

Rebecca Evans MS  
Minister for Finance and Local Government

21 September 2021

Dear Minister

### UK Government's announcement on increasing National Insurance

Further to the UK Government's announcement on 7 September 2021 regarding the increasing changes to National Insurance (NI) to fund social care in England, the Committee is keen to understand the impact of this on Wales and the Welsh Government's budget from 2022-23 onwards.

From your **statement** on the Welsh Government's priorities for the UK Government's Spending Review 2021, you anticipate that Wales will receive around £600m a year in additional funding as a result of the increase to NI. Although the exact budget consequential will not be confirmed until the conclusion of the UK Government's Comprehensive Spending Review on 27 October, the Committee would like an early indication of how these additional funds will be used and confirmation of any restrictions on how they can be used.

The Committee would like to explore this issue further at our evidence session on 29 September and the Committee would be grateful for clarification on the position beforehand given its significant impact on the funding available to the Welsh Government.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Peredur Owen Griffiths', with a stylized, flowing script.

Peredur Owen Griffiths  
Chair, Finance Committee

Croesewir gohebiaeth yn Gymraeg neu Saesneg.

We welcome correspondence in Welsh or English.