

Rail centre and green energy funding in Budget boost for Wales

- People and businesses in Wales to benefit from extension of Covid-19 support schemes
- Chancellor announces £740 million in additional funding for the Welsh Government
- More than £130 million of investment to turbocharge green recovery and accelerate the creation of almost 13,000 jobs

Millions of families and businesses across Wales will continue to be supported by the UK Government through a Budget that 'meets the moment', the Chancellor said this week.

Speaking in the House of Commons on Wednesday 3 March, Rishi Sunak set out a three-part plan that protects jobs and livelihoods through the next stage of the crisis, starts the work of building our future economy and begins fixing the public finances once we are on the way to recovery.

As part of the next stage of the UK Government's Plan for Jobs, he announced the furlough and self-employment support schemes would be extended until the end of September, alongside a six-month extension to the £20 Universal Credit uplift, a one-off £500 payment to eligible Working Tax Credit claimants and Covid-19 related income tax exemptions for employees.

The Chancellor also set-out an extension to the VAT reduction for the tourism and hospitality sectors and provided a £740 million boost for Wales with additional funding for the Welsh Government through the Barnett formula.

Secretary of State for Wales Simon Hart said:

This is a fantastic budget for Wales. As well as continuing to protect hundreds of thousands of jobs and livelihoods through the pandemic, the Chancellor has shown that the UK Government is building back better and greener and that Wales is central to those plans.

The continuation of furlough, self-employed and business support, the Universal Credit uplift, the hospitality VAT cut and the fuel duty freeze will provide vital certainty of people and businesses in Wales in the months ahead, while the announcements of the Centre for Rail Excellence, hydrogen hub and investment in growth deals will bring thousands of high-skilled jobs, signalling Wales's place as a centre for innovation and the industries of the future.

As we have seen over the past year, the strength of the United Kingdom has never been more important to Wales and we will continue to provide vaccines, Covid testing and Armed Forces support which are key to lifting restrictions and reopening the Welsh economy.

Today's Budget delivers for every part of Wales and paves the way for brighter times ahead.

Chancellor of the Exchequer, Rishi Sunak said:

Throughout the pandemic, the UK Government has stepped in to support millions of lives and livelihoods across Wales.

The Budget bolsters that support – ensuring our Plan for Jobs continues through the next stage of our recovery.

We are also investing millions in Welsh towns and cities, key infrastructure and green industries that will be vital to long-lasting economic growth.

The Budget also looked to the future with nearly £93 million of investment to turbocharge green recovery and accelerate the creation of almost 13,000 jobs.

It included:

- Accelerated funding for the Swansea Bay, North-Wales and Mid-Wales City and Growth Deals. Accelerating these deals will help to deliver projects faster, create up to 12,800 new jobs and support an uplift to the regional economies of over £3.3 billion.
- £4.8m in 2021-22 for the Holyhead Hydrogen Hub: a green hydrogen demonstration project which will create 30 new high-skilled green jobs in Anglesey, indirectly support 500 jobs, and bring further investment into the area.
- Up to £30m for the construction of a Global Centre for Rail Excellence in Neath Port Talbot, which will see up to 120 skilled jobs at the new rail and infrastructure testing facility.

In order to protect jobs, increase productivity and maintain the competitiveness of Wales, the Chancellor also outlined direct local investment to towns and communities across the UK to improve town centres, high streets, local transport and cultural assets through the £4.8 billion Levelling Up Fund, the £150 million UK-wide Community Ownership Fund, and Community Renewal Fund.

Fuel duty will be also frozen for the 11th consecutive year, while alcohol duties will be frozen across the board – only the third time in 20 years, saving drinkers £1.7 billion. This will save 2p off a typical pint of beer in Wales.

As part of the aim to make Wales a premier destination for trade and investment, the Government continues to work constructively with the Welsh Government to establish at least one Freeport in Wales, which will channel new investment to regenerate communities.

Welsh businesses will also benefit from UK-wide initiatives to invest in the

future of firms from start-up to scale up.

The new Help to Grow scheme to offer up to 130,000 companies across the UK a digital and management boost, and a £375 million UK-wide 'Future Fund: Breakthrough' will support highly innovative companies such as those working in life sciences, quantum computing, or clean tech, that are aiming to raise at least £20 million of funding.

Plans to ensure the UK remains a prime destination for talent and investment will see reforms to the immigration system to help ambitious UK businesses attract the brightest and best international talent, and the launch of the world's first green savings bond for retail investors allowing savers to help drive the country's transition to net zero.

In good news for sports fans, the Chancellor announced £2.8 million to support the UK and Ireland's 2030 World Cup bid and £25 million investment in grassroots sports enough for 700 new pitches across the UK.

Covid-19 support provided in Wales so far includes:

- almost 400,000 jobs in Wales protected by the CJRS
- 295,000 claims in Wales have been made through the SEISS
- Over £2bn lent to over 57,000 businesses in Wales through BBLs and CBILs