

ECONOMIC DEVELOPMENT AND TRANSPORT COMMITTEE

EDT2 10-05 (p1)

Date:	14 July 2005
Time:	2.00 - 3.20
Venue:	National Assembly for Wales
Title:	Welsh Development Agency: Annual Report for 2004-05

Purpose and Action

- 1 This paper provides the Committee with background to the Welsh Development Agency's 2004-2005 Annual Report (Annex A) and 2005-2006 Business Plan (Annex B).
2. The Committee is invited to note the 2004-2005 Annual Report and the 2005-2006 Business Plan.
3. WDA officials will attend the Committee meeting to present the papers and field questions. They are:
 - Gareth Hall (Chief Executive)
 - Tracey Burke (Executive Director - Strategy Development)
 - Gretel Leeb (Acting Executive Director - Business Support)

Background

Permanent Secretary's Due Diligence Report on Merging ASPBs

4. The Minister has asked the Permanent Secretary to conduct a due diligence review of ASPB control frameworks. The aim of this review is to ensure that, in preparation for the mergers, internal controls are adequate. More detail of this review will be set out in a separate paper for Committee.

WDA 2004-2005 Annual Report

5. The Annual Report provides a summary of the Agency's performance against its strategic and operational targets for 2004-2005 as set out in last year's Business Plan.

WDA 2005-2006 Business Plan

6. The Business Plan sets out in detail how the Agency plans to deliver the Minister's priorities for 2005-2006.

Priorities

7. Priorities for years 2006-2007 and 2007-2008 are not included in this year's plan as they are beyond the WDA/Assembly merger. These priorities will be considered alongside those of the post merger Economic Development and Transport Department.

Targets

8. As stated in last year's Business Plan the Agency has reviewed (and amended some of) the definitions of its strategic targets. As a result some 2005-2006 targets appear lower than in previous years. The two categories most affected by these changes are jobs safeguarded and public sector investment.

9. Also, in line with best practice elsewhere in the public sector the Agency has adopted target ranges as opposed to absolute figures.

Capital & Revenue

10. The business plan sets out how the Agency proposes to deliver the priorities set out in the Agency's Guidance and Priorities Letter, which was agreed by Committee. As occurred last year, the Agency's expenditure plans match the budget set in aggregate although the Agency's initial estimates of the balance between revenue and capital expenditure do not align precisely with those first specified by the Assembly Government. The WDA and the Assembly Government intend, as last year, to manage this imbalance in-year through internal budgeting and financial management processes.

Compliance

11. The WDA was established by the Welsh Development Agency Act 1975 (as amended) ("the Act"). Powers under that Act have been transferred to the Assembly and delegated to the Minister for Economic Development and Transport and his staff.

12. Schedule 3 of the Act requires the Agency to prepare a report as soon as possible after the end of

each accounting year dealing with the operations of the Agency during that year, and Section 4.4.1 of the Agency's Management Statement requires the Agency to submit an annual report of its activities to the Minister for Economic Development and Transport.

13. Section 1(14) of the Act places a duty on the WDA, after consulting with such local authorities and other bodies as appear to the Agency to have an interest, to prepare and submit for approval programmes for the performance of its functions.

Financial Implications

14. There are no additional financial implications.

FOR COPIES OF ANNEX A & B PLEASE E-MAIL THE COMMITTEE MAILBOX :

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