

Wales Millennium Centre

Supplementary Statement pursuant to Standing Order 21.22.

I am pleased to note that the WMC Company, which is responsible for this project, reports that the construction work remains on budget, and on time for the opening night on November 26th this year.

In May 2003 I authorised a Notifiable Transaction under what was then Standing Order 19.13, but is now Standing Order 21.16. The Notifiable Transaction involved a transaction falling within Standing order 19.16, now Standing Order 21.19, namely the guarantee of a loan to the Wales Millennium Centre Ltd.

The estimated amount of the liability was £10 million. The estimated duration of the liability was from November 2003 till November 2004. The reason for incurring the liability and the bodies involved were set out in my statement of 6th June 2003, and remain the same.

The Wales Millennium Centre Ltd. has an outstanding capital fundraising target to complete the development of over £3.5 million. The overall cashflow position has been much improved by the very generous donation of £10 million from Donald Gordon. Much of this donation is, however, committed to revenue and will have significant positive impact on the business plan post-opening.

Because of the remaining capital fundraising shortfall, and the timing of the income from the capital allowances, I am now advised that the £10 million guarantee will need to be exceeded at the end of July 2004 with a potential peak requirement for borrowing of over £13 million by October 2004.

I therefore propose to authorise a change to the amount of the liability (£10 million) that the Welsh Assembly Government is currently guaranteeing. I propose to increase the amount of the liability to £14 million but that the estimated duration to November 2004, remains the same.

I will make an oral statement in the early autumn in the run up to the opening night to provide an update on the project, the opening weekend and the programme.

Alun Pugh
Minister for Culture, Welsh Language and Sport