

Vaughan Gething MS
Minister for Economy
Welsh Government

Dyddiad | Date: 23 September 2021

Pwnc | Subject: **Impact of the sale of Bad Wolf**

Dear Vaughan,

As discussed in the Committee meeting on Wednesday 15 September 2021, the Committee wishes to better understand the implications of the sale of production company Bad Wolf on the creative industry sector in Wales and the Welsh Government.

Bad Wolf is one of the leading television production companies in Wales and understanding the impacts of its sale is of utmost importance to the Committee. To this end, the Committee would welcome answers to the following questions:

- During the Committee meeting you noted that over £8.5 million has been paid out against the original £9 million award to the company. Could you confirm how this funding was split between grants or loans?
- Does the Welsh Government expect to recoup any outstanding funds, be it in the form of loans or grants, when the sale of Bad Wolf is completed?
- Can you provide details of any other current contractual agreements between the Welsh Government and Bad Wolf, and the extent to which these commitments have been fulfilled?
- Can you confirm what arrangements exist, if any, between the Welsh Government and Bad Wolf with regards to the ownership of Wolf Studios Wales? If any arrangements exist, what income has this generated for the Welsh Government in the past five years?
- During the Committee meeting, you noted the positive supply chain impact that Bad Wolf has had on the Welsh economy. Could you provide an estimate of the number of direct and

indirect jobs created as result of Bad Wolf's operations? Could you also provide an estimate of the total economic impact of Bad Wolf on the Welsh economy?

- Can you confirm the amount (both in pounds and as percentage) of Bad Wolf's "below the line" production budget spent in Wales over the last five years?
- What commitments will you be seeking with any potential owner of Bad Wolf that it will maintain its Welsh operation, including maintaining its operations at Cardiff Bay?
- Do you have any concerns arising from the sale that the potential new owner may choose to move production to other low cost locations or those areas which may provide better funding incentives?

In order to inform the work of the Committee I would be grateful for a reply by 7 October 2021.

Yours sincerely,



Delyth Jewell MS

Chair

Culture, Communication, Welsh Language, Sport and International Relations Committee

c.c. Dawn Bowden MS, Deputy Minister for Arts, Sport and Chief Whip

Croesewir gohebiaeth yn Gymraeg neu Saesneg.

We welcome correspondence in Welsh or English.