary Budget.

In 2017-18 the total Science budget has increased by £1.3m which is a 23% increase to reflect the delivery requirements, particularly in relation to key initiatives such as Ser Cymru. For Innovation there is a reduction in the total core budget requirement of £3.7m in 2017-18 which is compensated by the same value of European funding to support the Smart programme delivery. In overall terms, therefore, there is no reduction to the funding position for the programme. In reprioritising the budget £1.7m was reallocated to Entrepreneurship and Business Information BEL and £2m to the Major Events BEL.

In 2018-19 the total innovation budget is £4.7m to support planned projects. In comparison to 2017-18, the capital budget of £11.7m funds a number of strategic projects such as the Yr Egin development in Carmarthen and the Menai Science Park, which will be completed in this financial year with no requirement for recurrent funding in 2018-19. The funding of

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

future high quality initiatives will be considered alongside the Economic Action Plan priorities and in the context of the Reid review. Opportunities to lever UK Government available funding for research and innovation will also be considered.

Ingywir.
Mark

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