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The Rt Hon Patricia Hewitt MP
Secretary of State for Trade and Industry

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Sol / AG
Legal Sec
Spec Adv

Secretary of State
Department of
Trade and Industry

1 Victoria Street
London SW1H 0ET

Direct line
020 7215 6272

DTI Enquiries
020 7215 5000

e-mail
mpst.hewitt@dti.gsi.gov.uk

John Swinney Esq MP MSP
The Scottish Parliament
Edinburgh
EH99 1SP

18 June 2001

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19 JUN 2001
DOVER HOUSE

Dear John,

Thank you for your letter of 25 April about reports in the Financial Times that my department is making plans to change the Barnett Formula.

I can confirm that no such work is taking place. The Government has no current plans to review the workings of the formula. Our spending plans have been set down and agreed for the years until 2004, and there are no plans to change them. The Treasury published details of the funding arrangements for the devolved administrations in the updated Statement of Funding Policy last July.

I am copying this letter to Gordon Brown, Helen Liddell, Henry McLeish, Angus MacKay and Sir Richard Wilson.

*Best wishes,
Patricia Hewitt*

PATRICIA HEWITT