Dehenna Davison MP Minister for Levelling Up 2 Marsham Street London SW1P 4DF



Peredur Owen Griffiths MS
Chair of the Finance Committee
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Annwyl Preredur,

On 21st November, the Secretary of State for Levelling Up, Housing and Communities and the Secretary of State for Wales wrote to you in response to the Senedd Finance Committee's report into post-EU funding arrangements and the UK Shared Prosperity Fund (UKSPF).

Welsh Government Ministers also wrote to you in response to the Committee's report. I am concerned that in their response, the Welsh Government claim that "the UK Government's Autumn Statement on 17th November means the overall value of the SPF for the UK has been reduced by £400m to £2.2 billion by the end of 2024/25".

I would like to point out that this statement is factually incorrect. For the avoidance of any doubt, I can confirm that here has been no change to the total quantum of UKSPF funding.

Tables 2.1 and 2.2 within the <u>Autumn Statement</u> outline the resource and capital Departmental Expenditure Limit (DEL) budgets for UK Government departments between 2021/22 and 2024/25. The tables also include separate UK-wide DEL budgets for UKSPF for the 2023/24 and 2024/25 financial years, with UKSPF having its own RDEL (resource) and CDEL (capital) budgets. Whilst there are no specific UKSPF allocations listed for the 2022/23 financial year, I can confirm that the reason for this is that the £0.4bn UKSPF budget for 2022/23 is instead included within the DEL budgets for the Department for Levelling Up, Housing and Communities.

The UK Government will shortly be announcing the approval of UKSPF Investment Plans and officials are working closely with the Welsh Local Government Association and Lead Local Authorities in Wales to prepare for the release of UKSPF funding.

I look forward to continuing our work with partners across Wales as we commence delivery of the UKSPF.

Gyda phob dymuniad da,

DEHENNA DAVISON MP