

# Spending Review to deliver jobs and infrastructure for Wales

- Chancellor Rishi Sunak announces £1.3bn of new funding for Wales for 2021/22. This is more than double the £600m new funding provided for 2020/21 at the 2019 Spending Round.
- Rishi Sunak sets out how UK Government will provide billions of pounds to fight coronavirus, deliver the peoples' priorities and drive the UK's recovery.
- Wales will also benefit from more than £100bn of capital investment across the UK in 2021/22 – creating jobs and growing the economy.

Chancellor Rishi Sunak today unveiled a Spending Review for the whole of the UK as he laid out plans to help Wales to fight the coronavirus and build back better.

Rishi Sunak announced that Wales will receive £1.3bn of new funding from the UK Government in 2021/22 through the Barnett formula for devolved areas such as health and social care, education and housing. This is more than double the £600m provided for 2020/21 at the 2019 Spending Round.

It is separate from the £5bn additional funding guaranteed to the Welsh Government in 2020/21, above the funding allocated at the Spring Budget earlier this year, in the face of the coronavirus and its impact on the economy.

Wales will also receive a significant boost from more than £100bn of capital investment across the UK in 2021/22, improving connectivity and productivity for the whole of the UK.

## **Chancellor of the Exchequer Rishi Sunak said:**

Today's Spending Review underlines our commitment to the people of Wales as we look to the future.

It provides billions of pounds to fight coronavirus, deliver the peoples' priorities and drive the UK's recovery.

The Treasury is, has been, and will always be the Treasury for the whole of the United Kingdom. And this is a Spending Review for the whole United Kingdom.

## **Secretary of State for Wales Simon Hart said:**

The Chancellor's package of measures delivers for Wales as we plan our recovery from the coronavirus pandemic.

As well as the extra £1.3bn block grant increase for the Welsh Government, Wales as a whole will benefit from the UK Government's new £2.9bn Restart programme to help unemployed people find work, as well as a doubling of work coaches and the continued support schemes for jobs through the pandemic which have so far supported more than 500,000 livelihoods in Wales.

This is in addition to planned improvements to mobile and broadband connectivity and investment in green industries like carbon capture and offshore wind which have huge potential benefits for Wales. This continues to be an exceptionally challenging time for everyone in the UK but the Chancellor has today set out a fantastic economic package for Wales.

Projects announced today include the Gigabit and Shared Rural Network programmes for better mobile coverage.

The Gigabit programme subsidises the rollout of gigabit-capable broadband in the most difficult to reach 20% of the country, while the Shared Rural Network programme is a partnership with industry that will deliver high-quality 4G mobile coverage across 95% of the UK by 2025.

Investment in new green industries will support green growth clusters, offshore wind capacity, port infrastructure, Carbon Capture and Storage and low carbon hydrogen.

Separately, institutions and companies in Wales will also be able to access a £14.6bn UK-wide research and development fund.

The Chancellor also today announced that through the Shared Outcomes Fund Wales will host one of five pilots around drug enforcement and treatment which will tackle drug use through better join up of local law enforcement agencies, prisons and health and social care services.

And Cardiff will host a separate pilot which aims to bring service providers together to work with offenders and their families in a community focussed way to address issues around intergenerational offending.

Wales will benefit from a share of the 6,000 additional police officers that will be recruited in 2020-21 as part of the commitment to recruit 20,000 additional officers by 2023, which this SR commits £400 million to deliver.

The allocation of additional officers to Welsh police forces will be confirmed in the police funding settlement for 2021-22.

The Chancellor also unveiled plans to create and support hundreds of thousands of jobs across the UK through a new three-year £2.9 billion Restart programme to help one million unemployed people find work, alongside £1.4 billion of new funding to increase Job Centre Plus capacity.

And the Government confirmed funding for the next stage of the Plan for Jobs – including £1.6bn for the landmark Kickstart scheme in 2021/22, which will

see the creation of up to 250,000 government-subsidised jobs for young people.

The apprenticeship hiring incentive that launched in August will also be extended to 31 March 2021, offering employers up to £2,000 for every new apprentice they hire. There will also be a £375m package to support skills which includes £138m of new funding to deliver the Prime Minister's Lifetime Skills Guarantee and £127m to continue the Plan for Jobs skills measures.

Investment from EU Structural Funds is increasing in each of England, Scotland, Wales and Northern Ireland in 21-22 compared to this financial year.

The Spending Review provides additional UK funding to help local areas prepare over 2021-22 for the introduction of the UK Shared Prosperity Fund.

Further details will be published in the New Year.

The UK Government has also delivered on its manifesto commitment to maintain funding by providing £240m to support farmers, land managers and the rural economy, and £2m to support fisheries in Wales.

The Government committed to boost local economies through at least one freeport in each of Scotland, Wales and Northern Ireland, with locations to be decided in consultation with the devolved administrations.

And on the cultural front the Government announced £29.1m for Festival UK with projects expected across Scotland, Wales and Northern Ireland.

At this Spending Review Scotland, Wales and Northern Ireland will benefit from UK-wide coronavirus support in health, including £15bn for Test and Trace with Barnett funding provided for England-only elements of the programme.