



Dame Meg Hillier DBE  
Chair of the Public Accounts Committee  
Public Accounts Committee  
House of Commons  
London  
SW1A 0AA

3 April 2023

Dear Meg,

**NatWest Group: Government extends trading plan to sell government's shareholding.**

I am writing today to inform you that the government has announced an extension to its trading plan to sell part of the government's shareholding in NatWest Group (NWG, formerly Royal Bank of Scotland, RBS). The trading plan, which will now run until August 2025, has raised over £3.7 billion of proceeds since it was established in August 2021.

This announcement supports the government's intention, reiterated by the Chancellor at Spring Budget 2023, to fully dispose of its NWG shareholding by 2025-26 subject to market conditions and achieving value for money for taxpayers.

Policy rationale

The government is committed to returning NWG to full private ownership now that the original policy objective for the intervention in NWG – to preserve financial and economic stability at a time of crisis – has long been achieved.

The government only conducts sales of NWG shares when it represents value for money to do so and market conditions allow.

Trading plan detail

The government concluded that continuing to sell shares by way of an on-market trading plan will deliver value for money. A trading plan involves selling shares in the market through an appointed broker in an orderly way at market prices over the duration of the plan. Trading plans are an established method of returning government-owned shares to private ownership, while protecting value for the taxpayer. This method was used in the sell-down of the government's stake in Lloyds Banking Group.

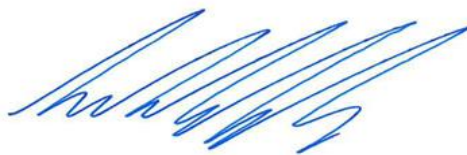
On 3 April the government announced that the trading plan for the government's NWG shareholding will be extended for two years, terminating no later than 11 August 2025.

Shares will only be sold at a price that represents fair value and delivers value for money for the taxpayer. The final number of shares sold will depend on, amongst other factors, the share price and market conditions throughout the duration of the trading plan.

UKGI and HM Treasury will keep other disposal options under active consideration, including by way of directed buybacks and/or accelerated bookbuilds when market conditions permit. The decision to extend the trading plan does not preclude the government from using other disposal options to execute future transactions that achieve value for money for taxpayers, including during the term of the trading plan.

I have written in similar terms to Harriett Baldwin MP, Chair of the Treasury Select Committee, and have copied this letter to Gareth Davies, Comptroller and Auditor General of the National Audit Office. A copy of this letter will also be placed in the Library of the House. In addition, a Written Ministerial Statement regarding the announcement of the trading plan will be laid before Parliament.

Kind regards,

A handwritten signature in blue ink, appearing to read 'A. Griffith', with a stylized flourish at the end.

ANDREW GRIFFITH MP