



Eich cyf/Your ref  
Ein cyf/Our ref  
David Allen  
Chair  
HEFCW

I am writing to provide you with a preliminary indication of the resource that has been provisionally allocated for HEFCW for 2020-21.

We are in an extraordinary situation which is making extraordinary demands on all areas of activity across government. There is not a single area of Welsh Government business that is not facing additional pressure. I am sure you understand that it is crucial we direct resources to support the frontline response to the Covid-19 outbreak at this critical time. Very difficult decisions are therefore having to be made around the allocation of resources to support vital areas of activity. That work is ongoing.

At this time of year I would usually write to you setting out my priorities for the coming year. However, with the need to focus efforts and the Government's limited resources on our response to the outbreak, I am unable to inform you of the financial support available to you for the forthcoming year. For that reason I cannot issue my remit letter at this stage.

I understand however the need for the Council, and the sector, to have an indication of the ongoing support of the Welsh Government and of the resources that may be available to support higher education in Wales in the coming year.

The Welsh Government recognises and acknowledges the very significant contribution the higher education sector is making to our response to the crisis. As you know, I wrote to Vice Chancellors on 27 March to thank the sector for their contribution and setting out areas where we are looking to our institutions to provide support. The priorities we have focussed on in recent years – FE-HE collaboration; co-operation between the sector and business and industry; and building a sector that has civic responsibility at its heart – will be crucial in supporting the national effort to deal with the outbreak and I look to the Council to continue to prioritise these areas of activity. The shape of the sector and role of our institutions in society - locally, nationally and internationally - have evolved over its more than 150 year history and will continue to do so. This government is committed to continuing to support the sector in making its valuable contribution to students, communities and the nation.

You will be aware that discussions on resource commitments for the 2020-21 financial year are still ongoing. At this stage I am unable to say what level of funding will be available. However, I recognise the importance of you receiving a provisional indication of the maximum level of funding that may be made available to support higher education in the coming year. On the basis of the information currently available to me I am able to provide you with a provisional figure of £171.9m (capital and revenue allocation).

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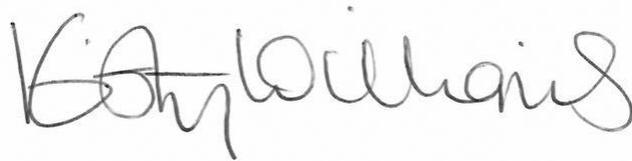
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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

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.

Revenue (net)	161,857,000
Non-cash (depreciation)	90,000
Capital (net)	10,000,000
<b>Total provisional Grant-in-Aid</b>	<b>171,947,000</b>

Welsh Ministers are actively reviewing all our budget lines to ensure the proposals put forward in the Final Budget for 2020-21 remain appropriate and ensure Welsh Government resources are targeted in the best way to meet the challenges arising from the Covid-19 pandemic in Wales. I am expecting the total amount of resource available to me will change, possibly reduce further, and Welsh Ministers will need to take some hard collective decisions on where and how our resources should be allocated. You must therefore understand that could also result in you receiving materially less than the provisional amount. This process is expected to conclude towards the end of April and I will write to you as soon as I can when it becomes clearer what the resources available to me are.



**Kirsty Williams AC/AM**  
Y Gweinidog Addysg  
Minister for Education