



Nick Ramsay AM  
Chair  
Public Accounts Committee  
National Assembly for Wales  
Cardiff Bay  
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22 November 2018

Dear Chair

### **Pinewood Studios**

During the Public Accounts Committee evidence session on 5 November, I agreed to provide the Committee with further information on a number of points. The actions were recorded as follows:

- a note explaining the composition of the Media Investment Budget of £42m
- detailed figures of all revenue for Pinewood Studio Wales for the last financial year when the final position is known
- a timeframe for the proposed renovation of the Grade II listed farmhouse together with all costs incurred to date on maintaining the building and costs of proposed renovation.

I will address each of these points in turn.

### **Composition of the Media Investment Budget of £42m**

During our discussions, I explained that the verifiable Welsh spend through a combination of having the Media Investment Budget and the broader collaboration agreement with Pinewood in place was just over £40 million – £42million – and I agreed to let the Committee have a note on how the £42 million was compiled. I can confirm that the combined spend is now in excess of £44 million, and the tables that follow provide a clear breakdown of how that spend is accounted for.

These tables include the individual investments and the resulting Welsh spend for projects supported by the Media Investment Budget, and an overview of the additional projects brought to Wales as a result of the collaboration agreement with Pinewood. The two key figures to note are the total Welsh spend to date in tables 3 and 4 (£18,218,135 and £26,105,556 respectively).

Table 1: Projects funded by the Media Investment Budget under the management of Pinewood

Project	Investment Value (£)	Welsh Spend to Date (£) <sup>7</sup>
Take Down	3,144,000	1,089,000
Their Finest	2,000,000	1,618,075
The Collection	1,750,000 <sup>1</sup>	5,186,676
Show Dogs	1,565,789 <sup>2</sup>	4,338,192
Journey's End	850,000	903,006
Don't Knock Twice <sup>3</sup>	629,516	640,557
Minotaur <sup>4</sup>	25,500	N/A <sup>4</sup>
Lionel the First <sup>4</sup>	25,000	N/A <sup>4</sup>
<b>Total</b>	<b>9,989,805</b>	<b>13,775,506</b>

<sup>1</sup> The investment value includes £600,000 of grant funding from the Media Investment Budget.

<sup>2</sup> The investment value includes £361,842 of grant funding from the Media Investment Budget.

<sup>3</sup> Don't Knock Twice also received £75,000 of grant funding under the Welsh Government's Business Finance scheme.

<sup>4</sup> Development funding does not include a Welsh Spend commitment.

Previously the figures included "Jack Staff" at £25,000 but this funding was not in the event drawn down so has been removed.

Table 2: Projects funded by the Media Investment Budget under the management of the Welsh Government (since [1<sup>st</sup> November 2017])

Project	Investment Value (£)	Welsh Spend to Date (£) <sup>7</sup>
Trampires <sup>5</sup>	2,000,000	1,620,701
Eternal Beauty <sup>6</sup>	1,050,000	0 <sup>6</sup>
Bang	350,000	2,561,928
Tiny Rebel	317,500	260,000
Goose Green <sup>4</sup>	25,000	N/A <sup>4</sup>
True Believers <sup>6</sup>	621,500	0 <sup>6</sup>
Six Minutes To Midnight <sup>6</sup>	750,000	0 <sup>6</sup>
<b>Total</b>	<b>5,114,000</b>	<b>4,442,629</b>

<sup>5</sup> Trampires also received £652,572 of grant funding under the Welsh Government's Business Finance scheme which achieved a Welsh Spend of £6,546,501.

<sup>6</sup> In production or production has only recently completed<sup>7</sup> Welsh Spend is defined as; Expenditure on goods and services supplied by businesses and individual freelancers located in and operating from or within Wales, evidenced by way of an independent Accountant's report.

Table 3: Overall Media Investment Budget Investments

	Investment Value (£)	Welsh Spend to Date (£) <sup>7</sup>
Total:	15,103,805	18,218,135

Table 4: Additional projects brought to Wales via the Collaboration Agreement with Pinewood

Financial Year of Offer	Name of Production Company (SPV*)	Production Title	Actual Welsh Spend to date <sup>7</sup>
2014/15	TCFTV UK Productions	The Bastard Executioner	£15,393,846
2014/15	Tiger Aspect Productions (Tiger Aspect (D&F) Ltd)	Decline and Fall	£2,074,145
2015/16	Heel Stone Pictures Ltd	Crossing the Border	£1,749,201
2015/16	Vertigo Television Ltd	Britannia VFX	£556,219
2016/17	New Pictures (Requiem Productions Ltd)	Requiem	£3,403,134
2017/18	World Productions (BTK 2016 Ltd)	Born to Kill	£2,929,011
		<b>Totals</b>	<b>£26,105,556.00</b>

### **Pinewood Studio Wales revenue**

Pinewood Studio Wales is currently generating an annual income of circa £100,000 inc. VAT from the Media Hub Licences on the site. 17 key supply chain companies are located at the facility including Marigold Costumes Limited, Sgil Cymru Cyf, Alpha Grip (Cardiff) Limited, Movietech Camera Rentals Limited and Oh So Small Productions Limited.

The stages, production offices and workshops have between them generated circa £427,000 inc. VAT income from the start of the agreements; 1<sup>st</sup> November 2017 to date.

### **Grade II listed farmhouse**

Specific costs incurred to date for maintaining the building stands at £642 inc. VAT. This relates to securing the premises. Officials estimate it will take three months to carry out a full assessment of the property to gauge costs and timescales of works for the proposed renovation. We will share the outcome of this assessment with the Committee.

Please do not hesitate to contact me should you require any further information.

Yours sincerely



**ANDREW SLADE**

Director General

Economy, Skills and Natural Resources