

Rebecca Evans AS/MS
Y Gweinidog Cyllid a'r Trefnydd
Minister for Finance and Trefnydd



Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref MA-RE-0360-20

Llyr Gruffydd MS
Chair of the Finance Committee

10 February 2021

Dear Llyr,

I wanted to make the Committee aware that HM Treasury has recently approved an advance of up to £3.8bn from the UK Contingencies Fund to the Wales Office. This advance will allow the Secretary of State for Wales to meet the forecast cash requirement of the Welsh Government prior to the UK Parliament's approval of the 2020-21 Supplementary Estimates expected in March.

In similar circumstances to the advance required in July 2020, as a result of the unprecedented additional expenditure that has occurred in response to the coronavirus pandemic, the cash limit authorised by the Main Estimates 2020-21 in July is insufficient to cover the cash required prior to the approval of the Supplementary Estimate in March. As the timing of that approval is outside our control we have requested an advance to cover for the maximum estimated cash requirement.

The Contingencies Fund is a standard UK procedure to access cash to meet the short term need in advance of approval of the Supplementary Estimate and will be repaid once the Supplementary Estimate is approved. The Wales Office will account for the advance and its repayment.

I hope you find this information helpful. I am copying this letter to the Auditor General for Wales for information.

Yours sincerely,

Rebecca Evans AS/MS
Y Gweinidog Cyllid a'r Trefnydd
Minister for Finance and Trefnydd

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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.