

Economy, Trade and Rural Affairs Committee

Senedd Cymru

21 January 2026

Dear Chair and Members of the Committee,

We are writing on behalf of the Board of Sector Development Wales Partnership (trading as Industry Wales) to provide the Committee with an update on recent developments relating to the Welsh Government Review of Industry Wales and the subsequent decision to dissolve the organisation.

Given the significance of this decision for Wales's industrial landscape, workforce, and sector engagement arrangements, the Board considered it appropriate to ensure the Committee is sighted on the sequence of events, the concerns raised to date, and the documentation now available.

Context and recent developments

As the Committee may be aware, the Cabinet Secretary for Economy, Energy and Planning laid a Written Statement before the Senedd on **2 October 2025** announcing the decision to dissolve Industry Wales. That Written Statement was explicitly based on the recommendations of a Welsh Government Review undertaken during mid-2025.

The Written Statement was the **first formal notification** received by Industry Wales staff and Board members that a decision had been taken. The Board did not have prior sight of the Review that informed the Written Statement and did not receive a copy of the Review until **19 January 2026**, more than three months after the statement had been laid before the Senedd.

During this period, and **prior to receiving the Review**, the Board wrote formally to the Senedd's **Finance Committee** and **Public Accounts and Public Administration Committee**, as well as to the **Cabinet Secretary for Economy, Energy and Planning**, to raise concerns regarding process, access to

information, and the absence of Board engagement. These letters are included in the attached pack to provide transparency and to demonstrate the chronology of engagement before the Board was able to scrutinise the Review itself.

The Board further notes that the Review was only provided following correspondence with Senedd scrutiny committees earlier this month, which was subsequently forwarded to Welsh Government officials.

While the Board does not seek to draw conclusions from this sequence, it considers it important context for the Committee's understanding that the Written Statement announcing dissolution was made on the basis of a Review to which the Board had no access at the time and no opportunity to scrutinise, respond to, or contextualise.

Since receiving the Review, the Board has undertaken detailed scrutiny of its findings, methodology and conclusions. While the Board accepts the Review's diagnosis that historic governance arrangements and remit clarity required reform, it has raised concerns that the evidence presented does not sufficiently support the preferred recommendation, nor does it fully reflect the corrective action already undertaken by the current executive team.

Purpose of this correspondence

This correspondence is not intended to seek a particular outcome from the Committee, but to:

- ensure Members are sighted on the **process and timing** surrounding the Review and decision;
- highlight **substantive concerns about evidence, methodology, remit coverage, workforce impacts and transition planning**; and
- provide the Committee with a clear, navigable pack of relevant documents should it wish to consider these matters further.

Documents enclosed and confidentiality

For ease of reference, the Board is providing the following documents as a single pack:

1. **Welsh Government Review (March 2025): Sector Development Wales Partnership (trading as Industry Wales) Review – Final Report**

The Review undertaken during 2025 which informed the Written Statement of 2 October 2025.

Shared with the Committee in confidence.

2. **Board letter to Senedd scrutiny committees (January 2026) – Finance Committee and Public Accounts and Public Administration Committee**

Correspondence sent prior to the Board receiving the Review, raising concerns regarding process, access to information, governance context and transition planning.

Already a public document

3. **Board letter to the Cabinet Secretary for Economy, Energy and Planning (January 2026)**

Correspondence sent prior to the Board receiving the Review, setting out concerns regarding process and seeking transparency and engagement.

Shared with the Committee in confidence.

4. **Board submission / briefing paper to the Senedd Committees (January 2026)**

A fully referenced Board paper analysing the Review's findings and conclusions, including where the Board believes the evidence does not sufficiently support the preferred recommendation.

Shared with the Committee in confidence.

5. **Board's formal response to the Cabinet Secretary (January 2026)**

The Board's formal response to the Review following receipt on 19 January 2026, addressing process, methodology, remit coverage, workforce impacts and transition risk.

Shared with the Committee in confidence.

Welsh Government officials have indicated that they are expecting a **formal request from the Committee** for the Review. Should the Committee choose to make such a request, the Board understands that the Review would then enter the public domain, at which point the accompanying briefing paper and correspondence could also be released publicly **if the Committee judges that appropriate.**

Members may find it helpful to read items **(4)** and **(5)** first, as these provide the Board's consolidated analysis and formal position, with the Review included at **(1)** for cross-reference.

Closing

The Board remains committed to engaging constructively with Senedd scrutiny and to supporting a clear understanding of the issues arising from this process. We would, of course, be happy to provide further clarification or oral evidence should the Committee consider that helpful.

Yours sincerely,



Professor Keith Ridgway
Chair, Industry Wales



Dr Jenifer Baxter
Chief Executive, Industry Wales

On behalf of the Board

Sector Development Wales Partnership

(trading as Industry Wales)

Annex A: Chronology of Key Events – Industry Wales Review and Decision

Date	Event	Notes / significance
Early–Mid 2025	Welsh Government Review of Sector Development Wales Partnership (Industry Wales) conducted	Review commissioned and interviews undertaken. Industry Wales Board was not formally consulted on emerging findings or options during this period.
Mid-2025	Review analysis completed	Review included AI-assisted synthesis of interview material. Board did not have sight of outputs, methodology, or draft conclusions.
2 October 2025	Written Statement laid before the Senedd by the Cabinet Secretary for Economy, Energy and Planning	Statement announced the decision to dissolve Industry Wales. This was the first formal notification received by Industry Wales staff and Board members.
2 October 2025	Written Statement explicitly based on the Review's recommendations	Decision announced before the Review was shared with the organisation most directly affected by its conclusions.
October–December 2025	Post-announcement period	Industry Wales Board and staff had no access to the Review, limiting ability to understand the evidence base, rationale, or proposed transition arrangements.
Early January 2026	Board writes to Senedd Finance Committee and Public Accounts and Public Administration Committee	Correspondence raised concerns regarding process, evidence, governance context, workforce impacts and absence of transition planning.

Date	Event	Notes / significance
Mid-January 2026	Correspondence forwarded to Welsh Government officials	Committees shared Board correspondence with officials for awareness and response.
19 January 2026	Welsh Government Review provided to Industry Wales Board	First time the Board received the Review that informed the Written Statement — more than three months after the decision was announced publicly.
Late January 2026	Board undertakes detailed analysis of the Review	Scrutiny included human review and triangulated analysis using multiple AI tools to test evidential robustness and options appraisal.
January 2026	Formal Board responses issued	Letters sent to Senedd scrutiny committees and the Cabinet Secretary setting out concerns regarding evidence, methodology, remit coverage, audit context, workforce impacts and transition risk.
January-February 2026	Ongoing engagement and documentation sharing	Board provides further material to support transparency, accountability and scrutiny, including audit outcomes and governance improvements.
31 March 2026	Planned cessation of Industry Wales	Industry Wales is scheduled to cease operations at the end of March 2026, underscoring the urgency of resolving outstanding issues relating to transition, workforce support and continuity of remit.