



Chair of the Legislation, Justice and Constitution Committee,

21 November 2022

Dear Huw,

Thank you for your report on the Legislative Consent Memoranda for the UK Infrastructure Bank Bill.

I appreciate the work the Committee has undertaken in scrutinising the LCMs on this Bill, and I note we share a number of the same concerns.

I continue to believe that the Bank could potentially play an important role in scaling up and accelerating investment to support Wales' transition to net zero. We have therefore been engaging actively with the UK Government to bring forward sensible amendments to the Bill – amendments that would ensure that devolution is respected.

I note Conclusion 1 in your Report, where we agree that the Senedd's consent is needed for the entirety of the Bill.

I note Conclusions 2 and 3 of your Report and share your frustrations that the Bill as introduced contained clauses of constitutional concern, and that such concerns, which were foreseeable, were not addressed properly prior to the introduction of the Bill in the UK Parliament.

I note Recommendation 1, which queries why we have not escalated matters via the intergovernmental structures including the reformed dispute resolution procedure. Since the draft Bill was introduced, there has been constructive dialogue with HM Treasury, which is ongoing, in respect of possible amendments to address our concerns. With that in mind, it has not been necessary to escalate matters. I do share your frustration that we are yet to come to an agreed position, but during the past few months there has been significant instability at Westminster which has hampered the progress of our discussions towards any prospective agreement. This instability has resulted in delays to the Bill's passage through the Commons due to the changes in UK ministerial responsibilities, and other announcements such as the Growth Plan 2022. I understand that the Bill will now progress to Committee Stage on 22 November. The Welsh Government will continue to engage with UK Government and seek appropriate amendments that respect devolution.

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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.

I note Recommendations 2 and 3 of your Report. I can assure you that any amendments to the Bill will result in a further SLCM and an opportunity for the Committee to scrutinise and report further on the matter. I do appreciate that this may be frustrating, but as negotiations are ongoing, I cannot at this time be more specific about the exact nature of the amendments that could be introduced, save that to observe that I and my officials have been clear that issues of constitutional concern must be addressed in a manner that is satisfactory to me and ultimately to the Senedd.

I can confirm that the concessions we are seeking are amendments to the face of the Bill.

I can also confirm that I, alongside the Counsel General and Minister for the Constitution, have actively directed negotiations with HM Treasury through my officials. I also raised the Bill during the Finance Inter-Ministerial Standing Committee on June 15, where I outlined our concerns with the Bill to the Chief Secretary to the Treasury. I can assure you that I ultimately will make the final decision about what is to be recommended to the Senedd.

Yours sincerely,

A handwritten signature in black ink that reads "Rebecca Evans." The signature is written in a cursive, flowing style.

Rebecca Evans AS/MS

Y Gweinidog Cyllid a Llywodraeth Leol
Minister for Finance and Local Government