

Dawn Bowden AS/MS
Dirprwy Weinidog y Celfyddydau a Chwaraeon, a'r Prif Chwip
Deputy Minister for Arts and Sport, and Chief Whip



Llywodraeth Cymru
Welsh Government

Delyth Jewell MS
Chair
Culture, Communication, Welsh Language, Sport and International
Relations Committee

22 December 2022

Dear Delyth,

Closure of Corgi Cymru

Thank you for your letter of 28 November in which you raise a number of questions regarding the closure of Corgi Cymru. My responses to these questions are set out below.

To date, how much of the grant was spent by Newsquest on Corgi Cymru?

The funding set aside to fund a Welsh language digital news service through the Books Council of Wales is managed as a procurement contract and is not awarded as a grant.

While £400,000 over four years was awarded to Corgi Cymru through the Welsh language digital news service contract, the funding through the contract is paid in arrears based on spend. £60,000 was paid to Corgi Cymru from April to October 2022 to deliver the Welsh language digital news service during that period.

How much of the grant has been recovered?

The £60,000 will not be recovered. This was paid in monthly instalments to Corgi Cymru for services provided, and covered salary costs paid to staff and freelancers for delivery of the service during its period of operation.

The £340,000 which remains unspent from the initial £400,000 contract will be used to procure a new Welsh language digital news service contract for the remainder of the tender period through an open and competitive tender exercise.

If any portion of the grant has not been recovered, could you please outline why?

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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.

As noted above, the £60,000 was paid to Corgi Cymru to pay staff and freelancers delivering the service. The Books Council of Wales has not asked for salaries to be repaid.

What level of due diligence is undertaken by the Welsh Books Council with regards to the financial stability of grant recipients and their ability to deliver on commitments they make as part of a grant application?

Standard procurement financial due diligence processes were undertaken by the Books Council of Wales before issuing franchise contracts in November 2021 to both Corgi Cymru and Golwg360. This assessment was made in the context of the economic environment and circumstances at that time.

What review has been undertaken by either the Welsh Government or the Welsh Books Council following this issue with Corgi Cymru and what lessons have been learned? We would be grateful to see a copy of this review if it has been undertaken. If it hasn't taken place, we would be grateful if you could please outline why this has not happened.

Discussions have been held with the Books Council of Wales regarding the process by which the Welsh language digital news service contract was awarded. This was through a competitive open tender exercise, with contracts awarded following interviews and assessment by an independent expert panel in line with the criteria set out in the tender guidelines. The Welsh Government is satisfied that the procurement process undertaken by the Books Council was robust, open and fair and that the reasons for cessation of service are due to external factors and changing circumstances outside of both the Books Council of Wales and Newsquest's control. As such, no formal review is planned.

The Welsh Government recognises the importance of media plurality. We are committed to helping to facilitate a strong news environment and are taking forward a range of actions to support the ongoing sustainability of the journalism sector in Wales. This work considers the importance of media impartiality from government and journalistic integrity and the need to consider a balance of direct intervention and arms-length support, as appropriate.

The focus of this work is both local and national, across different delivery platforms and different types of media, and on sustaining the existing sector alongside developing options to improve pathways for entrants from a diverse range of backgrounds. We recognise the need for expert input into this work and continue to collaborate closely with sector representatives. This includes through the Wales Public Interest Journalism Working Group where we are working with a cross section of representatives from industry, academia, trade union and hyper-local organisations to support the long-term sustainability of Welsh and English language public interest journalism in Wales. The Working Group has highlighted and provided comment on challenges facing the sector and direction on possible areas of activity. It has inputted into the delivery of the pilot Journalism Fund which has provided support to existing local and hyper local journalism as well as assisting new entrants into the market. The Working Group has also provided advice and guidance on use of the media budget set out in the Welsh Government's Co-operation Agreement with Plaid Cymru and, through discussions, has instigated closer working relationships on public sector communications to help ensure hyper-locals involved in the distribution of local authority and public notices. The Working Group will provide recommendations on future action to support the sector in Wales by the end of the financial year.

The Welsh language digital news service is an important part of media plurality in Wales and expressions of interest have been invited by the Books Council for a new service following the closure of Corgi Cymru.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Dawn Bowden'. The signature is written in a cursive, flowing style with a small flourish at the end.

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