

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

18 July 2018

Dear Mr Slade,

### **The Welsh Government's initial funding of the Circuit of Wales Project**

The Public Accounts Committee considered the Welsh Government's response to the recommendations contained within our Report during the Committee meeting on 9 July.

The Committee acknowledged that although all the recommendations have been accepted, on reading the detail of the response Recommendation 3 does not appear to have been accepted.

I am aware that the Auditor General highlighted the escrow deposit issue to Welsh Government officials in June last year, immediately following the Cabinet decision not to support the Circuit of Wales. I would have hoped, therefore, that the Welsh Government would have immediately taken the appropriate action to safeguard the £100,000 that was in the escrow account. However, from the response to the recommendation that action appears to have only commenced after the Committee reported in May this year. If this is the case, I would have expected more urgency regarding this matter. Can you advise as to if and when action to recover funds from the escrow account commenced?

Regarding Recommendation 6, the Welsh Government says 'we already have robust processes in place for dealing with concerns of this nature'. I wish to know how many instances there have been in recent years in which officials have raised concerns, because that information will actually give an indication of how live those procedures are.



Finally, regarding Recommendation 13, I would like to have assurance on the degree of security that the Welsh Government is expecting to achieve to safeguard its £7.3m debt from HoVDC arising from the Welsh Government loan guarantee.

Yours sincerely,

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

**Nick Ramsay AM**  
Chair

