

Andrew Slade
Director General – Economy, Skills and Natural
Resources Group
Welsh Government

8 July 2019

Welsh Government Financial Support for Business

Dear Andrew,

Thank you for attending the meeting of the Public Accounts Committee on 24 June 2019. There were a number of matters arising from the meeting that the Committee wishes to seek further detail on:

- In addition to the Chief Executive, do any other Development Bank of Wales Senior Executives have other paid Directorships and if so, what process has been followed in seeking approval for these Directorships. Please could you provide details, if appropriate, of specific examples;
- In light of the Office of National Statistics no longer publishing a subnational breakdown of monthly redundancy figures, confirmation of whether the Welsh Government keeps a log on levels of redundancy (not unemployment which a separate data set) in Wales and whether levels have increased over the past 12 months;
- Confirmation of the last time the Welsh Government, at ministerial level, engaged with Ford Motor Company's US-based global management before the announcement to close the Bridgend Factory was made on 6 June 2019;
- The amount, type and purpose of Welsh Government financial support (whether direct or via Finance Wales or the Development Bank), that any of the companies named during the session (at RoP 289–291) had received



prior to going into administration and confirmation of any outstanding debts (G M Jones, Cuddy group, Jistcourt, GRH Food Company).

- The Welsh Government's understanding on the structural arrangements for the Dawnus Group including whether the company in its entirety has gone into administration or whether it continues to operate its international companies, other Dawnus-related companies or companies that have re-emerged. Furthermore, clarification of why the Welsh Government considered it appropriate to advance loan funding to a company with overseas operations, which is within a large group of companies, if not all parts of that operation have been affected by the financial difficulties.
- Any dialogue there was between Welsh Government departments in relation to Dawnus' viability in the context of its involvement in other Welsh Government funded projects, notably the 21st Century schools programme in the context of projects in Powys.

On a related matter, we have been made aware of recent reports in the national press regarding concerns over alleged conflicts of interest relating to the Wales Life Sciences Investment Fund. We would like clarification about the Welsh Government's response to such reports and some indication of how any real or perceived conflicts of interest have been identified and managed in the context of the Auditor General's previous recommendations in his 2016 report on the Welsh Government's establishment and oversight of the Fund.

We also seek clarification of the Development Bank of Wales' role in holding or managing the Wales Life Sciences Investment Fund and ask that you seek input from the Development Bank of Wales to your response as appropriate.

I look forward to receiving your response.

Yours sincerely,

A handwritten signature in black ink that reads "Nick Ramsay". The signature is fluid and cursive, with a long horizontal flourish at the end.

Nick Ramsay AM, Chair

