

Ken Skates AC/AM
Ysgrifennydd y Cabinet dros yr Economi a
Thrafnidiaeth
Cabinet Secretary for Economy and Transport



Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref MA-P-KS-4314-17

Russell George AM
Chair, Economy, Infrastructure and Skills Committee

13 December 2017

Dear

Finance Wales/Development Bank of Wales

I refer to your letter as Chair of the Economy, Infrastructure & Skills Committee dated 15th November 2017.

I would like to thank the Committee for its observations and recommendations which make a positive contribution to improving the transparency of the Development Bank of Wales during the early stages of its development.

The Committee has made three recommendations which cover:

1. Improving the transparency of financial information contained within the annual accounts and annual review;
2. Publishing the Development Bank of Wales Business Case; and,
3. Including within the Remit letter a requirement that carrying on work outside Wales' borders the Development Bank should be mindful that it will not undermine the core objective of the organisation – to support business *in* Wales


I can confirm acceptance of these recommendations and have copied Giles Thorley, Chief Executive into this letter accordingly.

However I have taken advice from officials with regard Recommendation 2 and whilst I am content to publish the Business Case there are issues of commercial sensitivity surrounding the financial model and spreadsheets which support the main document and consequently it is only right that this information is excluded from publication at this time.

You have also highlighted within your letter areas for future monitoring which are again very helpful. I am assured that progress is being maintained on the Wrexham Headquarters and we are still aiming for a January 2018 opening of the new office.

As you have identified, DBW acknowledges that the greatest risk it faces is that it doesn't raise sufficient funds through its activities to self-fund its running costs and this is an area that both DBW and my officials will continue to monitor.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Ken', written in a cursive style.

Ken Skates AC/AM

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Cabinet Secretary for Economy and Transport