

BCR 05

Y Pwyllgor Cymunedau, Cydraddoldeb a Llywodraeth Leol
Communities, Equality and Local Government Committee

Ymchwiliad i'r Adolygiad o Siarter y BBC

Inquiry into the BBC Charter Review

Ymateb gan: Dame Rosemary Butler AM Presiding Officer

Response from: Dame Rosemary Butler AM Presiding Officer

Christine Chapman AM
Chair
Communities, Equalities & Local Government Committee
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29 October 2015

Dear Christine

Inquiry into the BBC Charter Review

I welcome the opportunity to contribute my thoughts to this inquiry. I believe that the BBC Charter Review offers a particular opportunity to highlight the deficit of current media coverage on Welsh affairs and Welsh life; and to consider how the BBC can ensure that Wales is properly reflected in both the organisation's future output and governance.

You may be aware that I have been campaigning on this particular issue through my "Addressing the Democratic Deficit in Wales" campaign, and you may also want to consider, as evidence, a speech I gave on the [BBC's relationship with Wales](#) at the Pierhead in 2014.

I have also recently submitted evidence to the House of Commons Culture, Media and Sport Select Committee on the same issue, as I believe it is of paramount importance that Wales' voice is heard in this Charter Review process.

The future role of the BBC in Wales is, I believe, of central importance in ensuring that the people of Wales are fully engaged with the democratic process and I am pleased that the committee has agreed to undertake this important body of work.

The points I have raised below address the consultation points suggested by your committee, and are grouped around:

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Croesewir gohebiaeth yn y Gymraeg a'r Saesneg/We welcome correspondence in both English and Welsh

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- **the future provision of the BBC's services in Wales, in both the English and Welsh languages** and therefore the implications should the BBC become smaller and more focused on a narrower, core set of broadcasting and online services, as well as the impact of possible scaling back of BBC production capabilities on content;
- **the BBC's current and future funding, governance and accountability arrangements as they relate to Wales**, considering the current governance of the BBC and mechanisms for holding the corporation to account for the public money it receives and spends in line with the expectations of those who fund it;
- **S4C's future, including its funding, operating and governance arrangements, and the services it provides;**
- **how Wales's interests are being represented during the renewal process** and in particular the Memorandum of Understanding mechanism that appears to have excluded the National Assembly for Wales from the consultation process at a Westminster level.

The future provision of the BBC's services in Wales, in both the English and Welsh languages

Wales is unique in the UK in terms of its media landscape and media consumption habits. There are only six daily regional newspapers in Wales. The regional newspaper model is in serious decline across the UK and Wales is no different, with circulation figures falling rapidly. Consequently a large number of people in Wales consume their news and current affairs solely through network programmes and channels, or through London-centric UK newspapers/websites.

Chief among these platforms is the BBC. In its 2014/15 annual review, The BBC Wales Audience Council observed that during the period under review, the weekly reach of all BBC television in Wales, despite having dropped from 87% to 85%, was still 3 points above the level for the whole UK. In addition, the council states that the average time spent per viewer watching BBC TV is 11:59 hours in Wales, the highest of the UK's nations.

It is a similar picture for all BBC Radio with weekly reach at 76%, average time spent per listener at 16:26 hours and audience share at 60% in Wales, higher than the other UK nations. According to the BBC's own figures, more than a million people in Wales now listen to BBC Radio 2 and 650,000 to Radio 1.



Despite this context however BBC Wales' budget for English language TV programmes has fallen 18% from £24.6m in 2006/07 to £20.2m in 2012/13. Spend increased slightly in 2014/15 but only to £20.8m.

Lord Tony Hall, the BBC's Director General has also admitted that some aspects of Welsh life were not "sufficiently captured by the BBC's own television services in Wales". In addition to this the BBC (and other network platforms) often ignore Wales all together or mislead viewers by reporting policy developments in devolved areas such as health and education in England as though it applies to Wales when the government here often pursues a very different direction.

It is incongruous that - at a time when more powers have been devolved to Wales - there is less coverage and challenge of its political life. For example, the 2014 Question Time edition held in Newport, despite being in Wales had only one panellist from Wales; no representation from either the Welsh Government or the National Assembly; discussed only one primarily Welsh issue; and there appeared to be widespread confusion among the panellists of the difference between the Assembly and the Welsh Government. Whilst I recognise that there has been a little improvement in terms of the number of Welsh representatives on subsequent programmes, consideration of Welsh issues have been scarce and confusion about powers and responsibilities remain.

Furthermore, the BBC's Audience Council for Wales review 2014/15 said that non-news TV production, reflecting Welsh cultural life through drama and comedy programming, was a particular area of concern because cuts had brought such programmes "closer to the cliff edge". I would ask the committee to also consider this lack of content at a network level, in terms of non-news programming, reflecting Welsh life and voices.

It all means Welsh viewers are missing out on programming, whether it be current affairs, drama or comedy that reflects Welsh life.

Any changes to the BBC Charter must be considered in the context of the organisation's unique contribution to Welsh public life.

The BBC's current and future funding, governance and accountability arrangements as they relate to Wales

Governance and accountability:



The Commission on Devolution in Wales, led by Paul Silk recommended the establishment of a devolved governance body within the UK BBC Trust framework to provide independent oversight and scrutiny of BBC outputs in Wales. I believe this could go a long way to strengthening the voice of Wales on the BBC Trust, I would encourage the Committee to recommend that Wales has a strong voice in any future management structures.

I also share the Silk Commission's view that the appointment of the Welsh representative on the BBC Trust, or in any future governance framework, should be agreed formally between the Welsh and UK Governments.

I do not call for broadcasting to be devolved to the Assembly but I believe the National Assembly should have the opportunity to scrutinise the BBC's relationship with, and provision for, its Welsh audience. I have written to the Secretary of State for Culture, Media and Sport on the development of a BBC Memorandum of Understanding for Wales similar to that signed in Scotland. I hope that this process will formalise the scrutiny of the BBC's accounts in relation to Wales and the arrangement whereby the Chair of the BBC Trust (or any future governance body) and the Director General regularly appear before a National Assembly's Committee (see section on how Wales's interests are being represented during the renewal process for further details).

Funding:

The Welsh viewer pays the licence fee, the same as everyone else in the UK, but given the deficit of relevant coverage there is a perception that we are being short-changed.

The First Minister, in August of this year (2015), suggested that Welsh audiences "risk being dealt the worst deal" of any UK nation, stating that an extra £30million a year was needed on current funding levels to ensure programmes are made to properly reflect the people of Wales, and specifically non-news programming such as comedy and drama.

I am also concerned about the sustainability of funding for English-language programming in Wales, given the decrease since 2006. The funding mechanisms and decisions which have delivered this landscape have not been as transparent as they could have been. In reviewing the funding arrangements I would urge the committee to look at the current funding situation in Wales.

S4C's future, including its funding, operating and governance arrangements, and the services it provides

Of equal importance to English-language programming is the issue of funding for S4C. These have changed significantly in the last 5 years from 2011-12, S4C when they received £101 million in funding directly from the DCMS. Following the Comprehensive Spending Review in 2010, that funding was reduced to around £7 million per year from 2013-14, with the BBC Trust to provide £76.3 million via the licence fee. The BBC's element will further reduce over the next few years, down to £74.5 million in 2016-17. Overall, the changes have meant that S4C has faced budget reductions of 36 per cent in real terms since 2010.

In an article on the IWA's Click on Wales website in 2013, S4C Chief Executive Ian Jones said that "any further cuts would be detrimental to the economy and would cut the core service to the quick".

The S4C Authority and the BBC Trust have an Operating Agreement that has set out the relationship between the two broadcasters since the UK Government decided that S4C would be primarily funded from the licence fee from April 2013 onwards. The BBC Charter renewal will, therefore, clearly have implications for both the way S4C is funded and for the Operating Agreement.

I would support the Welsh Language Commissioner's view, asserted in her submission to Westminster's Culture, Media and Sport inquiry into Future of the BBC, that, if a new Royal Charter is agreed, "S4C should retain its editorial and managerial independence from the BBC as agreed in the Operating Agreement".

I also believe that it is essential that S4C must continue to be funded at a level which will allow it to continue to meet the Welsh language broadcasting needs of the people of Wales.

How Wales's interests are being represented during the renewal process

The BBC Charter renewal process should afford Wales the opportunity to be fully involved and ensure that distinct Welsh issues are considered. I have been pressing the Secretary of State for Culture, Media and Sport to secure the formal involvement of the National Assembly for Wales to that end. The renewal process has been formalised through a Memorandum of



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Presiding Officer

Understanding (MoU); currently however this is only between the Department of Culture, Media & Sport (DCMS), the BBC and the Welsh Government (WG).

Whilst I am pleased that this formalises a consultative role for the WG in the renewal process, thus ensuring some measure of representation for Wales, I am disappointed that the MoU was not completed in the same manner as in Scotland where the Scottish Parliament also signed the MoU at the beginning of the process. The MoU for Wales has been signed with a commitment that it be further revised to include the National Assembly for Wales as a signatory to facilitate agreement that the BBC would lay its annual report and accounts before Assembly, and for the BBC to appear before Assembly Committees on matters relating to Wales.

I believe this two-stage approach to the MoU is regrettable and unnecessarily protracted. However I am gratified that there is a commitment to ensure parity across the devolved institutions and that recognition has been given to the role that the Assembly must have in the future scrutiny of the BBC in relation to Wales.

In conclusion

In conclusion, the BBC plays a central role in ensuring that the people of Wales are fully engaged with the democratic process, particularly as I believe that there is a democratic deficit in respect of coverage of Welsh political and cultural life in the UK media platforms through which the majority of Welsh people consume their news and current affairs. I hope that the BBC Charter review process will provide the opportunity to consider this issue and also ensure that Wales is properly represented in the decision-making process for both the organisation's future output and governance.

I look forward to seeing the results of your inquiry in due course.

Yours sincerely

Dame Rosemary Butler AM
Presiding Officer