

**Mark Drakeford AS/MS**  
Ysgrifennydd y Cabinet dros Gyllid a'r Gymraeg  
Cabinet Secretary for Finance and Welsh Language



Llywodraeth Cymru  
Welsh Government

Mike Hedges MS  
Chair, Legislation, Justice and Constitution Committee  
Senedd Cymru

27 January 2025

Dear Mike,

A meeting of the Finance: Interministerial Standing Committee (F:ISC) will take place on 27 February in Cardiff, which I will chair.

There will be a focus on the economic and fiscal context, including our shared ambitions in respect of driving economic growth and a look ahead to the UK Government's Spring Statement on 26 March 2025.

We will discuss devolved government engagement in the second phase of the UK Spending Review, which the Chancellor of the Exchequer has confirmed will conclude on 11 June 2025. This will include areas of shared interest such as local growth funding (post EU Structural Funds). I will provide an update on the Welsh Government's Spending Review and our Draft Budget 2025-26. As part of this, there will be discussion about the impact of changes to National Insurance Contributions.

We will continue previous discussions on fiscal flexibilities. I will outline the importance of the Welsh Government having appropriate budgetary flexibilities, and we will discuss options to enable us to maximise our resources.

Following the meeting, I will meet separately with the Chief Secretary to the Treasury to discuss Wales-specific issues, including rail funding and funding for coal tip safety.

I will write to the Committee after the F:ISC to update it on discussions.

Yours sincerely,

**Mark Drakeford AS/MS**  
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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.