



Ein cyf/Our ref KS/01219/20.

01 April 2020

Dear Llyr and Russell,

Thank you for your letter of 4 March.

We are aware of concerns regarding the operation of retentions and we expect public clients and main contractors to utilise such arrangements responsibly.

As you acknowledge from your own findings in your letter, the problems relating to retention payments are entrenched and complex. UK government's Department for Business Energy and Industrial Strategy (BEIS) are taking the lead on deliberations and are continuing discussions with key stakeholders in the construction industry to develop alternatives to cash retentions.

We are in contact with BEIS who are keeping us informed of developments and to ensure that any replacement for retentions will work for us in Wales.

Yours sincerely,

Ken Skates AC/AM
Gweinidog yr Economi, Trafnidiaeth a Gogledd Cymru
Minister for Economy, Transport and North Wales

Canolfan Cyswllt Cyntaf / First Point of Contact Centre:
0300 0604400

Bae Caerdydd • Cardiff Bay
Caerdydd • Cardiff
CF99 1NA

Gohebiaeth.Ken.Skates@llyw.cymru
Correspondence.Ken.Skates@gov.wales

Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.