

Rt Hon Mark Drakeford AM
First Minister of Wales

20 September 2019

Dear First Minister,

Request for additional information following the Committee's scrutiny session on 16 September 2019

Thank you to you, and your officials, for appearing before the Committee on 16 September 2019. Members were grateful to hear your views on a range of areas including the Brexit negotiations, 'no deal' preparedness, EU funding, Brexit legislation, and inter-governmental relations.

Given the constraints of time, we did not get an opportunity to cover all areas in depth, and I would therefore be grateful for your response to the following questions, at your earliest convenience.

Brexit preparedness and EU funding

Please could you provide the Committee with an update on whether the Welsh Government has updated its own economic analysis of the potential impact of a 'no deal' Brexit since March 2019.

Brexit legislation

Please could you provide the Committee with an update on how the prorogation of Parliament affects whether the Welsh Government will bring forward its own Brexit legislation in devolved areas?

Specifically in relation to agriculture and fisheries, you stated that you do not foresee the need for any immediate legislation after exit due to the freezing provisions of the EU Withdrawal Act 2018. Please could you provide the Committee with an update on the expected timescales for both the Welsh Agriculture and Fisheries Bills, to be introduced by



your Government. We acknowledge that this may need to take the form of your current and/or best working assumptions given the ongoing uncertainty in Westminster.

In the case of any emergency legislation that may be required, please could you outline how will you ensure that the consent of the Assembly will be sought on any provisions relating to devolved competence brought forward by the UK Government via an emergency procedure.

Impact of Brexit on other areas of Welsh Government activity

As agreed towards the end of the meeting, please could you provide the Committee with details of any other areas of Welsh Government activity that have been adversely affected by the diverting of resources to cover Brexit-related work.

Financial implications of Brexit uncertainty

During the session you raised a number of issues relating to the impact of ongoing uncertainty on the Welsh Government's finances. It is clear to us that the Welsh Government is facing an unprecedented set of circumstances in that regard.

You stated during the session that there is uncertainty surrounding the £600 million (as outlined in the Chancellor's 4 September statement) in additional funding that you will be including in this autumn's draft Budget. What action is the Welsh Government intending to take in relation to these uncertainties? And please could you provide an outline of how the Welsh Government intends to mitigate this potential shortfall either through use of reserve or a supplementary budget procedure.

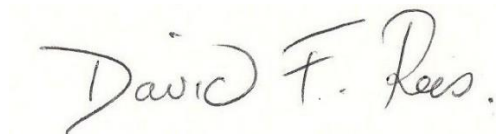
We note that you, and the Finance Minister, have stated that the Brexit funding announced by the Chancellor was insufficient. We therefore welcome your view on how much the Welsh Government estimates it may need, and which areas would the Welsh Government prioritise?

You also highlighted continuing uncertainty surrounding the circa £700 million of European funding that currently forms a part of the Welsh Block Grant beyond 2020. We would be grateful if you please outline what discussions is the Welsh Government having with the UK Government on the potential shortfall of £700 million in terms of lost EU Funding after 2020? Furthermore, what discussions is the Welsh Government having with stakeholders in relation to these issues?



I am copying this letter to the Chair of the Finance Committee, and the Chair of the Climate Change, Environment and Rural Affairs Committee.

Yours sincerely,

A handwritten signature in black ink that reads "David F. Rees." The signature is written in a cursive style with a large 'D' and 'R'.

David Rees AM

Chair of the External Affairs and Additional Legislation Committee

Croesewir gohebiaeth yn Gymraeg neu Saesneg.

We welcome correspondence in Welsh or English.

