

A BUDGET PLAN TO

Move **Wales** Forward

OUR BUDGET PLAN



Welsh Labour has proven how its record on responsible budget management can protect what matters most and deliver change that is not just possible, but essential.

In the teeth of austerity we have delivered on our 2016 promises and in this crisis, we have demonstrated the decisive, careful approach needed to keep Wales safe.

If Wales had simply followed the UK government's approach to business support in this pandemic, Welsh businesses would be significantly worse off today. Instead, we redrew budgets to provide more help. Over £2bn has supported 165,000 jobs and unlike in England, retail, leisure and hospitality businesses in Wales will go on receiving 100% rates relief for a further year.

While providing the NHS and our wider public services with the funding they needed, Wales led the way in putting values first in this crisis. Wales moved first in extending free school meals support through the holidays, help that is now guaranteed through to Easter 2022.

We have shown how our values and value for money go together. In contrast to the Tories - whose cronyism has seen billions wasted on failing test and trace and PPE contracts - we have secured better outcomes with trusted public services.

Only Welsh Labour has a credible plan to Move Wales Forward at this election.

Our ambitious plans to deliver social, economic and environmental justice for all are costed and ready to be delivered in the face of uncertainty once again.

Moving Wales Forward is affordable even as the UK Tories threaten a return to austerity. Our spending plans do not rely on any increase in devolved taxes, including Welsh Rates of Income Tax and - unlike the proposals of other parties - they do not depend on the whim of UK Tory Ministers. Our financial commitments are based on decisions that will be taken in Wales, for Wales.

The next Welsh Labour Government's immediate priorities will be to protect lives and livelihoods and to kick-start Wales' recovery.

One off pandemic funding cannot be used to fund commitments with impossible implications for future years. Welsh Labour will not make commitments that could only be funded by significant tax increases, major cuts to existing services or by jeopardising our frontline Covid response.

Our targeted, responsible approach means that the Welsh Government Covid reserve stands ready to secure our pandemic response (including the vaccination roll out), support businesses and kick start investment for a jobs led recovery. We have earmarked £200 million which can be swiftly deployed by an incoming government to support businesses affected by ongoing Covid restrictions.

The firm foundations of Welsh Labour's approach will allow us to deliver *Moving Wales Forward* with confidence.

FUNDING OUR TOP 6 PLEDGES



RECOVER AFTER COVID:

The biggest catch up programme in our NHS and schools and a new medical school for North Wales

- £1bn - £1.2bn for the NHS & Social Services Recovery Plan over the course of the Senedd term.
- In each year, this Welsh Labour Government has spent more on core NHS and social services per head compared with England. The next Welsh Labour Government will continue to do so.
- This commitment allows us to increase NHS training funding by 8% to support the new medical school for North Wales.
- We are spending more per pupil than any other UK nation to support Wales' education catch up programme. £112m has been committed across 2020-2022. We will immediately provide a further £33m for further education catch up, taking our dedicated funding to £145m.



YOUNG PERSONS GUARANTEE:

Work, education or training offer for all under 25s

- Approximately £70m per year in extra funding will be provided based on high demand in early years. Additional funding will bolster existing skills and training programmes and ensure 125,000 new apprenticeships by 2026.



A FAIR DEAL FOR CARE:

The Real Living Wage for care workers

- Approximately £40m in extra funding required to ensure all workers are reached. We will invest towards this target this year, delivering full coverage by 2024.
- We will work in partnership with local government, other providers and trades unions to guarantee that extra funding is committed to the Real Living Wage for all social care workers.



A GREENER COUNTRY:

Abolish more single use plastics and create a National Forest for Wales

- Approximately £25m (mostly capital) investment required over Senedd term. Affordable within existing budgets and is in addition to wider funding for woodland creation and restoration to meet climate targets.



SAFER COMMUNITIES:

More PCSOs on our streets

- Increase PCSO funding to £22m per year. Deliver a £3.4m uplift to budget line to fund an additional 100 PCSOs within Senedd term.



NEW JOBS FOR WALES:

Create thousands of jobs in a low carbon house building revolution.

- We invested £12bn in projects this term and we will deliver a £15bn capital investment programme over the next Senedd term.
- We will once again plan to maximise all available borrowing and use innovative finance, including the Mutual Investment Model, to fund priorities that UK funding will not support.



Beyond these pledges, we plan to provide approximately £270m in day to day funding to support other new commitments within *Moving Wales Forward* over the course of the Senedd term. We have already created the £500m Flexible Investment Fund, allowing the Development Bank of Wales to provide patient capital to Welsh businesses.

Just as our manifesto was firmly deliverable in the 2016-21 term, the promises in *Moving Wales Forward* are ready to be delivered over the next five years. Where we win further powers or major funding, we will maximise new opportunities based on the priorities set out in our manifesto. But Welsh Labour is clear, we will not make any commitments to you that need to be signed off by the Tories in Westminster.

It is Welsh Labour that won new tax powers for our Senedd and negotiated additional needs based funding for Wales, a change that has delivered £650m since 2018. We will fight to ensure that Wales receives its rightful share of UK funding and push for reforms that deliver fair funding for good in a reformed, federal UK.

Mark Drakeford

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