

I apologise for the delay in replying, but the transcript appears accurate.

I would like to add a few comments to the evidence I gave to the PAC on November 19th.

1. Re-reading the notes I made of the papers I was shown by civil servants prior to my giving evidence, I see that the briefing for me as a Minister dated 27th February 2007 (MB/AD/0197/07) was copied to Gareth Hall, Director of DEIN; Sharon Linnard, Director of (I believe) Invest Wales within DEIN; [REDACTED], [REDACTED]

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2. I would like to re-iterate the point I made in the evidence I gave to the Committee about not wanting "strong Regions." Officials will often hide behind or justify decisions on the basis of "that was what Ministers wanted." For the avoidance of doubt, this was not what I wanted as DEIN Minister in 2007. In fact I had ordered a review of all the regional structures and organisations, (e.g. Regional Economic Fora; Regional Tourism Partnerships; Regional Transport Consortia, etc.) because in my view there was a huge amount of duplication and fragmentation. For example, the view of the CBI Wales at the time was that this complexity led to confusion and diminution of effort, was difficult and time consuming for social partners, especially the private sector, to service and that they were in favour of the abolition of the Regional Economic Fora. I fully agreed with this position and after this review my intention was to rationalise the partnerships and, while maintaining a regional presence, downgrade their influence. A small country such as Wales does not, in my mind, require such complexity in structures.

3. I believe strongly that a robust Corporate Governance system does not require a hugely complex, detailed compliance and process orientated system. However, as I said in my oral evidence session, the danger of such a complex system is that it can lead to a very time-consuming process based on a tick-box mentality and make Government decision-making very slow, unresponsive and increasingly risk averse. There is a real danger after each occasion such as Powys Fadog and AMEMA, the pendulum swinging even further towards systems that are increasingly complex and risk averse. Good and effective corporate governance depends on officials being trained and skilled in robust, transparent and accountable risk assessment. A system based on a tick box process culture does not encourage effective risk assessment, with the outcome being government decision-making which is increasingly slow, complex and based on compliance.

I hope that is helpful.

Best wishes,

Andrew