

Grwp yr Economi, Sgiliau a Chyfoeth Naturiol
Economy, Skills and Natural Resources Group

Cyfarwyddwr Cyffredinol - Director General



Llywodraeth Cymru
Welsh Government

Nick Ramsay AM
Chair – Public Accounts Committee
National Assembly for Wales
Cardiff Bay
Cardiff
CF99 1NA

13 December 2019

Dear Chair

CARDIFF AIRPORT

During the scrutiny session on the Welsh Government's accounts on 21 October, I agreed to provide further information on the new loan of £21.2 million that we have offered Cardiff Airport, including details about how the new loan is to be used and the repayment schedule.

The loan is intended to be used to refinance the previous loan facility including accrued interest, along with route development activities for new and existing carriers, and capital expenditure in accordance with priorities identified in the Airport's Business Plan. It also allows for general business purposes expenditure and the payment of fees.

The loan to Cardiff Airport is commercial in nature and, as such, the Airport is not obliged to report to either our Agent (the Development Bank for Wales) or Welsh Government (as the loan provider) with specific details as to how the funding is used. That being said, officials will be asking Cardiff Airport for six-monthly progress reports on spend and impact.

The loan has a 25 year term. Repayments will start after the funds have been fully drawn down and will be completed by end of year 25 of the term.

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Subsequent to the scrutiny session on 21 October, you asked when Cardiff Airport's annual accounts for 2018-19 will be published. Cardiff Airport has a statutory obligation to file its accounts with Companies House by no later than 31 December, and we expect this deadline will be met.

Yours sincerely

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

Andrew Slade
Director General
Economy, Skills and Natural Resources Group

cc Permanent Secretary