

FIN(4)FW034
Finance Wales Inquiry
Response from Broomfield & Alexander

When I was interviewed by Professor Jones Evans I made comments such as:

- Had Finance Wales not existed then SMEs would have found it much more difficult to raise funding in the last 3 years;
- Whilst they are expensive they provide gap funding and the expense is not the barrier it is the access that SMEs need and Finance Wales have in many cases provided that;
- Finance Wales must continue to be commercial so as to create a sustainable fund – they have now got a better loan book than they did 5-10 years ago as they were lending when the banks were not.

I also commented to colleagues at the time that I felt that the Professor appeared to have an issue with the cost of Finance Wales loans and asked some leading questions that suggested to me that he may not be their greatest ally.

I am a little concerned that this impression I had is now reflected in a report suggesting that Finance Wales may not be fit for purpose and should possibly be brought into Welsh Government. This strikes me as a political statement rather than one reflecting my experience of Finance Wales. I appreciate that I am one person consulted and other views of Finance Wales are held and will have been expressed.

However, the clients that I have helped raise funding in the last few years were much more frustrated by the protracted processes involved with raising grants such as the recent rounds of the Wales Economic Growth Fund than they were with Finance Wales.

I personally feel that the conclusion does not reflect my experience.

I hope this feedback is useful.

Regards

Seamus Gates
Director
Broomfield & Alexander