# WRITTEN STATEMENT

# BY

# THE WELSH GOVERNMENT

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| **TITLE** | **Managing Welsh Public Money - M4 - Write down of value of assets owned by the Welsh Government** |
| **DATE** | **15 July 2020** |
| **BY** | **Ken Skates, Minister for the Economy, Transport and North Wales** |

I wish to inform Members that, in accordance with the principles enshrined in Managing Welsh Public Money, I have agreed to write off part of the costs incurred by the Welsh Government from the value of works following the decision not to proceed with the M4 corridor around Newport scheme.

In accordance with standard accounting procedures and the review of the value of assets which should be undertaken, this decision will be included in the Welsh Government accounts for 2019/20.

In respect of the M4 scheme, expenditure was incurred on development work including environmental surveys, ground investigation data and transport models that, although generated in relation to works to the motorway, cover a wide area of South East Wales.

Some of this material is currently being used by the South East Wales Transport Commission and its value could therefore be realised through its use on a range of other potential infrastructure projects or programmes and has a potential future value. Included in the remaining costs are significant amounts on land and buildings acquired as part of the development work which also have a future value.

The reduction in value of historic expenditure relating to the M4 Corridor around Newport Project and the preceding ‘M4 Corridor Enhancement Measures Programme’, has been assessed as £43.1m. Written off costs are for activities that have no future use, for example the administration costs of the Public Inquiry.  The remaining costs will be reviewed periodically going forward, as required by Managing Welsh Public Money, to ensure they still represent future value.