

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

Dirprwy Ysgrifennydd Parhaol • Deputy Permanent Secretary

Nick Ramsay AM
Chair, Public Accounts Committee
National Assembly for Wales

SeneddPAC@Assembly.Wales



Llywodraeth Cymru
Welsh Government

16 June 2017

Dear Mr Ramsay

I have been invited to attend the Public Accounts Committee meeting at 2pm on 26 June, at which time the Committee's focus will be the Auditor General for Wales' report on the Welsh Government's initial funding of the Circuit of Wales project. I have been asked to provide a paper outlining the latest position regarding the project in advance of the Committee evidence session.

The Circuit of Wales has been a complex and fast moving project, and the First Minister recently confirmed that Cabinet would be taking a decision on the project by the end of the month.

The Cabinet Secretary for Economy and Infrastructure issued a Written Statement on 17 May confirming that the Welsh Government had received all outstanding information from the Heads of the Valleys Development Company (HOVDC). Since then, officials have been considering in detail the project submission from HOVDC, and have been undertaking a rigorous process of due diligence on the proposal itself, as well as the directors behind the project.

As you know, due diligence is an important part of consideration in financing any project. Members of the Committee will be assured to know that we are taking this opportunity to ensure there is a sustainable and robust business plan in place, to safeguard the interests of the taxpayer and ensure there is an equitable sharing of the risk between the private and the public sectors.

It would be inappropriate to provide more information on the project for the Committee to consider in advance of the due diligence process being satisfactorily completed, and in advance of Cabinet's consideration of the project.

Yours sincerely

A handwritten signature in black ink that reads "James Price".

James Price



BUDDSODDWYR | **INVESTORS**
MEWN POBL | **IN PEOPLE**

Canolfan QED • QED Centre
Y Brif Rodfa • Main Avenue
Trefforest • Treforest
Pontypridd, CF37 5YR

Ffôn • Tel 0300 025 6646
james.price@wales.gsi.gov.uk
Gwefan • website: www.wales.gov.uk