



Llywodraeth Cymru
Welsh Government

WRITTEN STATEMENT BY THE WELSH GOVERNMENT

TITLE **Regeneration Investment Fund for Wales**

DATE **07 February 2013**

BY **Huw Lewis, Minister for Housing Regeneration and Heritage**

The purpose of this statement is to inform Members of action I am taking with regard to the activities of the Regeneration Investment Fund for Wales. In Autumn 2012 the Wales Audit Office (WAO) announced that it was undertaking a value for money study into the disposal of land assets vested in the Fund by the Welsh Government. This was followed by a further announcement by the WAO that it was broadening the scope of its study to encompass the aims, governance and operations of RIFW, including its ongoing business, together with consideration of the effectiveness of the Welsh Government's oversight arrangements for the Fund. Following this widening of the WAO investigation the Welsh Government instructed Amber Fund Management who manage the Fund on our behalf to pause the Fund's activities.

In order to minimise the disruption this is causing to the Fund's business and its pipeline of regeneration projects, I am today announcing two reviews into specific aspects of the Fund's activities that will be commissioned by the Welsh Government. The first review will be a peer review of the process by which the Fund disposed of the land assets vested in the Fund by the Welsh Government. The Auditor General's letter to Byron Davies in October made it clear that this was an important focus of the value for money exercise to be conducted by the WAO. My officials have been working closely with the staff of the WAO as they conduct their investigation. I am pleased that the WAO have agreed to the peer review being commissioned by the Welsh Government, but in such a way which will enable the outcome of our review to also provide evidence for the wider exercise being conducted by the WAO.

I am also commissioning an internal review of the Fund's activities and our oversight of it during the period which included the land disposal. The purpose of the review will be to identify whether there are early actions we might take to enable its activities to recommence. Once again this review will be conducted with the agreement of, and in close cooperation with, the WAO. My intention in commissioning both these reviews is to remove the uncertainty which currently surrounds the Fund's activities as a result of the WAO investigations as quickly as possible.

I would like to acknowledge the continued cooperation of Amber the Fund Managers during this period. It is important that we can maintain as wide as possible a range of innovative investment mechanisms such as RIFW as we respond to the challenge of supporting regeneration projects and promoting growth and jobs. I will provide a further statement on the Fund in due course.