

Jack Sargeant AS/MS
Y Gweinidog Diwylliant, Sgiliau a Phartneriaeth Gymdeithasol
Minister for Culture, Skills and Social Partnership



Llywodraeth Cymru
Welsh Government

Eich cyf/Your ref
Ein cyf/Our ref JS PO 133 25

Delyth Jewell MS
Chair of the Culture, Communications, Welsh Language, Sport, and International Relations
Committee
SeneddCulture@senedd.wales

28 March 2025

Dear Delyth,

Thank you for your letter and the ongoing interest of the Committee in the development of the games industry in Wales. As you know, I am excited by the potential of this sector, both in terms of the economic benefits of potential growth and opportunities for people to work in skilled creative technical roles, and the opportunities of representing Welsh culture and language in video games made here.

Thank you for sharing with me a summary of the opportunities and challenges identified at your stakeholder engagement event. Creative Wales officials will review these and take them into account when planning our work for 2025-26 and beyond.

In terms of the ongoing strategy for the development of the games sector, I am sure you will be pleased to have seen the recent appointment of games executives with significant experience of the sector to the Creative Wales Non-Executive Board. These include Tom Daniels, CEO of Rocket Science and Will Humphrey at Sugar Creative, whom I believe took part in your event. Both Tom and Will bring international reach and a depth of knowledge that the community in Wales can tap into. These industry representatives will provide the Board and the wider sector with an insight into the sector, including on how it is changing following recent challenges such as job losses in some parts of the industry. These insights will help in an industry seeing increased automation and still dealing with the shifts and wider dynamics following the post pandemic slowdown as you mention in your letter.

We believe Wales is well placed to respond to these challenges and indeed benefit from these changes. This will be achieved by supporting opportunities to help smaller studios to grow sustainably, drawing on our ability to develop multilingual and culturally based games, and growing our emerging interactive game genre to name a few. We are also well placed to draw more benefits from our established University programmes that support the industry in Wales, and to encourage crossover, both technically and creatively, between our world class screen industry into the world of games development.

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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.

We are under no illusion that growing and maintaining a healthy games industry is not without challenges, including the global pressures of competition in the sector, coupled with increasing automation and frequent business closures. That is why the funding and support that we give to the sector, via Creative Wales, is targeted at medium to long term sustainable growth. In particular, our development funding provides early-stage finance, as well as our recent scale up funding. We will also continue to explore opportunities for commercial finance, this will include discussions with the Development Bank. We will also be expanding the international reach of our activities in games, as well as our specialist business support for games via accelerator programmes.

There are a range of initiatives planned for 2025-26, including further prototype and scale up support, specialist games business support and of course a continued focus on international markets, including the USA. As you might have heard, I spent last week attending the Games Developer Conference in San Francisco along with 15 companies from the sector. I was really pleased to see the level of exposure to the industry our representatives got, the warm reception that the Welsh stand had at the trade show and to see the Welsh delegation making a great impact across the side events, meetings and seminars. I was particularly pleased to join the British Ambassador to the United States, Lord Peter Mandelson last week and hear him speak so positively about the Welsh games industry. At GDC I met with senior representatives from Playstation, Niantic and Lucasfilm to hear their thoughts on growing the industry in Wales.

Of course, in a business driven by 'hits', we also need to celebrate the successes we do have, and build upon them, which is why we were very pleased with the exposure the industry had in terms of Welsh made games in the Summer of 2024. We hope for many more.

Regarding the development of a formal strategy, at this time our focus is on continuing to take fast actions to grow the sector, developing programmes that can draw on immediate opportunities. We will of course take into account the areas you mention – funding, workforce development and infrastructure in these plans and I look forward to engaging with the Committee on the growth of this sector in the future and would welcome any inquiry the Committee may wish to undertake in its forward work programme.

Yours sincerely,

A handwritten signature in black ink that reads "Jack Sargeant". The signature is written in a cursive style and is underlined with a single horizontal line.

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