

Witness Name: Stuart John Walters

Statement No.: M9/R9R/SW

Exhibits:

Dated: 21/10/2025

UK COVID-19 INQUIRY

WITNESS STATEMENT OF Stuart John Walters

I, Stuart John Walters, will say as follows: -

1. I have been a local government officer in Carmarthenshire County Council since April 1996, holding various managerial roles since 2003 holding the position of Economic Development Manager since 2016. I have a BSc. Hons Degree (2:1) in City & Regional Planning (University of Wales Cardiff), a Post Graduate Diploma in Town Planning (University of Wales Cardiff), and a Post Graduate Certificate in Professional Practice Leadership in Public Service with Merit (University of Wales Trinity Saint David) and am a Member of The Royal Institute of Chartered Town Planners (MRTPI.)
2. There was a specific structure set up for interactions between local authorities and the Welsh Government regarding the economic response to the pandemic. It involved economic development staff from local authorities across Wales and officials from the Welsh Government. The Welsh Local Government Association (WLGA) were integral and acted as the conduit in coordinating activity. An economic development officers network meeting was in place before 1 January 2020. The structures differed during the pandemic in that the network focused on how to best provide grant support to businesses, whereas prior to the pandemic the network was used to provide general economic development activity updates. Meetings also became more frequent during the pandemic. I believe the structure was suitable and effective in the economic response to the pandemic.

3. As far as I can recall, I was in contact with Huw Bryer and Rhys Morris, officers within the Welsh Government.
4. My relationship with Huw Bryer and Rhys Morris was very good and got stronger over the course of the pandemic.
5. From my perspective the delineation between Ministers and departments in the Welsh Government and responsibilities between the Welsh Government and local government were very good. I personally was not aware of any overlap, duplication or confusion. On reflection I don't believe clearer zones of responsibility would have improved the economic response as from my perspective responsibilities were well defined. To improve in response to any future pandemic I would suggest that systems and processes are drafted in advance of any future crisis. The experiences of officers and officials should be captured to develop a system so that we are better prepared for any similar future scenario.
6. Personally, I was consulted in the decision making on the timing and amount of funding through the WLGA. I believe local authorities were adequately consulted in the decision-making process.
7. I felt that the Welsh Government provided the right amount of funding to local authorities. My understanding and recollection are that the Welsh Government calculated funding allocations to each local authority based upon set formulas, which included data on business numbers, business types etc. At the time, I was not aware that local authorities built up reserves over time or there was potential for overcompensation. I don't think I should have appreciated the position of other local authorities as I was concentrating on delivering business support in Carmarthenshire and appreciated the position in Carmarthenshire. From my recollection funding was released in phases and targeted those affected and estimates were improved in later funding rounds based on learning from earlier tranches. Regular monitoring of spending was provided to the Welsh Government, by local authorities, and the levels of funding were refunded or indeed reduced/ increased between funding rounds to reflect actual previous round spending levels and the targeted businesses. I can't think how more accurate estimates of funding requirements could be achieved in the future. In my opinion the suggestion that

financial penalties for substantially inaccurate estimates would improve accuracy is simply not beneficial. Public bodies were working in crisis mode to deal with an unprecedented situation. As far as I was concerned, we were all working with the interests of businesses at heart and penalties would have added unnecessary pressure to an already stressful situation.

8. I believe Carmarthenshire County Council was adequately funded and the formula for allocating funding to local authorities was reasonable. To improve the allocation of funding in response to any future pandemic, I would suggest a jointly developed formula be worked up in advance of any future similar situation based upon the experiences of the last pandemic. The reason for this is that such a joint formula would then reflect the experiences of relevant stakeholders during the pandemic, providing a fair and balanced approach which could be implemented immediately when required in the future.
9. In my opinion, the certainty of funding regarding the amount and timing of funding was sufficient and didn't hamper our ability to plan strategically. As nobody knew how long the pandemic would last or indeed the effects the pandemic would have on business forced closures, it was inevitable that the levels of funding and the timing of new funding mechanisms were often a reaction to changing circumstances and unavoidable. I can't offer any recommendation as to how this could be done differently in the future.
10. From my perspective, communication between Welsh Government communications with local authorities was adequate. I can't offer any recommendations as to how communication could be improved for the future.
11. In my opinion, the guidance provided by the Welsh Government to local authorities regarding the use to which funding should be put was sufficiently clear and flexible. Scenarios were acted out with experiences shared between organisations as to how to deal with circumstances. Practical examples of live situations were shared between Local Authorities and the Welsh Government in the meeting coordinated by the WLGA. Unfortunately, I can't recall specifics of exactly what scenarios were acted out. Local authorities worked within set guidelines but there was a level of

local discretion. I can't offer any improvements how such guidance could be improved in the future.

12. I can't recall what action the Welsh Government carried out in monitoring the finances of local authorities and what they did in auditing their spending. As such I am unable to comment on the question.

13. Speaking from my knowledge of events in Carmarthenshire, I believe the level of resources, skills and capacity to manage the economic response at a local authority level was stretched, but overall, we did have sufficient capacity. Although we had dedicated resources that had the appropriate skills to deal with business support in normal circumstances, the number of applicants supported in such a short period was unprecedented, and Carmarthenshire repurposed staff to increase capacity to deal with the number of applications. The Welsh Government provided financial support to underpin local authority staff resources, but at the time it was difficult to recruit staff from outside the organisation. In my view, I think it may have been prudent to investigate the possibility of mobilizing some of the Welsh Government staff resource and their contracted business support agencies to assist local authorities in creating capacity with appropriate skills in business grant support.

14. Personally, I was consulted in the decision making regarding how to deliver Business Grant schemes and believe that Carmarthenshire County Council was adequately consulted in the decision-making process.

15. The local authority mitigated the risk of irregular payments made through the grant scheme (fraud and error) by keeping track and monitoring allocations to businesses, ensuring there were no duplications in payments that applicants received. I don't know what could have been done differently or better to mitigate against the risk.

16. As far as I am aware Carmarthenshire County Council were not involved in recovering irregular payments up until 28 June 2022. I have no knowledge of the way in which the Welsh Government set about recovering irregular payments and as such cannot provide comment or recommendations on the matter.

17. As stated in paragraph 13 above, resources were stretched to deliver the business grant schemes but overall, we did have sufficient resources, skills and capacity to administer the grant schemes. The Welsh Government provided financial support to administer the funds and provided support in working through application scenarios and providing clarity on difficult cases. Knowledge sharing between local authorities via the WLGA network was also beneficial to work through difficult application cases. I don't know what else the Welsh Government could have done.
18. I believe our authority was provided with adequate funding for the additional responsibilities in relation to the implementation, delivery, reconciliation and assurance requirements related to the business grant schemes. I can't offer any recommendations as to what could have been done better.
19. In my opinion, the set of grant schemes we were asked to deliver on behalf of the Welsh Government was not too complex as the guidelines were simple and the claims process streamlined.
20. I don't believe the grant schemes were unequal in their impact as they were open to all businesses affected by the pandemic, and I am unaware that grant schemes failed to benefit some businesses. I believe the way in which the support was designed and targeted reflected the impact the pandemic was having on businesses at certain points during the crisis. To my knowledge I was unaware that certain economically vulnerable groups were unable to access the grant schemes. I don't believe more could and should have been done to address inequalities and economically vulnerable groups in the design and delivery of the grant schemes.
21. I don't believe there was anything that should have been done differently in the design of the grant scheme.
22. Personally, I believe the schemes were adequately targeted at businesses in their time of need. Different business funds were introduced at different times, sometimes targeting specific sectors who were being adversely affected by covid market conditions.

23. I personally don't know of a mechanism that was included for businesses to return the grants they received in circumstances where they did not need financial support. It may have been prudent to have included such a mechanism.
24. From my perspective the grant schemes did achieve their aim in providing financial support to businesses that needed assistance and kept many businesses alive during a time of financial hardship.
25. I believe that the schemes provided good value for money. The mechanism of delivery used existing staff resources who had local knowledge and experiences of the local business community and used existing tried and tested systems of disseminating financial support directly to businesses. Not providing the schemes would have been devastating to the local economy.
26. I believe there is a need to run mock scenarios of a whole system civil emergency specifically relating to how we would support businesses in any future emergency and involve businesses to be part of the mock scenario.
27. From recollection, as the business grant schemes were open to all I didn't feel inequality was an issue at the time of business support development and delivery with press releases relating to schemes were sent out via our normal corporate communication channels. To address inequalities with differing levels of IT skills we offered businesses the opportunity to apply through hard copies rather than just electronic processes, this ensured the reach was more holistic.
28. Upon reflection I feel in the future it may be prudent to explore what areas may have been disadvantaged (if any) in the previous pandemic and develop targeted mechanisms to address such issues such as different channels of communication, different languages, easy to understand forms, different media channels etc. etc.

Statement of Truth

I believe that the facts stated in this witness statement are true. I understand that proceedings may be brought against anyone who makes, or causes to be made, a false

statement in a document verified by a statement of truth without an honest belief of its truth.

Signed:

Personal Data

Dated:

21/10/25

