

Finance Secretary announces a £160m boost for public services

Local authorities will receive an additional £20m in 2018-19 and £40m in 2019-20 to support local services. Further details will be published in the final local government settlement, which will be published tomorrow (Wednesday December 20).

And an extra £50m a year will be allocated to the Welsh NHS in 2018-19 and 2019-20 to support the ongoing transformation of services, primary care and the Integrated Care Fund.

Finance Secretary Mark Drakeford said:

“The final Budget marks a significant milestone in Wales’ devolution journey as, for the first time, Wales becomes responsible for raising a proportion of its own revenue from 2 new devolved taxes to spend on public services.

“I am pleased to be able to provide additional funding for public services – areas we know need extra support. This funding will help to ease some of the pressures on frontline public services, which have been struggling to cope as a result of the successive cuts to our budget, which we have experienced since 2010-11 thanks to the UK government’s programme of austerity.”

The final Budget includes revenue funding allocations made as a result of funding consequential received from the UK Budget. Due to the short timeframe between the UK government’s Autumn Budget and the publication of the Welsh Government’s final Budget, the Finance Secretary will announce early decisions about additional capital funding allocations in the spring.

He has previously announced a new higher starting threshold of £180,000 for the main land transaction tax residential rate, which will mean tens of thousands of homebuyers, including first-time buyers, will be exempt from paying the property tax when buying a home from April 1, 2018.

Cabinet Secretary for Local Government and Public Services, Alun Davies, said,

“I am pleased we have been able to provide this additional boost to support key public services in Wales. We have listened to the concerns raised by many of our councils, and we have acted to address some of the pressures that exist in important areas such as youth homelessness.”

Cabinet Secretary for Health and Social Services, Vaughan Gething said,

“The additional investment in the health and social services budget now gives me a real opportunity to provide targeted funding to drive forward change in health services through integration, a greater focus on primary care, and strategic change in hospital-based services.”