

# Enterprise, Innovation and Networks Committee

**EIN(2) 11-06(p.1)**

**Date: Thursday 7 December 2006**

**Venue: Committee Room 2, Senedd, Cardiff Bay**

**Title: Report from the Minister for Enterprise, Innovation and Networks**

## **Supporting Enterprise**

- **Swansea SA1 Sourcing Project:** The SA1 Sourcing Project has to date assisted local businesses to win over £10 million of deals on the site. The assistance provided includes alerting businesses to the opportunities for contracts as they arise and working with them where appropriate to assist with winning business. A number of local businesses have won contracts on site, including civil engineering and roadworks construction by Derwen Plant Ltd (Neath Port Talbot) to an approximate value of £1.5 million and Jones Bros (Henllan) Ltd (Carmarthenshire) have won highway, civil engineering and finishing works business to a value of approximately £2.4 million to date.
- **Social Enterprise Tendering Workshops:** My department's Enterprise Team organised four full-day workshops to assist social enterprises who wish to improve their skills for tendering for public sector contracts, or who are considering tendering for contracts. 65 individuals from 40 social enterprises attended the workshops in Ammanford, Caernarfon, Aberdare and Cardiff.
- **Sell2Wales Nominated for e-Government Awards:** The National Procurement Website 'sell2wales' has been nominated in the e-Government National Awards in the category for Central e-Government Excellence – Take Up. Launched just 3 years ago, Welsh public sector organisations have published contract notices worth over £2 billion on sell2wales in the past 12 months. Over 12,000 Welsh businesses are registered to be alerted to these opportunities.
- **EU Structural Fund Progress at 31 October 2006:** Structural Funds of £1.58 billion have been committed to 2,814 projects, representing some £3.824 billion of total project investment in Wales.  
Objective 1 of some £1.36 billion grant has been committed to 1,723 projects, representing around £3.24 billion of total project investment in West Wales and the Valleys, creating and safeguarding thousands of jobs.
- **East Wales Regional Competitiveness and Employment Programmes:** The First Minister launched the consultation on the East Wales Regional Competitiveness Programmes (ERDF and ESF) at the Business Support Centre, Barry, on 1<sup>st</sup> December. The consultation will include 3 events, held throughout the region, which will give stakeholders the opportunity to

discuss the draft programmes. The consultation will close on 26 January and the documents will be submitted to the Commission in early March 2007.

- **Convergence Programme:**

**Consultations:** A report analysing the responses to the Convergence Programmes and Strategic Environmental Assessment has been completed and will be available on the WEFO website shortly.

**Strategic Frameworks:** The consultation on the Strategic Frameworks ended on 31 October and responses are currently being analysed by officials. Further discussions are continuing regarding the development of the Frameworks with both external and Assembly Government stakeholders.

## **Ireland/Wales 2007-13 Territorial Co-operation Programme:**

a) The Ireland/Wales 2007-13 Territorial Co-operation (TC) Programme is being developed bi-laterally between officials from WEFO (in parallel with the work of the Territorial Co-operation Work-stream Group in Wales) and the Southern and Eastern Regional Assembly in Ireland. The latter, as the Managing Authority designate, is leading on behalf of both Member States.

b) **Operational Programme:** The draft Operational Programme, which is likely to be of a size similar to the current Interreg programme, will be launched for consultation before Christmas. The consultation exercise will take place in parallel with arrangements in Ireland over a period of eight weeks and the Programme document will be accessible on the WEFO website - <http://www.wefo.wales.gov.uk>. It is proposed to host two workshops for programme practitioners during this time, one in North and one in South-West Wales.

**EU Funds Project Launches:** The First Minister opened Capel Bethania in Nantgwynant on 23<sup>rd</sup> November. Once a Presbyterian Church, the building has been refurbished for use by small businesses and the community. In addition to providing local work opportunities, Capel Bethania will provide information relating to travel, weather and walking routes for outdoor enthusiasts; a catering service, and environmental, historical and cultural information. The Assembly Government has provided £261,000 towards the project, including £136,000 Objective 1 funds.

The Deputy Minister attended the official opening of Maenclochog Community Hall on 17<sup>th</sup> November. £348,000 EU Objective 1 funding has contributed to refurbishing the main hall and extending the existing building to provide a community information point, meeting room and ancillary room to support stage activities. A new outdoor children's play area has also been provided.

- **Môn a Menai Programme:** Several meetings with a range of organisations have been held to inform and put in place a structure for future collaboration, particularly with Wylfa Power Station, the Nuclear Decommissioning Authority and Anglesey Aluminium. There has been strong support from all and a programme of future meetings has been arranged with these organisations. The Nuclear Decommissioning Authority's Socio Economic Policy is currently under consultation with North Wales as one of the three areas prioritised for investment. The

criteria seem to fit excellently with the type of approach we have adopted for the Môn a Menai programme. I hope to make an announcement in the New Year regarding membership of the Môn a Menai Programme Board and hope to meet with the Chair and Chief Executive of the Nuclear Decommissioning Authority at that time.

- **Rhyl Going Forward:** Modus Developments recently held a public exhibition of their proposals for the Ocean beach site at Rhyl, which were well received. Slight modifications are being made to the planning application following Modus' appearance before the Design Commission for Wales. The application will shortly be re-submitted to Denbighshire County Council. If fully implemented, the Modus scheme would see £85 million invested in the town. Rhyl has been successful in attracting City Strategy status from the Department of Work and Pensions. As a result, seed-corn funding is now available to help co-ordinate a programme of actions that should see additional efforts being made by statutory, community, private and voluntary organisations to tackle economic inactivity within the town.
- **Healthy Minds at Work Week:** I was pleased to launch Healthy Minds at Work Week in Wales on 27<sup>th</sup> November. The project is a unique partnership of cross-sector organisations, including transnational colleagues, working together to help people who are experiencing stress, anxiety and / or depression, to remain in work. The project, which I launched in June 2005 has been allocated EQUAL funding of ESF £3.2 million with a Wellbeing Centre established and a job retention pilot project underway.
- **Ffos y Fran Land:** On 27<sup>th</sup> November the Court of Appeal overturned the decision of the High Court of last December which quashed their planning permission for the MillerArgent Ffos-y-Frsn Land Reclamation, Opencast Mining Scheme at Merthyr Tydfil. The decision of the Court of Appeal provides for the reinstatement of the planning permission, which was issued on 11<sup>th</sup> April 2005, by the Assembly Government Planning Decision Committee. The judgement dismissed all of the challenges made in respect of the planning merits relating to the Scheme and confirmed that the planning matters had been properly and adequately addressed. The reclamation of this large area of derelict and unsafe land will also remove historic waste tips. All of the costs will be paid for from the sale of the underlying coal, ensuring that there will be no need for any contribution from the public purse.

## **Promoting Innovation**

- **UKBI Newcomer Business Incubator of the Year 2006 Award for Technium OpTIC:** Technium OpTIC was awarded the UK Business Incubation (UKBI) Newcomer Business Incubator of the Year at UKBI Ltd's Annual International Conference on 20<sup>th</sup> November. Recognised by the DTI, UK Business Incubation is the UK's authority on the development and support of incubation environments. UK Business Incubation awards its members who have shown excellence in providing the right environment in which start-up businesses and entrepreneurs can flourish.
- **Women into Science and Engineering (WISE):** The Assembly Government won the highly prestigious WISE Ambassador Award (14<sup>th</sup> London) presented by the Royal Patron for WISE,

HRH Princess Royal. The award was to recognise the Assembly Government's outstanding contribution to supporting the WISE campaign in Wales over the last 10 years.

- Know-How Wales (KHW): In November KHW facilitated a successful meeting between Dow Corning and academics at Cardiff University with a view to establishing a long-term relationship through a DTI/research council funded project.
- Knowledge Exploitation Fund (KEF): KEF has awarded funding for:
  - new capital equipment £671,000 for 5 projects in Technology Transfer Centres; a further £206,000 for 5 new feasibility and pilot studies, including the establishment of a national AIDC centre for Wales;
  - a Collaborative Industrial Research Project £300,000 on managing agricultural practice (U-MAP).
  - Centres of Excellence: WEFO has extended their funding of the CETIC programme. A meeting has been held of all the CETIC managers to explore the way forward and a review is underway.
- Bioscience: The 2006 MediWales Innovation Awards were announced at the MediWales Annual Dinner on 8<sup>th</sup> November at the Hilton Hotel and presented by Brian Gibbons AM, Minister for Health and Social Services. The winners and their categories were: Magstim (Partnership with the NHS), Protherics (Growth in Sector), Cardiff Vale NHS Trust (Innovation), Medaphor (Start Up) and Performance Health Products (Export Achievement). Winners will be entered into the MediLink UK National Awards in Birmingham in February 2007. A new Bioscience brochure has also been produced. It will be used to promote academic expertise for Wales internationally.
- Wales Innovation Relay Centre: After an OJEU tender process a publishing contract has been awarded for the production of Advances Wales, the quarterly journal for science, engineering and technology in Wales. The journal will be re-launched in February 2007.
- Technium: A Technium Pan-Wales Ice-Breaker Dinner was held at the National Waterfront Museum, Swansea. In recognition of the rapid expansion of the Technium network (there are currently just over 60 companies residing in the Technium centres across Wales and an additional 19 'virtual companies' i.e. Associate Members of Technium). The dinner provided the first opportunity for resident and associate member Technium companies from across Wales to meet, network and exchange experiences, and to meet with a range of professional firms signed up to the new Technium Stakeholder scheme. The Technium Stakeholder scheme includes a matrix of 28 selected professional firms who have agreed to partner with Technium to deliver free consultancy services on various business themes such as accountancy, legal, IPR, marketing, and sales.
- e-Crime: I met representatives of the all Wales E-Crime Steering Group to obtain the findings

of the research I had commissioned to determine the extent of the threat of E-Crime to Wales. Since March 2004, the Welsh Assembly Government has been working in collaboration with the four Welsh Police Forces and the National Hi-Tech Crime Unit to tackle the threat of E-Crime to Wales. This resulted in the formation of an All Wales E-Crime Steering Group with partners including HSBC, Serco, Morgan Cole, the four Welsh police forces and the Welsh Assembly Government. The Technology & Innovation E-Business team has been tasked with taking the lead on further developing and implementing an E-Crime Action Plan for Wales over the next 3 years. It is proposed that the Minister will launch the E-Crime programme at a major event in March 2007.

- Micro & Nano Technology (MNT): The three successful MNT Assembly Government / Department for Trade and Industry (DTI) funded projects are to be collectively marketed under an Advanced Manufacturing umbrella. This activity will be the focus for Wales as part of the UK MNT network. Advanced Manufacturing has been identified by DTI and its Technology Strategy Board as a key future technology and Wales will be lobbying to take the UK lead in this activity. Within Wales the group will be exploring potential collaborative opportunities with relevant sectors e.g. Aerospace and Medical Devices.
- Academia Relationship Managers: The Japanese Government backed Japan Research Industries Association (JRISA) visited Wales in November to see how collaboration between academia and industry manifests itself in Wales. During their 2-day visit, the JRISA met senior figures from Swansea, Glamorgan and Cardiff Universities as well as visiting Technium Centres. The visitors, who would like to see collaboration between Wales and Japan expanding thought the visit a great success
- A Science Police for Wales 2006: Was launched by the First Minister (and Minister for Science) on Thursday 23.11.06 at the Centre for Ecology & Hydrology in Bangor – document (English and Welsh) on the Assembly Government website under Business and Economy. Hard copies still in production and will be sent out to you and other AMs on receipt . Committee will discuss our Review of Science Policy in Wales later, where I can say more on this.

## **Investing in Networks**

- BT's 21CN (21<sup>st</sup> Century Network): On 28<sup>th</sup> November I was pleased to attend the first call ever made over BT's 21CN, that took place at Wick and Marcross Primary School in the Vale of Glamorgan. BT's decision to commence the roll-out of its next generation network in Wales once again demonstrates our leading role in the field of innovative technology applications. This is an important event, not only in that it is a first for Wales, but that it opens up huge potential that can be exploited, attracting both new and international businesses into the areas where the roll-out of the new network is taking place.
- Concessionary Fares: On Friday 24<sup>th</sup> November I announced the proposed introduction of concessionary rail travel in Wales. The Assembly Government's statutory bus pass scheme has been hugely successful with over 530,000 bus passes issued to those over the age of 60 or

eligible on grounds of disability since it was introduced. These passes have enabled free travel on local bus services throughout Wales and the immediate vicinity. Studies have illustrated that in some rural areas, the railway represents a more viable and effective means of local travel than commercial bus services. Plans have therefore been unveiled to pilot proposals for community rail designation on the rural stretches of the Heart of Wales Line and the Conwy Valley Line. Designation on these two lines could take place from early 2007. If these pilots are successful the Assembly Government would look to extend them next to the Cambrian Coast, Borderlands (Wrexham-Bidston) and Shrewsbury-Chester lines.

- **New Railway Depot at Wrexham:** I have announced an offer of funding for Network Rail to construct a new railway depot at Wrexham. This latest investment in the railway infrastructure will lead to the creation of 55 new and permanent employment opportunities, and will be available to all Train Operating Companies, including the Wrexham, Shrewsbury, Marylebone Railway (WSMR) and Arriva Trains Wales.
- **Cambrian Mainline:** On 24<sup>th</sup> November I announced potential service improvements to the Cambrian mainline. This was in a video presentation to a meeting of stakeholders at the Cambrian Coast Railway Liaison Conference at Ganolfan, Porthmadog. Network Rail presented to stakeholders the detailed results of their initial feasibility study on improving the Aberystwyth to Shrewsbury Cambrian mainline train service from two-hourly to hourly.
- **OFCOM:** Two recent publications from Ofcom have done much to reinforce the importance of telecommunications infrastructures and the role they play in the future knowledge based economy in Wales. The first study considers the impact of the use of radio spectrum in the UK and identified that the estimated economic benefit arising from its use was £42 billion in 05/06 compared to £28 billion in 02/03. The large increase is attributable, in the main, to the increase in mobile phone users and consumer willingness to pay for broadcasting services. A further Ofcom report identified the technologies that it believes will have a significant impact on the use of new radio spectrum in the future are mesh networks and dynamic spectrum access.
- **Towards e-Wales – exploiting the power of ICT in Wales:** The Committee may wish to note that, as part of the overall ‘Towards e-Wales – exploiting the power of ICT in Wales’ vision, a paper on the Assembly Government’s approach to exploiting ICT in order to improve citizen access and public service delivery will be considered by the Cabinet sub committee on Local Government and Public Services on 4th December 2006.
- **Energising Wales’ – Carbon Trust Report:** Carbon Trust Wales, sponsored by the Assembly Government, has recently published ‘Energising Wales’. This summarises achievements for 2005-2006 including case studies and contains a ‘forward look’ for 2006-2007. During 2005-06 the Carbon Trust has helped organisations in Wales identify potential annual savings in energy costs of £22 million, which would equate to reducing CO2 emissions by approximately 260,000 tonnes.
- I was pleased to see that the Assembly Government's strategic approach to improving public

sector delivery of high speed internet access was picked up by the press in an article published in 'Computing' magazine. The article outlined the connection of the Lifelong Learning Network to the improved SuperJanet5 network that provides greater bandwidth capacity and resilience.

## **Visit Wales**

- **Bluestone Holdings Ltd:** As I mentioned in my last oral update, Bluestone Holdings Ltd have been awarded £18.5 million of financial support from the Assembly Government to support the development of an eco tourism holiday village in the Pembrokeshire Coast National Park. The project will create 900 jobs and inject £32 million into the local economy each year and will have the capacity to accommodate 1 million visitors per year. The village will utilise renewable energy (biomass) on a commercial scale and include an energy visitor centre to promote eco friendly technology. Plans for a training academy and water/snow park (with a machine able to produce the largest indoor wave in the UK) are also included. This should boost skill levels and expand opportunities for local businesses. The village will be an eco tourism flagship.
- **Tourism Advisory Panel:** The vacancy of the Panel's Chair was advertised on the 23 November and interviews for the post are scheduled for February 2007. I shall keep the committee informed of developments.

## **International Business Wales**

- **Project Galileo:** I led a team to present our bid for Project Galileo to the European Commission. Our bid was well received and was regarded as being most professional. We are in competition with ten other Member States for this project. A decision could be taken as soon as this month.
- **International Trade:** The Environmental Goods and Services (EGS) Team are taking part in the Pollutec '06 Exhibition and Conference in Lyon France. The 4 day event will be host to 2,400 exhibitors and 65,000 visitors and will cover a variety of sectors including water, waste, energy and sustainable development. Seven Wales based companies will be attending / exhibiting at the event and a further six companies / CETICS will be taking parting the IRC Networking event.
- **Inward Investment:** I have met potential inward investors into Wales in the life sciences and renewable energy sectors. Negotiations are commercially sensitive but these are exciting projects that will pay high salaries and I am cautiously optimistic about our chances of success. 25% of the jobs associated with inward investment projects this year, offer salaries in excess of £28,000. Of these, 20% fall within the £28,000 to £40,000 range and 5% exceed £40,000.
- **Medica Trade Fair in Dusseldorf:** The Technology and Innovation and International Business Wales teams took 4 Centres of Excellence (CETICs) from academia in Wales to the Medica

trade fair in Dusseldorf. It was an excellent success and all worked hard to promote our academic excellence. Taking the opportunity of the presence at the fair of Huntleigh Diagnostics, the CETICs met with their MD as Huntleigh had previously asked for a meeting with DEIN representatives to manage the expansion of their R&D facility in Cardiff and to take on 45-50 trained (or re-trained) electronic engineers.

## **Job Gains / Safeguarded**

- **Colourprint UK Ltd:** The Cardiff based has undertaken an investment of £3 million at its Pembroke Dock site to upgrade all equipment and thereby increase production capacity. 21 jobs have been created and turnover is expected to rise from £4.5 million to £7 million. As part of the upgrade at Pembroke Dock an Assembly Investment Grant of £20,000 has been awarded to support the installation of a new sub power station to operate new machinery.
- **Revolymmer:** The company is moving its headquarters to North Wales occupying the research and development facilities on Warwick International's Mostyn site in Flintshire. The assistance available from the Assembly Government was pivotal in the decision to re-locate to North Wales. A RSA grant of £660,000 has been awarded to the project that will help to create 50 jobs over the next 3 years.
- **North Wales Power (NWP) (Electrical) Ltd:** A £300,000 Regional Selective Assistance grant has been offered to NWP Electrical, based at the Tir Llwyd Industrial Estate in Conwy, with a subsidiary office in Deeside, Flintshire. This is part of a £1 million project to expand their electrical and mechanical engineering services and component manufacturing. The project will create 31 skilled jobs with average salary of £28,000.

## **Job Losses**

- **Alcoa:** The company has unexpectedly announced it is entering a 90 day consultation period with a view to closure by March 31st 2007, with the loss of 298 jobs in Swansea. The reasons stated are the continuing losses sustained, coupled with the rises in energy, materials and labour costs.
- **F Benders Ltd, Wrexham:** F Benders has announced 48 jobs losses, 36 of which are at the Wrexham facility (F Bender Group has an overall staff complement of over 300, of which some 200+ are located at Wrexham). The company manufactures paper-based products used by fast food outlets and other commercial catering operations. Early in the year it lost major contracts with McDonalds that led them to consider total shut down, but is now focusing on changing the business model towards more niche higher profit opportunities. My officials have discussed immediate support with the company for the affected workforce through the Early Response to Redundancy initiative, and what DEIN and DELLS can do to support the business transformation required as well as the necessary skills development of the remaining staff. The company has been very receptive and appreciative of Assembly Government support and remain confident the recovery plan will be adopted by the shareholders.



## **Action Outstanding**

### **EDT(2) 10-06, 22 November, 2006**

Action Point: The Minister would provide information on which the decision to restructure Screen Commission Wales was based to the next meeting.

## **Wales Screen Commission**

### **Background**

The Wales Screen Commission has, until recently, comprised a number of differently constituted bodies throughout Wales offering location services to indigenous and incoming film and television programme makers. It has a presence in North, Mid, South West and South East Wales. In the future, the activity of the Screen Commission will be consolidated under the auspices of Creative Business Wales (a constituent part of International Business Wales) which has three core members of staff with responsibility for development work within the film and television sector. This will enable the provision of a more comprehensive range of support for the film and television industries by one single body.

### **Recent Performance**

The direct contribution to the economy of Wales, based upon records compiled by the Wales Screen Commission, in terms of filming here in recent years has been just over £8 million in 2003/4; just over £15.5 million in 2004/5; and just over £18 million in 2005/6. This year to date, almost £9 million of direct benefit has been recorded. The contribution made by each region has, however, been disproportionate to the level of staffing in each of the regions. This is demonstrated by the tables below for 2005/6 and for 2006/7 to the end of October.

#### **2005/6**

Region Production enquiries and filming Value (£)

South East 347 (43%) 17,047,735 (94%)

South West 184 (22%) 167,431 ( 1%)

Mid 148 (18%) 684,896 ( 4%)

North 137 (17%) 283,912 ( 1%)

Total 816 18,183,974

#### **2006/7 (to the end of October)**

Region Production enquiries and filming Value (£)

South East 223 (37%) 7,529,117 (85%)

South West 165 (27%) 870,731 (10%)

Mid 123 (20%) 363,770 ( 4%)

North 100 (16%) 68,766 ( 1%)

Total 336 8,832,384

The staffing, prior to the restructuring, was two individuals in the South East; two in the South West; two in North; and four in Mid (this included the national coordinator and his personal assistant. The staff of the Wales Screen Commission provide a location service to those wishing to and actually filming in Wales.

## **Rationale for the Restructuring**

Based on the above, which clearly demonstrates that the volume of work and the financial returns are focused on South East and South West, but especially South East Wales, the retention of the previous structure was an untenable position. It is incumbent upon me and my officials to ensure that our resources are allocated in a way which maximises the return on our investment and the restructuring provides for that. I stress the point that it is a restructuring and reallocation of resource rather than a reduction in resource.

Under the restructuring, we will maintain an individual in Caernarfon; another in Mid Wales; one full-time and one part-time in Llandeilo; and two full-time and one part-time in Cardiff. The part-time posts in Cardiff and Llandeilo are fulfilled by the same individual. Subject to further business considerations, the posts in Llandeilo may be relocated to Penllergaer.

This reallocation of human resource provides for the position where that resource broadly mirrors the level of activity: 41% in South East; 25% in South West; 17% in Mid; and 17% in North. Even though, on pure economic returns, the case for a greater reallocation to resource to South East Wales is very compelling, we recognise the broader factors and the continuing need for regional representation.

## **Conclusion**

We will continue to market Wales as a film destination; we will do this domestically, nationally and internationally. This is an important element of our strategy which, with the sound restructuring of the Commission, a re-focused Creative Business Wales and the new Film Agency, which has been tasked with making significant investments into the film industry in Wales, represents a cohesive, comprehensive and structured approach to enable us to achieve our ambitions of greater economic impact for the whole of Wales.

**Action Point:** The Minister would provide updates on the progress of negotiations with the European Commission regarding the 2007-2013 Convergence Programme and how structural funds would be spent in the next round.

The intention is to submit the ERDF and ESF Convergence Programmes to the Commission in early December. Negotiations will commence early in the New Year. As a result of the consultation we will be making a number of changes to the structure of the new programmes. In particular we are proposing a separate ERDF priority on R&D and ICT and a new ESF priority on skills for young people. At least 65% of Convergence funds will be spent on the Lisbon identified categories, compared with the minimum requirement for 60%, so we will give a much higher priority in future

programmes to knowledge, innovation and growth, with more emphasis on people. Tackling economic inactivity and improving skill levels will be a priority.

Action Point: The Minister would provide details of the benefits that Wales would derive from hosting the Ashes test match and the Ryder Cup.

## **The Ryder Cup**

Event itself in 2010 will provide a major economic boost to S E Wales. It is estimated that previous Ryder Cups have brought between £44m and £62 m into the local economy. Ryder Cup Wales has conducted a robust study as to the likely impact of 2010 and how we might maximise that impact which will be published shortly .

But - it is not just about 2010 and S E Wales. The association with the Ryder Cup is a once in a lifetime opportunity to raise Wales global profile as a world class business and leisure destination, before during and after the event.

Results are already being felt, golf tourism visitors for the whole of Wales has grown from an original estimate of 30,000 pa to 155,000 pa contributing £23m to the Welsh economy. We used our association with the Ryder Cup to host key business and tourism contacts from around the world at the Ryder Cup in Ireland. Meetings with one company, G24i Ltd, helped secure a multi million investment and upto 300 jobs for Wales.

It is not just about the event in 2010, every year we have "Summer of Golf events across Wales" with major european golf events showcasing the best courses in Wales - from Machynys to Nefyn - and bring benefits to the local economy. Golf Clubs are major contributors to their local economy and we have introduced schemes to help Clubs across Wales host visitors,market themselves and make better use of IT are already in place and we are adopting a pro-active approach in supporting potential investors in golf facilities in Wales.

It is about using the Ryder Cup to increase participation in golf and therefore the health of the nation. Initiatives include Tri Golf in schools free lessons for ladies supplemented by a £2m legacy fund aimed at increasing the number of golf facilities in Wales. Projects in Gwynedd and Carmarthen are already under development and we have recently announce 6 new schemes including 2 in Rhondda Cynon Taff and one each in Newport, Cardiff, Neath Port Talbot and Ceredigion

## **The Ashes**

Securing the Ashes helps to maintain Wales and Cardiff's reputation for hosting major World Class events. The development work required for the Ashes will also mean that Cardiff will be a candidate city for future Test Matches.

We intend to take advantage of the staging of the 2009 Ashes test to promote the Wales Brand and to support the Welsh Assembly Government's Economic Development and Tourism Strategies.

In addition The 3 year agreement with Glamorgan offers a range of branding, promotional and partnership benefits that will be integrated into the business plans for Visit Wales and International Business Wales.

These benefits include: - the rights to use a new Host Destination Ashes Brand, branding and advertising opportunities at the ground and in Glamorgan CC publications and website, opportunities to host key business contacts at Glamorgan matches, and a range of promotional benefits around the Test match itself.

Benefits have also been negotiated that will aid the Welsh Assembly priorities beyond economic development. These benefits and opportunities will be used to aid the sports participation and health agendas.

Action Point: The Minister would provide a note on what information could be provided to the Committee in relation to fraudulent claims, because of the constraints of commercial confidentiality.

Fraud within DEIN and the wider Assembly Government is rare. Within DEIN all cases are brought to the attention of the Corporate Governance Committee which considers any lessons that can be learned. If necessary I can arrange for a report on the issue to be included as part of my annual performance report to the Committee.