



Jeremy Miles MS
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Annwyl Jeremy,

I am writing following a concerning news story relating to the £200,000 donation received by the current First Minister, Vaughan Gething, and its links to the Development Bank of Wales (DBW).

In a Nation Cymru article published 20th April, 2024, titled: "Was Welsh Government loan money used to donate £200k to Vaughan Gething?" the article goes on to say:

"Companies run by a convicted criminal that bankrolled Vaughan Gething's Welsh Labour leadership campaign owe £400,000 to a bank wholly owned by the Welsh Government, newly published accounts filed at Companies House have revealed."

As the Cabinet Secretary responsible for DBW, I would ask that the following questions are given your urgent attention:

- 1) How long before 13th December 2023 did DBW agree further financing for companies associated with David Neal?
- 2) What meetings did officials from the office of the then-Economy Minister and representatives of DBW have with David Neal and representatives of companies of which he is a director before extending business finance to him?
- 3) For what reasons did DBW deem it necessary to loan a total of £400,000 to companies associated with David Neal, and for what purpose were the loans?
- 4) Since the DBW finance was extended - and secured by a debenture - when did the former economy minister become aware of the intention of David Neal to enter into a debt purchase/invoice financing agreement with HSBC bank?
- 5) What is the debenture's priority over existing charges in favour of DBW, HSBC, and the Julian Hodge Bank relating to multiple companies of which Mr Neal is director, all of which are recorded as outstanding at Companies House?

Given that the Welsh Government owns 100% of the shares of DBW, this calls into question the independence of their financing decisions, the use of public funds and the influence of the then-Economy Minister.



If the companies associated with David Neal needed to borrow £400,000, how were they then in a position to donate £200,000 to Vaughan Gething MS, who was the Minister responsible for the Development Bank of Wales, at the time?

I have sent a copy of this letter to Paul Davies MS, chair of the Economy, Trade and Rural Affairs committee, with whom the Development Bank of Wales sits for scrutiny.

Kind regards,

Samuel Kurtz MS
Shadow Minister for Economy and Energy

CC:
Paul Davies MS – Chair, Economy, Trade, and Rural Affairs Committee