



Rt Hon Simon Clarke
Chief Secretary to the Treasury
1 Horse Guards Road,
London
SW1A 2HQ

15 December 2021

Dear Simon

I am writing to you against the backdrop of the rapid spread of the Omicron variant of Covid 19. The re-imposition of measures to control the spread of the new variant will be unavoidable if we see infection rates continue to rise.

The Welsh Government is continuously monitoring the position and is ready to take whatever steps are necessary to prevent increasing transmission rates. A joint letter addressed to the Prime Minister was recently issued by the First Ministers of Wales and Scotland on the subject of further economic support funding. Given recent developments it is now even more important to be clear about what further support from the UK government will be available to the devolved governments should the need for further restrictions arise.

I noted the announcement by the Chancellor yesterday on additional funding for the booster programme. The announcement was silent, however, on further support for the economy and I would welcome more information as soon as possible in order to assist us with our planning over the coming months.

The implementation of the Job Retention Scheme in 2020 was a welcome initiative and played an essential role in minimising the impact of the pandemic on businesses and protecting jobs. As we again face a rise in infection rates I would urge the UK government to provide clear assurances that the scheme will be available to support areas of the economy that are affected by further restrictions. In particular, I would welcome your assurance that the scheme will be available where devolved governments implement measures impacting the ability of businesses to trade, regardless of the position in England. Each nation must decide what steps are necessary according to their own circumstances and such a guarantee would provide much needed support and certainty allowing us to act as necessary.

Canolfan Cyswllt Cyntaf / First Point of Contact Centre:

Bae Caerdydd • Cardiff Bay
Caerdydd • Cardiff
CF99 1SN

I&S
Correspondence.Rebecca.Evans@gov.wales
Gohebiaeth.Rebecca.Evans@llyw.cymru

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 would also welcome assurances about further consequentials which may be due over the next few months as we head towards the end of the financial year. The Barnett guarantee arrangement which applied in 2020/21 was helpful in providing us with certainty to assist with our planning and dealing with the implications of the pandemic. Given the possibility of further measures and the ever changing situation which we face, building on the announcement yesterday it would be extremely helpful if such a guarantee approach could again be implemented for the remainder of this financial year.

Yours sincerely,

Personal Data

Rebecca Evans AS/MS

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