

Rebecca Evans AS/MS
Cabinet Secretary for Economy, Energy and Planning
Ysgrifennydd y Cabinet dros yr Economi, Ynni a Chynllunio



Eich cyf/Your ref
Ein cyf/Our ref

Llywodraeth Cymru
Welsh Government

Andrew RT Davies MS
Chair
Economy, Trade and Rural Affairs Committee

7th November 2025

Dear Andrew,

Following [confirmation](#) of the UK Government restoring devolved responsibility over post-EU funding, I am writing to inform you, as Chair of the Economy, Trade and Rural Affairs Committee, that the Welsh Government will be launching a six-week consultation on our proposals for a new Local Growth Fund in Wales today.

The consultation document, which will be [published here](#), reflects our key objectives for this funding – raising productivity and tackling economic inequalities – which align with the UK Government's growth mission and UK Industrial Strategy and the Welsh Government's *Economic Mission*.

It also reflects the emerging evidence from our socio-economic analysis of the economy and labour market and our previous work on regional economic development with Welsh partners, including the 2020 Framework for Regional Investment in Wales, our work with the OECD, and lessons learned from legacy EU and UK funds.

I welcome the work your committee has previously done in this area, which we have considered in developing our proposals. I am pleased the approach we have agreed with the UK Government and set out in this consultation addresses many of the issues you raised in your [September 2023 report](#). For example, there is now clarity over the role of the Welsh Government which will allow us to maximise the impact of investment and ensure a greater focus on growth. With decisions returning to the Welsh Government, we can adopt a more collaborative approach to this funding, including with local government as trusted partners.

The consultation document includes a selection of potential objectives which can contribute to our ambitions to increase productivity growth and tackle economic inequalities. The funding levels will mean a need for careful prioritisation within these if we are to see measurable impacts.

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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.

The consultation also seeks views on the delivery of this Fund, including national, regional, and local delivery approaches.

This month my officials will be holding four regional events to discuss our proposals with Welsh partners. The Regional Investment Steering Group chaired by Carolyn Thomas MS will also directly inform the development of proposals and we will continue to work closely with our trusted partners in local government to manage the transition from current funding streams.

I would be happy to meet with the Committee to discuss the consultation or the development of the new Local Growth Fund as work progresses over the coming months.

I will also keep the Senedd updated on developments.

Yours sincerely,

A handwritten signature in black ink that reads "Rebecca Evans". The signature is written in a cursive, flowing style.

Rebecca Evans AS/MS

Cabinet Secretary for Economy, Energy and Planning

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