

Brexit means it is time to come up with a new way of funding the nations of the UK – Mark Drakeford

He will also call on the UK government to make good the promise made during the referendum that Wales will not lose out on funding as he launches the Welsh Government's latest Brexit policy paper setting out proposals to design a new funding system to guarantee fair and continuing investment for Wales and the rest of the UK.

The proposals include:

- Development of a new approach to funding which promotes fairness across the UK, encourages balanced economic growth across all parts of the country and based on the consent of all the nations of the UK.
- Replacing the Barnett formula with a new, rules-based system which makes sure the allocation of resources within the UK is based on relative need.
- Wales must not lose a penny of funding due to Brexit, with the UK Government replacing EU funding without any top slicing or conditions attached.
- Wales must have continued access to important European partnerships and networks such as Horizon 2020, ERASMUS+, the Creative Europe Programme, the European Investment Bank and others.
- A new way of the 4 nations of the UK working together to agree fiscal issues to replace the current EU framework.
- New bodies independent of government to oversee the new system and resolve disputes.

Mark Drakeford said:

“The current way money is allocated across the UK is not fit for purpose. More than ever Brexit shows the time has come to change it for the better.

“We need a new system for how we work out the funding needs for each nation and benefit all parts of the UK. This is about fairness and making sure areas of greatest need get the resources they require.

“Brexit brings considerable uncertainty and will have an impact on every nation and region of the UK and we must consider how all this will function outside the EU. We have put forward proposals on how funding can be agreed, and how disputes between the UK Government and devolved governments can be resolved.

“We also need ongoing access to EU programmes that bring investment

and opportunities for Wales.

“Our proposals are for all of the UK, not just Wales. The UK government must now work with the nations, regions and cities of the UK to develop fair funding systems that will ensure a better future for all.”