



**Cynulliad Cenedlaethol Cymru
The National Assembly for Wales**

**Y Pwyllgor Darlledu
The Broadcasting Committee**

**Dydd Llun, 9 Mehefin 2008
Monday, 9 June 2008**

Cynnwys
Contents

- 4 Cyflwyniad, Ymddiheuriadau a Dirprwyon
Introduction, Apologies and Substitutions
- 4 Tystiolaeth ar gyfer Ymchwiliad y Pwyllgor
Evidence for Committee Inquiry

Cofnodir y trafodion hyn yn yr iaith y llefarwyd hwy yn y pwyllgor. Yn ogystal,
cynhwysir cyfieithiad Saesneg o gyfraniadau yn y Gymraeg.
These proceedings are reported in the language in which they were spoken in the committee.
In addition, an English translation of Welsh speeches is included.

Aelodau'r pwyllgor yn bresennol
Committee members in attendance

Peter Black	Democratiaid Rhyddfrydol Cymru Welsh Liberal Democrats
Alun Davies	Llafur (Cadeirydd y Pwyllgor) Labour (Committee Chair)
Paul Davies	Ceidwadwyr Cymreig Welsh Conservatives
Nerys Evans	Plaid Cymru The Party of Wales

Eraill yn bresennol
Others in attendance

Meic Birtwistle	Aelod Cymru o'r NEC, Undeb Cenedlaethol y Newyddiadurwyr NEC Member for Wales, National Union of Journalists
Gwenllïan Carr	Rheolwr Cenedlaethol Cymru, Digital UK National Manager Wales, Digital UK
Kate Carr	Cadeirydd, Cyngor Gweithredol Cymru, Undeb Cenedlaethol y Newyddiadurwyr Chair, Wales Executive Council, National Union of Journalists
Simon Crine	Cyfarwyddwr Materion Corfforaethol, Digital UK Corporate Affairs Director, Digital UK
Jeremy Dear	Ysgrifennydd Cyffredinol, Undeb Cenedlaethol y Newyddiadurwyr General Secretary, NUJ
David Donovan	Swyddog Cenedlaethol, Undeb Darlledu, Adloniant, Sinematograffeg a Theatr National Officer, BECTU
Emyr Byron Hughes	Ymgynghorydd sy'n gweithio i Digital UK Consultant working for Digital UK
Pat Loughrey	Cyfarwyddwr, Y Gwledydd a'r Rhanbarthau, BBC Director, Nation and Regions, BBC
Menna Richards	Rheolwr, BBC Cymru Controller, BBC Wales
Lawrence Shaw	Trefnydd Cymru, Undeb Cenedlaethol y Newyddiadurwyr Wales Organiser, NUJ

Swyddogion Gwasanaeth Seneddol y Cynulliad yn bresennol
Assembly Parliamentary Service officials in attendance

Sarah Bartlett	Dirprwy Glerc Deputy Clerk
Aled Eirug	Ymgynghorydd i'r Pwyllgor Adviser to the Committee
Gwyn Griffiths	Cynghorydd Cyfreithiol i'r Pwyllgor Legal Adviser to the Committee
Chris Reading	Clerc Clerk

*Cynhaliwyd y cyfarfod yr yr ATRiuM, Prifysgol Morgannwg, Caerdydd
The meeting was held in the ATRiuM, the University of Glamorgan, Cardiff*

*Dechreuodd y cyfarfod am 1 p.m.
The meeting began at 1 p.m.*

Cyflwyniad, Ymddiheuriadau a Dirprwyon Introduction, Apologies and Substitutions

[1] **Alun Davies:** Galwaf y cyfarfod i drefn. Diolch am eich presenoldeb y prynhawn yma. Mae'n dda bod yng Nghaerdydd heb fod yn y bae. Yr wyf yn hynod ddiolchgar i Brifysgol Morgannwg am ei lletygarwch y prynhawn yma. Diolch i chi am gynnig lle i ni gyfarfod yma, ac am y cyfle i weld y cyfleusterau yr ydych wedi eu hadeiladu. Credaf fod pob un ohonom wedi cael cyfle i edrych o gwmpas y bore yma, ac yr ydym yn falch o fod wedi cael y cyfle i wneud hynny.

Alun Davies: I call the meeting to order. Thank you for your attendance this afternoon. It is good to be in Cardiff without being in the bay. I am extremely grateful to the University of Glamorgan for its hospitality this afternoon. Thank you for offering us a place to meet here, and also for the opportunity to see the facilities that you have built. I believe that all of us have had an opportunity to have a look around this morning, and we are pleased to have had the opportunity to do that.

[2] Gofynnaf i bawb ddiffodd eu ffonau symudol, a hyd yn oed eu BlackBerrys—gwn fod hynny'n beth anodd i lawer o bobl, ond buaswn yn ddiolchgar pe baech yn gallu datgysylltu eich hunain o weddill y byd am yr awr nesaf, oherwydd mae'n amharu ar yr offer darlledu.

I ask everyone to switch off their mobile phones, and even their BlackBerrys—I know that that is difficult for some people, but I would be grateful if you could disconnect yourselves from the rest of the world for the next hour, because it interferes with the broadcasting equipment.

1.01 p.m.

Tystiolaeth ar gyfer Ymchwiliad y Pwyllgor Evidence for Committee Inquiry

[3] **Alun Davies:** Dyma seithfed cyfarfod y Pwyllgor Darlledu, ac yr ydym yn parhau â'n gwaith ar ddarlledu cyhoeddus yng Nghymru. Cyn dechrau'r sesiwn holi, gofynnaf i'r tystion wneud ychydig o sylwadau agoriadol, a chyflwyno eu hunain ar gyfer y cofnod. Gallwch gymryd yn ganiataol bod pawb wedi cael cyfle i ddarllen eich papur, a byddwn yn gofyn cwestiynau i chi yn seiliedig arno.

Alun Davies: This is the seventh meeting of the Broadcasting Committee, and we are continuing our work on public broadcasting in Wales. Before we start our scrutiny session, I will ask the witnesses to make a few opening remarks, and to introduce themselves for the record. You can take it for granted that we have all had an opportunity to read your paper, and we will ask you questions based on it.

[4] **Ms Richards:** Diolch yn fawr. Menna Richards ydw i, rheolwr BBC Cymru. Mae Pat Loughrey gyda mi, sef cyfarwyddwr gwledydd a rhanbarthau y BBC, sy'n cynnwys Cymru, yr Alban, Gogledd Iwerddon a Lloegr. Fel chi, yr ydym yn falch o fod yn yr adeilad ysblennydd hwn, yn

Ms Richards: Thank you. I am Menna Richards, the controller of BBC Wales. Pat Loughrey is with me, and he is the BBC nations and regions director, which includes Wales, Scotland, Northern Ireland and England. Like you, we are pleased to be in this splendid building, particularly as BBC

arbennig felly gan fod BBC Cymru yn cydweithredu'n agos â'r adran hon yn yr ATRiuM ac â Phrifysgol Morgannwg. Wales collaborates closely with the department here in the ATRiuM and with the University of Glamorgan.

[5] Diolch am y gwahoddiad. Mae'n amser pwysig ym mywyd darlledu cyhoeddus, ac felly'n gyfle arbennig i ni drafod gyda chi. Thank you for the invitation. It is an important time in the history of public broadcasting, and so it is an excellent opportunity for us to be discussing with you.

[6] Many of the issues raised by Ofcom in its public service broadcasting review are still being considered internally by the BBC. Pat and I will do our best to answer any questions that you have. I am aware that the chairman and the director-general of the BBC are coming to committee next week, and you may well want to explore some of those key BBC issues in more detail with them.

[7] BBC Wales plays a vital role in delivering public service broadcasting on television, on radio, and online *yn Gymraeg ac yn Saesneg*—in Welsh and in English—with a focus on innovation, quality and, importantly, reaching as many people as possible. I believe that it would be fair to say that that success is built on partnership—partnership between the BBC and the independent production sector; a partnership with S4C; and partnership with the cultural sector, including the Arts Council of Wales, the Wales Millennium Centre, and so on.

[8] For the purposes of this discussion, it would probably be helpful for me to outline what I believe are some of the key challenges. Broadcasting in Wales has always had an important role to play in defining what Wales is, and what Wales can be. John Davies, in his history of broadcasting and the BBC in Wales, talked about Wales as an artefact defined by broadcasting, something that we could no doubt debate. However, it gives us huge responsibility; in a rapidly changing, fragmenting broadcasting environment, with more competition, more channels to choose from, and growing online services, BBC Wales has an important role to play in bringing audiences together.

[9] One challenge for us to focus on is bringing together the services—what is called a 'multiplatform output'—which cuts through news, sport, and big history series such as *Coal House* last year. When you think that more than 60 per cent of the population of Wales was touched in some way by *Coal House*, and that is all ages, across television, radio and online, you realise that it is a powerful way of bringing history to life for hundreds of thousands of people. Every week, 1 million people watch our English-language television programmes and 600,000 adults listen to Radio Wales and Radio Cymru. The challenge for us is sustaining public service broadcasting that continues to attract such a significant audience.

[10] There are also key questions around distribution. Freesat is a good step forward, but digital audio broadcasting remains problematic, and broadband availability and speeds are patchy. It is essential that everyone can share in the benefits of public services broadcasting. Another of our principal responsibilities is to nurture and to support creative talent, with all that that implies for the benefits that it brings in terms of the cultural and economic strengths of Wales. We want to build on our success in network production to help ensure that independents can play a big part in that success and create sustainable bases in Wales. We are well on the way; I am delighted that *Torchwood*, for instance, has been commissioned for its third series, this time on BBC1. We hope at least to double the value of BBC network investment in programmes and content made in Wales between now and 2012. That is partly in response to the BBC's announcement a few weeks ago about the way that the BBC will define its network production.

[11] We recognise the threat to plurality, which is a key issue in Wales, exacerbated by our relatively weak press. The BBC welcomes competition: it is good for Wales and it is good

for the industry. We would prefer to see a continuing role for ITV Wales, given its current performance, its heritage and its ability to deliver significant audience reach.

[12] **Mr Loughrey:** I would like to open by paying tribute to the extraordinary performance of BBC Wales, both in Wales and across the networks, in the past few years. In many ways, the success of BBC Wales has given the rest of the BBC the confidence to set the kind of targets for the growth of network production here that Menna has shared with you. I would also like, in this setting, to draw attention to the coverage of the last Assembly election. It is a powerful example of the pivotal public service role of BBC Wales: there were continuous result services across BBC1, S4C, Radio Wales and Radio Cymru.

[13] To look for a moment at *Coal House*, and this time to focus not on the extraordinary 60 per cent reach, but on the fact that it is now a talking point across the whole of the BBC. It is an example of multiplatform working at its most effective. It embodies the thinking of Mark Thompson's creative future strategy. It is fair to say that BBC Wales is already a proven centre of excellence, not just in music and the genres that we know of in news and current affairs, but now also in new and future media. That is also evidenced by the extraordinary quality of the non-linear sites that support *Doctor Who* and *Torchwood*, for example.

[14] However, there are key challenges: the commitment to 17 per cent of network production being sourced from Wales, Scotland and Northern Ireland by 2016, now working under the Ofcom definition. There is real room for BBC Wales to grow its contribution there. Portrayal is, as I am sure that you will remind me later on, still a live issue, but *Torchwood* and *Gavin & Stacey* are foundations to build on. Portrayal is part of the network supply review, and we are not taking it lightly, believe me. In addition, there is the network news review by Professor Tony King, which was commissioned by the BBC Trust and is due out shortly. I am sure that we will learn many lessons from that work, and you will have a chance to speak to the chairman about it next week. While these reviews are in progress and much work is going on behind the scenes, we are not standing still. There is a commitment to innovation and to deepening our relationship with audiences in Wales. To end, I would like to draw your attention to two key developments: BBC Local and our plans for digital democracy, which I hope that we will have the chance to describe later.

1.10 p.m.

[15] **Alun Davies:** Thank you both very much for the introduction. It was very useful. I am sure that we will return to the subject of Anthony King's report, which I understand is being published on Wednesday. I am sure that that will at least inform our discussion with the director-general next Monday. Therefore, I would like to park some of those issues with regard to this afternoon's session.

[16] **Mr Loughrey:** I applaud your timing.

[17] **Alun Davies:** With regard to those issues of portrayal and identity, I read this morning that the Institute for Public Policy Research has produced a report that says that the fact that broadcasters are London-centric, which is how it described them, is almost driving a wedge between the different parts and countries of the United Kingdom. Do you share that view?

[18] **Ms Richards:** I have not seen the report, but the key issue with regard to portrayal and representation is that the BBC has recognised the importance of ensuring that all parts of the UK are appropriately reflected in its services. That is not to say that we have got it right. I think that the whole of the BBC would agree that there is a long way to go on the notion of portrayal. The announcement that was made recently by the chairman and the director-general about the way in which the BBC intends to define network production—that 17 per cent of

network production will be produced from Wales, Scotland and Northern Ireland and that 50 per cent of total network production across the BBC will be from outside London—recognises the importance of giving proper representation to different parts of the UK. There are many different ways in which that can be done. Part of it is about news coverage, part of it is about drama—it cuts across the range of genre. However, there is an acknowledgement in the BBC that more can be done and I think that clear steps are being taken to achieve that.

[19] **Mr Loughrey:** I am not familiar with the quotation either, but I guess that it is fair to say—and I am sure that Mark Thompson will say—that, on the whole, we have a public service broadcasting model in the United Kingdom that works and that at least bears comparison with best practice across the world. You would expect with my background and accent that I would be wholeheartedly committed to an out-of-London strategy, and I have given much of my career to developing it. If the quotation reminds us that it is a delicate ecology and that we need to move with patience as well as determination and recognise the possible risks in the transition, I think that it is fair warning and I would accept the challenge. However, I think—and I doubt that many here would dispute this—that the absolute requirement on the publicly funded broadcaster to reflect the cultures, voices, identity and economy of the whole of the United Kingdom from which it collects its licence fee is an imperative.

[20] **Paul Davies:** You mentioned earlier that you want to build upon network production. What is the current performance of BBC Wales with regard to network production?

[21] **Ms Richards:** It is a bit complicated because of the change in definitions, but under the BBC's current definitions, BBC Wales's production for the networks across all services—radio, television and online—is worth around £50 million a year. Under the new definition, the Ofcom definition, if you analyse it on the basis of current production, it is around 2.6 per cent. Once the BBC has adopted the Ofcom definition, over the course of the next four years, I anticipate that that will rise to about 5 per cent.

[22] **Paul Davies:** What is that in terms of hours?

[23] **Ms Richards:** I do not know the answer to that, but we can certainly come back to you on it. It depends on the nature of the commissions. There may be a long-running drama series, factual series and music programmes. There may be two long-running dramas—I am speculating. However, I do not think that the figure of 5 per cent necessarily equates to a certain number of hours.

[24] **Paul Davies:** If you were to use the new Ofcom definition for measuring commissions in hours and spend, what would the figures be for the past few years?

[25] **Ms Richards:** If you re-evaluate the spend using the Ofcom definition, you are looking at around £26 or £27 million, which equates to 2.6 per cent; to reach 5 per cent, you would be looking at doubling that.

[26] **Paul Davies:** You have said that 50 per cent of network commissions would come from outside London, and 17 per cent from Wales, Scotland and Northern Ireland. What is that 17 per cent a percentage of?

[27] **Mr Loughrey:** The total BBC television output—linear television output.

[28] **Paul Davies:** How will that be split between the nations?

[29] **Mr Loughrey:** That is a moot question as we speak, but there is an assumption, based on the trust's last statement, that the level would reflect the size of the population. The

17 per cent itself was arrived at on the basis that the three devolved nations constitute roughly 17 per cent of the population of the United Kingdom. Therefore, we can expect the level of network provision to reflect the level of population. However, we are trying not to make this a box-ticking exercise of percentage points here and there. We are trying to make it a creative process as well.

[30] **Paul Davies:** Does Wales have to fight with Scotland and Northern Ireland for its share?

[31] **Mr Loughrey:** It would, if these figures were a ceiling, but they are a floor. There is ample room for growth way beyond the figures that we have indicated. These are minimum numbers that the BBC is setting and, to give you confidence in that regard, there are no BBC plans from any time in the past five years that reflect the level of growth that Menna and her team have delivered here. We have gone far beyond the assumed figures of network delivery in Wales in the past three, four or five years. I would imagine, and I would confidently predict, that the same will be achieved again, such is the creative potential of the industry in Wales.

[32] **Ms Richards:** Wales is well placed to benefit from this new arrangement, because of the current network success. To echo what Pat said, the director-general has made it clear on several occasions that this is a floor above which we can develop. However, ultimately, the commissions will come on the basis of the ideas and the talent that are generated here, and this is a big opportunity not only for BBC Wales, but for the independent sector. It is important that we recognise the huge contribution that the independent sector can make to this level of growth, and we need to ensure that we have the appropriate mix of talents, ideas and skills so that Wales can benefit as much as possible from this new arrangement.

[33] **Paul Davies:** What are the implications of these targets for Wales between now and 2016?

[34] **Ms Richards:** I expect to see growth. On the basis of the numbers that I described earlier, we are potentially facing a situation where we could double the value of the network investment for productions made here in Wales.

[35] **Mr Loughrey:** The emphasis is on the words ‘made here in Wales’. The Ofcom industry-wide definition that we are moving towards is very explicit and demanding in that regard.

[36] **Alun Davies:** I think that everyone will welcome the move to a different definition. The previous definition essentially caused a great deal of cynicism about the BBC’s actual intention—whether it was to move production out of London or to give the appearance of moving production outside London. So, in terms of where we go from here, what Members are interested in hearing about is the strategy that you will put in place. With all due respect, we understand the targets and what you are trying to achieve. What we want to see, and what we would like to hear, is some detail on the strategies that you will put into place to make this a reality. Does that make sense?

[37] **Mr Loughrey:** Can I say a little about the previous point, on the definition that was in place until the most recent trust statement?

1.20 p.m.

[38] Having spent at least the past year of my life advocating change and development, I now feel that I should do a bit of a volte-face and explain the history. In all fairness, the definition of David Hatch, the former BBC senior executive, set that target—and the BBC

agreed that target—far ahead of the rest of the industry and long before there were external regulators setting other models. It was in itself a pioneering definition, which significantly enhanced production in Wales and the other devolved nations and outside London, across England. I also believe that it has served its time, but I am keen to defend the spirit in which it was created and managed. It brought great development in its time. I am convinced that where we have now ended up, with an industry-wide shared definition, is the right place. However, I would pay some tribute to the past.

[39] **Ms Richards:** On strategies to ensure that the ambitions are achieved, there are clearly two key strands to the strategy: one is monitoring and how the trust, having set this as a challenge for the BBC management, will monitor it to ensure that that 17 per cent is achieved over time. In terms of accountability, that is how it will be managed. On creative strategies, there is already a great deal of strength in the creative sector in Wales on which we can build. We have some of the most talented programme makers in the whole of the UK working for BBC Wales. We need to help develop both internally, within BBC Wales, and in the independent sector good people with great talent who will win the commissions. Ultimately, this is about the quality of the ideas and the quality of the execution. So far, Wales has demonstrated that it is as good as, if not better than, many other production centres across the whole of the UK in the quality of the output that it has produced.

[40] Part of this is also about working with organisations such as the one whose premises we are in today—the University of Glamorgan—and other educational institutions. We have already done a great deal of that. It is telling that many students from different educational institutions in Wales are now working on our drama productions because the courses that are offered in those institutions are crucial to the kind of work that is being done on programmes such as *Doctor Who* and *Torchwood*. We also need to work closely with training organisations such as Cyfle and Skillset to ensure that the right mix of skills are coming through and that people are being appropriately trained for these big opportunities that we face in the future. So, it is a combination of factors, but fundamentally we are in a strong position and I hope that we can work together with the independent sector and others to exploit those opportunities to the best possible advantage.

[41] **Mr Loughrey:** I was responsible for several years for the BBC's development in Salford. There are significant opportunities, in particular for north Wales, in forming creative alliances with what happens in Salford. There are untold opportunities for north Wales with the move of major networks to that part of the world.

[42] As part of this unprecedented level of commitment to production in the nations, Mark Thompson is on record as wanting to change the balance of provision to some extent in that I think that we can look forward, over the months ahead, to announcements that will confirm a greater degree of volume production. The BBC's series and strands tend, for a myriad of historical reasons, to be in the main network production centres, largely in England. To secure and build true strength as a sector, we can look to more of those returning strands being produced in the nations. It also means that the creative challenge, for BBC Wales, for example, is slightly less than trying to reinvent the slate every year of offers and constant new ideas. In time, there will be announcements that will confirm the sustainability of the sector through long-term volume commitment as well as creative space for individual offers.

[43] **Alun Davies:** Thank you for that. Is the move to Salford not a recognition that the only way you are going to change the way that commissions are given through the BBC is by actually moving the commissioners outside London, not simply setting targets and quotas and begging them to go down the M4 occasionally, but physically moving them out of London—as you have certainly done with some commissioners whom you have moved to Salford—and place them also in Wales, Scotland and Northern Ireland?

[44] **Mr Loughrey:** I think that part of the plan that will emerge in the time ahead will include commissioning. I agree that, in essence, it does not make a great deal of sense to move only the manufacturing end of the industry and not the decision-making end. You are absolutely right that that was a key to the thinking on Salford. It is a strong element in the plans that are being formulated about delivery in the nations as well.

[45] **Peter Black:** On commissioning—in a sense, going back to Paul’s question about the 17 per cent or the 5 per cent that may end up in Wales—in what genres of programming would you expect to secure commissions for BBC Wales?

[46] **Ms Richards:** Given the current strength in areas such as drama, factual output, and music—those are clearly established strengths—I would hope to see those continue to develop. An interesting development, looking at the factual department in BBC Wales, which developed the big series, *Tribe*, alongside the current series that is in production, called *Amazon*—which is being produced by Indus, an independent company—is the big collaboration between BBC Wales and the natural history unit in Bristol on a big anthropology series called *Human Planet*. I think that those kinds of strengths that we have developed over the past few years demonstrate that there is an ambition to take them in new directions. To be able to work alongside the natural history unit in Bristol really is a tremendous fillip to the team.

[47] **Peter Black:** You have had marked success with *Doctor Who* and *Torchwood*. What impact has that had on BBC Wales’s capacity and reputation?

[48] **Ms Richards:** I think that it has had a very positive and beneficial effect, not only on BBC Wales, but on Wales. The idea that Wales is producing the single most successful television series on British television for a generation says something not only about the talent that exists here, but the confidence that Wales has in producing output that is as good as, and indeed better than, anything else. The spin-off series, *Torchwood*, has helped to raise the profile of Cardiff particularly—and it makes it look as glamorous as it is. I think that all of those things bring huge benefits: they bring cultural benefits, particularly in the case of *Torchwood*, and they bring very significant economic benefits.

[49] Going back to the point that I made earlier about working with education institutions, those series help us to create a whole generation of talented young people who previously might have had to go out of Wales to find work, but who can now find fulfilling, satisfying and challenging work on some of those big productions. We have a number of training schemes with Cyfle and it is interesting to see that all of the Cyfle trainees who spent time on *Doctor Who* and *Torchwood* as part of their training are now permanently employed in the industry.

[50] **Peter Black:** How has that success had an impact on your capacity as a programme maker or commissioner to actually manage it and to expand?

[51] **Ms Richards:** That is interesting. Four or five years ago, when *Doctor Who* began, we were in a tiny warehouse in Newport, where the Tardis had to be taken in and out, put up and down, rigged and de-rigged just because the space was so small. We have grown so significantly that we have moved into premises at Pontypridd—we have been there for a couple of years—where *Doctor Who*, *Torchwood* and *The Sarah Jane Adventures* are all produced. At its peak, there are 400 people working there. In terms of capacity, we have to find the solutions to deliver the best possible product and that is what we have tried to do.

1.30 p.m.

[52] **Mr Loughrey:** It is a very good problem to have. To come back to your first question

about the impact, perhaps I could offer an outsider's view. Perhaps I could also be so bold as to nominate another witness. If you have not already spoken to Russell T. Davies, I recommend that you do so, because he speaks incredibly persuasively and powerfully on the strength of the craft skill base in BBC Wales and in Wales. Scenic design, construction, make-up, and costume are key indispensable assets that are the foundation stones for any creativity. Having worked in the industry right across the sectors, Russell is passionately convinced that they are second to none in Wales.

[53] To address the second point that you raised, the benefits are visible, tangible and concrete, but they are also the opposite of those things: they are invisible, and are about self confidence. Success breeds confidence and breeds further and greater success. For a long time, I would argue that there was a degree of cultural cringe in some parts of this industry, where success was delivered only by moving to other places and acquiring other voices. That is no longer the case. In institutions such as this, we are watching young people building a sense of self, and a sense of possibility about their cultural experience, their language, their voice, and its validity in the creative world. That is what work like *Doctor Who* and *Torchwood* can sustain.

[54] **Peter Black:** Thank you. You are now coming to a situation, in the coming year, where *Doctor Who* has been reduced to four programmes and *Torchwood* to a five-day window during the year. Given the success that you have described and the present dependency, if you like, on those particular series, how do you propose to move forward to use that capacity to replace and enhance those series?

[55] **Ms Richards:** You present it in a rather more negative way than I would.

[56] **Peter Black:** That is my job. [*Laughter.*]

[57] **Ms Richards:** Perhaps we could talk about the facts. There will be four specials of *Doctor Who* this year. The current series has not yet come to an end. We go into production for series five later this year. It is entirely sensible and rational that a big series—a hugely time-consuming and very demanding series like *Doctor Who*—should have a year off. It will still be present on the screen; there will be four specials, which will be big. The team involved in making them will be pretty much fully employed in working on those specials, and we will then go into production on the fifth series. So that you understand how the production of these things works, just because it is not on screen does not mean that nothing is happening.

[58] You said that *Torchwood* is an event. It has moved from BBC3 to BBC2, to BBC1. That is something that only *Little Britain* succeeded in doing across the whole of the BBC. It will be a big event; it will be a big piece of what we call 'event television'. That is something that we can be extremely proud of. The way in which it has moved across those channels to become a really big, important, appointment-to-view piece on BBC1 is something that we need to understand, because it says a great deal about the enthusiasm of BBC1 for *Torchwood*.

[59] **Peter Black:** In a sense, the strategy is to continue to rely on those particular programmes. Do you have other programmes that will fill that capacity?

[60] **Ms Richards:** I do not think that any sensible producer would rely on the success of one or two series, however successful they may be. Our head of drama and those working in development are constantly developing ideas that might or might not be commissioned. That is part of the lifeblood of working in broadcasting; you are constantly developing ideas. That is what they do.

[61] **Peter Black:** Okay. You will be aware, of course, that there has been some criticism

that a lot of this drama does not reflect Wales. Although it is made in Wales and relies to a large extent on the workforce that Wales produces and the talent that is available in Wales, it does not reflect Wales, and series such as *Life on Mars* although warehoused through BBC Wales, is set outside Wales, as was its successor. How can you ensure that future dramas are more reflective of the Welsh context in which they are developed and produced?

[62] **Ms Richards:** I think that there are two things here. The new Ofcom definition, which has been adopted by the BBC, would mean that series like *Life on Mars* and *Ashes to Ashes* no longer count. That is why I talked earlier about the importance of recognising that the new investment will be about output that is made here, in Wales. I would say, however, that we should not assume that simply because *Life on Mars* was not made here that it is somehow unimportant—it was a very successful series and it was executive produced by our head of drama, Julie Gardner, who did a fantastic job. I also think that one of the important things is the kind of relationships that you can create. To take a specific example, one of the writers of *Life on Mars* and *Ashes to Ashes* has established an independent company here in Wales and to have the kind of experience and talent that he brings to the industry is very valuable.

[63] On your second point about the series not representing Wales, I would say that it depends on how you describe representation, but *Torchwood* is clearly based in Cardiff. As I said earlier, the whole of the BBC has a way to go in recognising that all parts of the UK need to be more appropriately represented across all of its services, but it is not just about drama. If you take the *One Show*, which is a very successful programme on BBC1, BBC Wales produces 100 films a year for that show, many of which are made in Wales, but all are produced by talent based in Wales and many are set in Wales. If you take a series like *Coast*, which is a UK-wide series, for example, that also includes segments that are made in Wales about Wales. It is about a whole range of different programmes that try to give some sense of different parts of the UK. However, there is clearly more that can be done and more that we will do.

[64] **Alun Davies:** I think that the picture that you are painting this afternoon is one of tremendous success, and I think that most of us who are here have at least enjoyed *Doctor Who* and *Torchwood* as viewers and have enjoyed watching the productions—very much so. However, at the same time, there is a sense of vulnerability, is there not? If there is over-reliance, as you have said yourself, on one or two particular projects, the loss of one project would mean that you were left with very little in terms of major productions for the network. I think that there is a concern that if *Doctor Who* was not commissioned, how would you achieve your targets? How would you achieve the production targets and even a portrayal of Wales? I think that they are two different things: first, production in Wales; and, secondly, the portrayal of Wales on the network.

[65] **Ms Richards:** I think that we are agreeing. The whole thing about this is absolutely right. That is the point that I was making to Peter. We recognise that there cannot be over-reliance on *Doctor Who* and *Torchwood* and that is why we have development teams and that is why we have people constantly working on developing new ideas for drama, factual output and music. That is what they do. I do not think, however, that that is just something that BBC Wales needs to bear in mind; it is also a challenge for the independent sector. This growth is not simply, nor should it be, something that is delivered by BBC Wales alone. There is a huge opportunity for the independent production sector to win more network commissions. There is no doubt that everybody is aware of the importance of keeping the momentum going. I do not think that any of us involved with this have ever said, and I have never heard anybody say, ‘Oh fine, we have got *Doctor Who*, so we do not need to worry about the future’. In fact, it is quite the reverse.

[66] **Mr Loughrey:** Your analysis is absolutely right, historically—there has been a kind

of a tendency towards boom and bust. When production houses across the nations and, indeed, the regions of England become very successful editorially, they tend to be distracted from the development slate, historically. Years of plenty are often followed by years of famine—that is the pattern and, indeed, drama in Wales fell into that pattern. I am sure that you as viewers remember it, as I do as a colleague.

1.40 p.m.

[67] However, that is where suits such as me come in. This needs planning, minimum output guarantees and the kind of public commitments that the BBC Trust has just made. We are now stating publicly that production in the nations is not just a happy outcome of the creative offer from Wales but a key fulfilment of the BBC's purpose and a key strategic imperative for the organisation going forward. Therefore, we are all determined to sustain and grow the sector, hence the stretching targets across the genre that we described earlier. So, I think that you will find a greater determination to sustain those levels and to grow them, not just within BBC Wales, but across the whole organisation.

[68] **Alun Davies:** I appreciate that but, at the same time, we are looking for a commitment to portrayals of Wales, such as those of Scotland seen in programmes such as *Monarch of the Glen* and of Ireland in *Ballykissangel*. I think that you are absolutely right about *Doctor Who*, in which you occasionally glimpse St Mary Street and the bay, and the same applies to *Torchwood*. However, you do not have a portrayal of life in Wales. In that sense, Wales is a forgotten nation when it comes to the BBC. We do not see the portrayal of ordinary, everyday life in this country.

[69] **Mr Loughrey:** That is an enthusiasm that we share. When you think of drama that truly works, it is often at its most distinctive and culturally specific when it uses local dialects and is profoundly linked to the place in which it is based, as is the case with *Trainspotting* and *Auf Wiedersehen Pet*. I think that we need to get the complete confidence of the writing community, in the first instance, to give us ideas and projects, and the opportunities have never been better in that regard.

[70] **Alun Davies:** Surely the BBC has to take some responsibility for its output. We heard this from Michael Grade as well; he portrayed himself almost as a victim of the creative failures of the Welsh or British creative community. I get a sense that the BBC stimulates demand and has responsibility for its product, and it must accept responsibility when it does not portray Wales on the network, instead of saying that some writer somewhere has failed to come up with the script.

[71] **Mr Loughrey:** I think that you are distorting what I said about writers; I said that the opportunities for writers who are based in Wales to explore their communities and experience have never been greater. That is hardly an indictment of writers. Secondly, I think that I would compare our record with that of ITV on any day in terms of representing Wales. Historically, the culture and voice of Wales at every level have been profoundly well reflected, as they are today. Think of the wealth of factual and drama production that is happening here, much of which is reflective of Wales. For example, those *One Show* films probably achieve much higher audiences than much else that is widely heralded. We have real opportunity to grow and develop that voice.

[72] **Nerys Evans:** Mae gennyf gwestiwn ynglŷn â chynhyrchwyr annibynnol. Yr ydym wedi clywed tystiolaeth gan y Producers Alliance for Cinema and Television, a oedd yn eithaf beirniadol o record y BBC o ran cefnogi cynhyrchwyr annibynnol. Beth yw **Nerys Evans:** I have a question about independent producers. We heard evidence from the Producers Alliance for Cinema and Television that was quite critical of the BBC's record in supporting independent producers. What is the level of production

lefel y cynhyrchu a gomisiynwyd gan y sector dros y blynyddoedd diwethaf? commissioned from the sector in recent years?

[73] **Ms Richards:** Ar hyn o bryd, mae'r sector annibynnol yn darparu oddeutu 35 y cant o ddarpariaeth BBC Cymru ar gyfer gwasanaethau lleol, gyda'r posibilrwydd y bydd hynny'n cynyddu i hyd at 40 y cant.

Ms Richards: At the moment, the independent sector provides around 35 per cent of BBC Wales's provision for local services, with the possibility of that increasing to up to 40 per cent.

[74] **Nerys Evans:** Deallaf eich bod yn comisiynu eich gwaith drama i gyd yn fewnol ac mai dim ond canran fach o raglenni cerddoriaeth a rhaglenni ffeithiol a gaiff eu comisiynu gan y sector annibynnol. A yw hyn yn adlewyrchiad teg o'r broses a pham na chomisiynwyd rhaglenni megis *Gavin & Stacey* drwy BBC Cymru, er enghraifft?

Nerys Evans: I understand that all your drama production is commissioned in-house and that only a small percentage of music and factual programmes are commissioned from the independent sector. Is this a fair reflection of the process and why were programmes such as *Gavin & Stacey* not commissioned through BBC Wales, for example?

[75] **Ms Richards:** A ydych yn sôn am raglenni ar gyfer Cymru neu raglenni ar gyfer y rhwydwaith?

Ms Richards: Are you talking about programmes for Wales or programmes for the network?

[76] **Nerys Evans:** Y rhai ar gyfer y rhwydwaith.

Nerys Evans: Those for the network.

[77] **Ms Richards:** Mae nifer o gwmnïau annibynnol yng Nghymru yn cael eu comisiynu gan y rhwydwaith. Er enghraifft, soniais yn gynharach am gwmni Indus, sy'n cynhyrchu'r gyfres ffeithiol *Amazon* ar gyfer y rhwydwaith. Adran gynhyrchu BBC Cymru sy'n cynhyrchu dramâu megis *Doctor Who* a *Torchwood*, ond, fel y dywedais, gyda'r twf a fydd yn digwydd dros y blynyddoedd nesaf, bydd cyfleoedd mawr i'r sector annibynnol.

Ms Richards: There are many independent companies in Wales that are commissioned by the network. For example, I mentioned Indus earlier, which produces the *Amazon* factual series for the network. BBC Wales's production department produces dramas such as *Doctor Who* and *Torchwood*, but, as I said, given the growth that will take place over the next few years, there will be huge opportunities for the independent sector.

[78] Cynhyrchwyd *Gavin & Stacey* gan gwmni annibynnol drwy BBC Manceinion. Yr hyn sy'n bwysig yn fy marn i yw'r ffaith y comisiynwyd y rhaglen o gwbl ac iddi fod mor llwyddiannus. Rhaid i ni osgoi bod yn rhy blwyfol ynglŷn â lle y comisiynir y rhaglenni hyn. Yr hyn sy'n bwysig yw eu bod yn ymddangos ar y sgrîn ac yn cyfrannu tuag at bortreadu Cymru.

Gavin & Stacey was produced by an independent company via BBC Manchester. What is important in my opinion is the fact that the programme was commissioned at all and that it has been so successful. We must avoid being too parochial about where these programmes are commissioned. What is important is that they appear on our screens and contribute towards portraying Wales.

[79] **Nerys Evans:** Dyfynnwyd Mark Thompson yn sôn am ddatblygu pentref drama yng Nghymru. Beth yn union y mae hynny'n ei olygu?

Nerys Evans: Mark Thompson has been cited talking about developing a drama village in Wales. What exactly would that mean?

[80] **Ms Richards:** Ar hyn o bryd, mae BBC Cymru yn ystyried y posibilrwydd o ail-

Ms Richards: Currently, BBC Wales is considering the possibility of relocating from

leoli o Landaf. Yr ydym yn y broses o werthuso'r opsiynau. A ddylem aros yn Llandaf neu symud? Os ydym yn symud, a oes posibiladau o gael rhyw fath o gymuned ddrama, i gasglu pawb sy'n cynhyrchu drama ar gyfer BBC Cymru ynghyd, gan gynnwys y rhai sy'n cynhyrchu rhaglenni rhwydwaith a chyfresi fel *Pobol y Cwm*? Mae hwnnw'n un o'r opsiynau a gaiff ei wyntyllu yn ystod y misoedd nesaf, ond mae'n ddyddiau cynnar iawn.

[81] **Nerys Evans:** Yr ydym wedi darllen adroddiadau yn yr *Evening Post* ym Mryste am y bwriad i *Casualty* ddod yn rhan o'r pentref drama yng Nghymru. A allwch gadarnhau a yw hynny'n wir?

[82] **Ms Richards:** Ni wnaed penderfyniad o ran yr hyn sy'n digwydd i *Casualty*, ond yr wyf yn ymwybodol o'r sialens sy'n bod. Mae'r BBC yn edrych ar yr hyn sy'n digwydd i'w holl gynyrchiadau y tu allan i Lundain, a dyna'r broses sydd ar waith ar hyn o bryd. Mae'n ystyried i ba le y byddai rhai o'r cynyrchiadau mawr hyn yn symud, os o gwbl, ond ni wnaed penderfyniad eto, a tybiaf y bydd cystadleuaeth eithaf ffyrnig ar gyfer *Casualty* a chynyrchiadau eraill.

[83] **Nerys Evans:** A fyddai hynny'n ddibynnol ar ddatblygu'r pentref drama yng Nghymru?

[84] **Ms Richards:** Na, ni chredaf fod y naill beth yn uniongyrchol berthnasol i'r llall. Gwneir penderfyniad ynghylch yr hyn sy'n digwydd i *Casualty* fel rhan o'r broses o benderfynu beth sy'n digwydd yng ngweddill y BBC.

[85] **Nerys Evans:** Hoffwn ofyn i chi ynghylch sianel BBC2W. Beth fydd y gostyngiad yn oriau'r rhaglenni a'r gwariant oherwydd bod y gwasanaeth yn gorffen?

[86] **Ms Richards:** Nid yw'n dilyn y bydd uno BBC2W â BBC2 Wales yn arwain at ostyngiad mewn gwariant. Sefydlwyd BBC2W er mwyn darparu gwasanaeth rhwng 8.30 p.m. a 10 p.m. ar gyfer cynulleidfaoedd yng Nghymru. Gan fod y signal analog yn cael ei ddiffodd y flwyddyn nesaf, nid yw'n bosibl bellach i ni ddarparu dau wasanaeth. Felly, mae BBC2W yn cael ei uno â BBC2

Llandaff. We are in the process of evaluating the options. Should we should stay in Llandaff or move? If we move, would there be the possibility of having some sort of drama community to gather together everyone who produces drama for BBC Wales, including those who produce network programmes and series such as *Pobol y Cwm*? That is one option that will be given an airing during the coming months, but it is still very early days.

Nerys Evans: We have read reports in the Bristol *Evening Post* that there is an intention to make *Casualty* a part of the drama village in Wales. Can you confirm whether that is true?

Ms Richards: No decision has yet been made on what is happening to *Casualty*, but I am aware of the challenge that exists. The BBC is considering what is happening to all of its productions outside London, and that is the process that is currently under way. It is considering where some of these large productions would move to, if at all, but no decision has been made as yet, and I presume that there will be quite fierce competition for *Casualty* and other productions.

Nerys Evans: Would that depend on developing the drama village in Wales?

Ms Richards: No, I do not think that one thing is directly relevant to the other. A decision regarding what happens to *Casualty* will be made as part of the process of deciding what happens in the rest of the BBC.

Nerys Evans: I wish to ask you about the BBC2W channel. What will be the reduction in programming hours and spending as a result of that service coming to an end?

Ms Richards: It does not follow that the merger of BBC2W with BBC 2 Wales will lead to a reduction in spending. BBC2W was established in order to provide a service between 8.30 p.m. and 10 p.m. for audiences in Wales. As a result of the analogue switch-off next year, it will no longer be possible for us to provide two services. Therefore, BBC2W is being merged with BBC2 Wales.

Wales.

[87] Yn ystod y blynyddoedd diwethaf, mae BBC2W wedi dangos aildarllediadau i raddau helaeth. Felly, y bwriad yw buddsoddi'r arian mewn cyfresi sy'n fwy tebygol o ddenu cynulleidfaoedd mwy i BBC1. Mae'r pwyslais ar sicrhau bod mwy o gyfresi fel *Coal House*, sy'n denu cynulleidfaoedd ehangach, yn hytrach nag ar aildarlledu llawer iawn o raglenni. Yn ogystal â'r ystyriaeth dechnolegol o ran diffodd y signal analog, mae gennym bob math o dystiolaeth i gefnogi'r penderfyniadau hyn, gan gynnwys y ffaith bod ymchwil ymysg cynulleidfaoedd yn dangos i ni bod pobl yn mwynhau'r rhaglenni hyn, ond nid ydynt am gael eu hamddifadu o rai o'r rhaglenni mawr sydd ar y rhwydweithiau ar yr un pryd. Felly, mae'r uniad hwn yn ein caniatáu i amserlennu ar gyfer BBC2 Wales mewn ffordd mwy effeithiol o lawer ar gyfer ein cynulleidfa.

[88] **Nerys Evans:** Felly, caiff yr arian i gyd ei ailfuddsoddi.

[89] **Ms Richards:** Caiff.

[90] **Alun Davies:** Pan lanswyd sianel BBC2W, cofiaf i chi ddefnyddio'r is-bennawd 'Teledu digidol ar gyfer Cymru'. Felly, mae braidd yn od ei bod yn dod i ben oherwydd diffodd y signal analog. Ar ôl y newid i deledu digidol, beth yw'ch gweledigaeth ar gyfer gwasanaeth BBC Cymru ar BBC1 a BBC2?

1.50 p.m.

[91] **Ms Richards:** Fel yr eglurais wrth Nerys, nid yr ystyriaeth dechnolegol yn unig sydd wrth wraidd hyn. Mae ymchwil cynulleidfaoedd yn dweud wrthym bod pobl yn mwynhau'r rhaglenni ar BBC2W ond nid ydynt am gael eu hamddifadu o'r rhaglenni rhwydwaith a ddarlledir ar BBC2 ond nid ar BBC2W. Dengys yr ymchwil eu bod llawer yn fwy awyddus i gael amserlen gymysg, gyda rhai o raglenni BBC Cymru yn ogystal â rhaglenni rhwydwaith, a dyna'r bwriad. Felly, nid wyf yn credu y bydd y gynulleidfa'n dioddef o gwbl yn sgîl y newid hwn—i'r gwrthwyneb, caiff y gynulleidfa

During the past few years, BBC2W has shown repeats, to a great extent. Therefore, the intention is to invest the money in series that are far more likely to attract larger audiences to BBC1. There is an emphasis on ensuring that there are more series such as *Coal House*, which attract wider audiences, rather than on repeating a great many programmes. In addition to the technological considerations, with regard to the analogue switch-off, we have all sorts of evidence to support these decisions, including the fact that audience research has shown us that people enjoy those programmes, but they do not want to be denied some of the main programmes that are being shown by the networks at the same time. Therefore, this merger allows us to schedule for BBC2 Wales in a far more effective way for our audience.

Nerys Evans: Therefore, all the money will be reinvested.

Ms Richards: Yes.

Alun Davies: When the BBC2W channel was launched, I recall that you used the strapline 'Digital television for Wales'. Therefore, it is rather odd that it is coming to an end because the analogue signal is being switched off. Following digital switchover, what is your vision for BBC Wales services on BBC1 and BBC2?

Ms Richards: As I explained to Nerys, it is not just the technological consideration at the heart of this. Audience research shows us that people enjoy the programmes on BBC2W, but still do not want to be deprived of the network programmes that are broadcast on BBC2 but not on BBC2W. The research shows that audiences are far keener on having a mixed schedule, with some BBC Wales programmes in addition to network programmes, and that is the intention. So, I do not think that the audience will suffer at all as a result of this change—quite the opposite, the audience will have a richer

wasanaeth cyfoethocach oherwydd buddsoddiad mewn rhaglenni o Gymru yn ogystal â rhaglenni rhwydwaith.

[92] Bydd y weledigaeth ar gyfer gwasanaeth o Gymru yr un ag y mae yn awr, pa un a yw BBC2W yn bod neu beidio: bydd yn cynnig y gwasanaeth mwyaf cynhwysfawr, perthnasol a difyr i gynulleidfa oedd yn y dyfodol.

[93] **Alun Davies:** Iawn, ond beth y mae hynny'n ei olygu o ran oriau? Ar hyn o bryd, mae gennych y lle ar BBC2 i greu rhaglenni a chynnig ail gyfle i weld rhaglenni. A ydych yn gweld hynny'n parhau gyda'r un oriau ar ôl y newid i ddiagonal?

[94] **Ms Richards:** Efallai nad wyf wedi gwneud hyn yn ddigon clir. Byddwn yn dal i gario rhaglenni ar BBC2 Wales. Nid yw'n fwiad gennym beidio ag amserlennu ein rhaglenni ar BBC2 Wales. Byddant yn ymddangos ar BBC1 Wales ac ar BBC2 Wales. Bydd y lleihad yn nifer yr ailddarllediadau yn ein caniatáu i fuddsoddi'r arian hwnnw mewn cyfresi a rhaglenni, i gael llawer mwy o effaith na rhai o'r rhaglenni sydd wedi bod yn cael eu darlledu.

[95] Fy marn i yw bod cynulleidfa oedd yn elwa mwy o weld rhaglenni pwysig, diddorol a chanddynt fwy o effaith nag ydynt o weld rhesi o ailddarllediadau. Soniwyd am *Coal House*, a hon yw'r enghraifft gyntaf. Yr oedd y gyfres gyntaf yn hynod lwyddiannus, ac mae'r ffaith bod 60 y cant o boblogaeth Cymru wedi cael eu cyffwrdd rywsut gan *Coal House* yn dangos bod Indus, y cwmni annibynnol a greodd y rhaglen, wedi gwneud gwaith ardderchog. Mae'r cwmni eisiau datblygu'r cyfeiriad hwnnw inni gan gydnabod pwysigrwydd y byd aml-lwyfan. Yn ogystal â gwyllo teledu, mae pobl hefyd eisiau gwasanaeth ar-lein a thrafodaethau ar y radio sy'n ymwneud â rhyw bwnc arbennig. Mae llwyddiant rhai o wasanaethau 'ar gais' y BBC yn profi hynny. Felly, dyna'r weledigaeth: mynd i'r cyfeiriad y mae'r gynulleidfa'n dymuno inni fynd iddo.

[96] **Alun Davies:** I think that everybody would share that vision, and I assume that you will need a substantially increased budget, because replacing repeats with high-quality original programming will be far more expensive than the service that we are currently seeing.

service because of the investment in programmes from Wales as well as network programmes.

The vision for the service from Wales will be the same as it is now, whether BBC2W continues or not: it will offer the most comprehensive, relevant and entertaining service to audiences in the future.

Alun Davies: Okay, but what does that mean for the hours? Currently, you have space on BBC2 to create programmes and to offer another chance to see programmes. Do you see that continuing with the same hours after the digital switchover?

Ms Richards: Perhaps I have not made myself clear enough. We will still carry programmes on BBC2 Wales. We have no intention of not scheduling our programmes on BBC2 Wales. They will appear on BBC1 Wales and on BBC2 Wales. The reduction in the number of these repeats will allow us to invest those moneys in much higher impact series and programmes than some of the programmes that have been broadcast.

My opinion is that audiences will benefit more from seeing important, interesting and higher impact programmes than from viewing repeat after repeat. *Coal House* was mentioned, and that is the first example. The first series was incredibly successful, and the fact that *Coal House*, in one way or another, touched some 60 per cent of the population of Wales shows that Indus, the independent company that created the programme, has done excellent work. It wants to develop that direction for us, thereby acknowledging the importance of the multiplatform world. In addition to watching television, people also want an online service, and discussions on the radio about a particular subject. The success of some of the BBC's on-demand services proves that. That is the vision, then: going in the direction in which the audience wants us to go.

[97] **Ms Richards:** What we have demonstrated with *Coal House* is that we have been able to invest substantial sums in its success. There might be one or two series that were not commissioned that might otherwise have been commissioned, but they would have been the kinds of series that commissioners felt would not have the kind of impact and sustained interaction with audiences that *Coal House* had. That is the kind of decision-making process that commissioners go through. Are we going to commission six half-hour programmes on something that might or might not work, or are we going to go for something that has a really big impact? That is normal business.

[98] **Alun Davies:** It is the shape of the service that I am trying to understand. You talk about the hours and the scheduling. One of the big advantages of BBC2W, I assume, is that you had far more freedom in the scheduling within that block. As the controller of BBC Wales, do you feel that you have sufficient freedom in scheduling, and do you foresee the digital switchover as an opportunity to gain a far greater amount of freedom in scheduling?

[99] **Ms Richards:** Your point about the freedom of scheduling on BBC2W is not our experience. Although we started out some years ago with a block of output, between 8.30 p.m. and 10 p.m., it rapidly became very clear to us that audiences did not want that. We had many complaints from viewers who were being denied some of the big network pieces that they could not see in Wales, which is why we set out on this quite detailed programme of audience research. That demonstrated to us that audiences want that output, but they want it scheduled in a way that was appropriate to them. So, yes, we have the opportunity to schedule our output on BBC2 Wales and on BBC1 Wales in a way that is most appropriate to the audience. However, let us not forget that BBC1 is a very popular and competitive channel, and audiences in Wales enjoy BBC1. So, we must recognise that, to get the mix right, we need to offer people good, strong local content that has an impact, as well as the network pieces that they clearly value very highly.

[100] **Mr Loughrey:** I have a couple of surrounding points. Broadcasting strategies are usually sustained for two or three years and then the world around them changes. I was very much involved with the initiation of BBC2W, but a couple of big movements should be noted in this context. First, BBC iPlayer is one of the most successful services that we have conceived in the last decade, and it delivers the vast bulk of those programmes at the convenience of the audience—when it suits them and not when it suits the scheduler in Cardiff or London. It is an extraordinary advance in the convenience of broadcasting.

[101] Secondly, when we conceived BBC2W, we did not anticipate the level of network production on BBC1 and BBC2. Menna and her colleagues sometimes found themselves in the invidious position of time-shifting or moving BBC Wales programmes on the network to facilitate BBC2W. That began to make no sense, and, from a planning point of view, we do not anticipate any significant change in the level of originations; what we are changing is the level of repeat.

[102] **Nerys Evans:** Hoffwn ofyn i chi am berthynas y BBC ac S4C. Mae'r gyllideb wedi ei dyrannu ac wedi cynyddu'n glir dros y blynyddoedd diwethaf, ac mae'r cytundeb yn dod i ben ddiwedd y flwyddyn nesaf. Pa newidiadau ydych yn gobeithio eu gweld? A ydych yn edrych i gynyddu'r buddsoddiad dros y blynyddoedd nesaf?

Nerys Evans: I wish to ask you about the relationship between the BBC and S4C. The budget has been allocated and has clearly increased during the past few years, and the agreement comes to an end at the end of next year. What changes do you expect to see? Are you looking to increase the investment over the next few years?

[103] **Ms Richards:** Mae'r bartneriaeth strategol gydag S4C yn gweithio yn dda

Ms Richards: The strategic partnership with S4C is working very well; we are currently in

iawn; yr ydym yn ei hail flwyddyn yn awr, ac mae'n bartneriaeth ac yn gytundeb rhwng Ymddiriedolaeth y BBC ac Awdurdod S4C. Felly, mater i'r ymddiriedolaeth yw penderfynu sut mae'r berthynas honno yn symud ymlaen yn y dyfodol. Byddwn yn rhagweld y bydd y drafodaeth honno yn digwydd yn ystod y flwyddyn nesaf.

the second year of it, and it is a partnership and an agreement between the BBC Trust and S4C Authority. Therefore, it is a matter for the trust to decide how that relationship will move forward in the future. I would foresee that that discussion will take place during the next year.

[104] **Peter Black:** I want to talk about the network news services. There is a great deal of dissatisfaction about the coverage of Wales and the portrayal of Wales by the network, particularly by the BBC's network news services—no doubt that will be reflected in the Anthony King report when it comes out next week. Why is the coverage not better, and what are you doing to ensure that it improves?

[105] **Mr Loughrey:** I sit on the BBC's journalism board, as well as my other various duties, and I think that there is undoubted disquiet about the depth and range of all UK-wide news services, as regards their reflection of the devolved nations. Much of the infrastructure of the broadcast media in journalism evolved within a Whitehall setting. I do not think that we have moved as quickly as we might to reflect the dramatically changing geometry of the United Kingdom. I think that what Professor King is likely to observe—and what we are likely to do as a result, and because of our own dialogue with our audience councils and with the audience—is another stage in the development of a better reflection of the degree of differences that now exist between the countries that make up the UK. The audience needs to have a clearer steer on devolved and reserved matters, and we need to celebrate better the increased differences and distinctiveness of the nations of the UK.

[106] **Peter Black:** I think that we would all accept that you want to improve and build on that, and also that it is an evolutionary process. However, we are in the situation of simple things reported on the network news coming across as laziness on the part of journalists. For instance, journalists talk about 'English initiatives' as though they were UK initiatives that affect Wales, when they are not. *Question Time* came to Cardiff, but refused to discuss Assembly issues because people in England were not interested—even though the programme was being broadcast from Wales. Things such as that have an impact on people's perception of how the BBC views Wales, and, in particular, how it views the devolved settlement that we have.

2.00 p.m.

[107] **Mr Loughrey:** I agree, basically. We have a way to go to reflect the new reality in the devolved nations. This is not a defence, but an observation: it is partly because Ministers at Westminster are perhaps overlooking, in their statements and press releases, the areas for which they have jurisdiction. It is increasingly the responsibility of journalists to remind them, and perhaps we do not do that as often as we should. We need to be far clearer in all interviews with Ministers about exactly what they are responsible for. We also need to reflect more frequently the diverse nature of decision making in the UK.

[108] **Peter Black:** I will not defend the politicians either, so we can move on. What worries do you have about the impact of the digital switchover on the availability of BBC Wales, as opposed to the BBC's UK-wide services, both on TV and radio? As you know, we have issues about what people are able to watch in Wales at the moment, and, even with digital switchover, we will still not have 100 per cent coverage—there will be people, particularly on the borders, who will buy digital packages and have English channels as the default.

[109] **Ms Richards:** When digital switchover happens, digital services will replicate analogue services in Wales, and I think that around 96 per cent of the population will be able to receive the services that they currently receive. There are issues around distribution; digital switchover is one, and digital audio broadcasting, or DAB, is another. The topography of Wales has long caused difficulties for all of us. To talk about DAB as well, it is a concern that half the households in Wales cannot receive Radio Wales or Radio Cymru on DAB. Due to UK Government legislation many years ago, we are in a position where we have to rely on the operation of commercial multiplexes in different parts of Wales to carry Radio Wales and Radio Cymru. So, there are some quite testing challenges there. The BBC is doing everything that it can, and we have worked successfully with Ofcom locally to try to identify some of these issues and establish how they can be dealt with, but as far as Radio Cymru and Radio Wales are concerned, the BBC is trying to make them available on as many platforms as possible, particularly through Freesat, which was launched recently. They are now available on Freesat. However, there are still issues around distribution.

[110] **Peter Black:** Is there any progress on tackling that DAB issue, particularly for Radio Wales and Radio Cymru?

[111] **Mr Loughrey:** At the moment, there is great uncertainty about the future of digital audio broadcasting. You may be aware that some of the commercial companies are expressing concern on behalf of their shareholders as to the viability of their offer. This is not necessarily gloomy—there is a cross-industry review happening under the auspices of Ofcom, on which we are working very closely with commercial broadcasters, and I am convinced that we will come up with a solution that will reduce the burden upon them, and do what we can to alleviate their concerns. However, we also need to secure the future of a platform that has made remarkable strides in terms of growth and public awareness in a relatively short time. I hope that that will be firmed up; it is not that I am being coy about it, but the recommendations are not yet in place. The radio academy gathering in Glasgow this July is a public venue where you will likely hear more about what is planned, and that falls within the period of your deliberations. We are very mindful of the concerns within Wales about the quality and the range of digital audio broadcasting, and that is one of the big considerations that we are putting to this group. It is particularly acute when it is coupled with the problems in analogue radio transmission in some areas of Wales, so we have an acute reason to ensure that we do everything in our power to solve the problem.

[112] **Peter Black:** I will just ask about community radio. Do you have a policy on providing material for community radio free of charge? Do you work with community radio?

[113] **Ms Richards:** Yes, we have done in the past—we have provided news bulletins, and given training and support. So, yes—if community radio comes and talks to us, we are very happy to help.

[114] **Mr Loughrey:** Along with Jenny Abramski, a colleague of mine who is director of audio and music, I announced a strategy on community radio about three or years ago. Menna has outlined the key elements of that strategy, which was intended to ensure that we would not be in some kind of invidious competition with community radio, but would recognise it as often being made up of like-minded groups. There are three forms of support that we offer. Where appropriate, we can give them equipment and kit that we are no longer using, and which might be useful to them. We give them training, for instance, in legal affairs, which they can benefit from, and, as Menna said, perhaps most significantly in economic terms, we allow them free access to our news bulletins, providing the stations are not-for-profit organisations, as most of them are, and provided that they use the BBC ident. So, they can use the most expensive of our genres, news bulletins, as part of their service—and I am happy to say that that offer has been taken up here in Wales, has it not, Menna?

[115] **Ms Richards:** Yes.

[116] **Alun Davies:** Thank you. I would like to bring the session to a close, but, before I do so, I will return to something that was mentioned in the preamble. You talked about the importance of plurality in Wales, and when we talk about that, we tend to place the emphasis on news and news production. Do you see the importance of plurality going beyond news programming?

[117] **Ms Richards:** I do. The debate around plurality has concentrated on news, and particularly because of ITV Wales's position. However, there is a great deal of evidence to support the fact that audiences in Wales value non-news output; we know that from the success of our own output, as well as from the fact that ITV Wales's non-news output also attracts audiences. Therefore, there is an argument that the plurality of non-news output is worth looking at. There is a counter argument to that, which is that, provided that there is diversity of approach within one broadcaster, then that provides sufficient plurality. In a place such as Wales, I think that there are slightly different arguments.

[118] **Alun Davies:** What are those arguments?

[119] **Ms Richards:** They are as I have described. You are asking specifically about non-news output. The same arguments apply to non-news as to news, in the sense that we have a relatively weak press, so we need to have a kind of scrutiny—or not so much scrutiny as a reflection of Wales: what it is, a sense of place, and recognise a sense of identity in terms of drama, entertainment and factual output. It is also important for the industry, as well as for audiences—if it is possible to sustain a viable, non-news base, that is good for the future of the industry.

[120] **Alun Davies:** Thank you for that. I appreciate your willingness to answer Members' questions this afternoon, and the time that you have taken to produce your written evidence. A transcript of this meeting will be made available to you in the next week or so. In the meantime, I thank you again for your time this afternoon—diolch yn fawr.

[121] Gwahoddaf y tystion nesaf—o'r Undeb Darlledu, Adloniant, Sinematograffeg a Theatr, ac Undeb Cenedlaethol y Newyddiadurwyr—at y bwrdd. Datganaf fuddiant fel aelod o'r NUJ. I invite our next witnesses—from the Broadcasting, Entertainment, Cinematograph and Theatre Union, and the National Union of Journalists—to the table. I declare an interest as a member of the NUJ.

[122] Croeso i'r cyfarfod a diolch i chi am yr amser yr ydych wedi ei gymryd i baratoi papur. Mae'r Aelodau wedi gweld eich papur, ac wedi cael cyfle i ddarllen drwyddo. Gofynnaf i chi gyflwyno eich hunain ar gyfer y cofnod, a gwneud unrhyw sylwadau agoriadol sydd gennych cyn i'r Aelodau ofyn cwestiynau i chi. Welcome to the meeting, and thank you for the time that you have spent preparing your paper. Members have seen your paper, and will have had an opportunity to read it. I ask you to introduce yourselves for the record, and make any opening remarks that you may have before Members start their questioning.

[123] **Mr Dear:** My name is Jeremy Dear; I am the general secretary of the National Union of Journalists. Also with me today are David Donovan, the national officer of BECTU, Kate Carr, the chair of the NUJ Wales executive council, Meic Birtwistle, the NUJ national executive council member for Wales, and Lawrence Shaw, the NUJ assistant organiser for Wales.

[124] Thank you for giving us the opportunity to participate in the debate, and to contribute to public discussion about the future, not just of broadcasting, but of media in Wales. We

think that we have an important voice to add, as we represent around 3,000 media workers, working in online, television and radio broadcasting and publishing across Wales.

2.10 p.m.

[125] You will see in the two submissions by the unions that we set out the key aims of maintaining and strengthening public service broadcasting services in Wales by building public services values and developing media plurality. We believe that the current model has strengths and weaknesses, highlighted in the Institute of Welsh Affairs' report. The 'Reflections' section clearly highlights those strengths and weaknesses. Above and beyond that, our interest should not just be to try to preserve current models, but to build, develop and strengthen public service broadcasting and plurality and, in so doing, to deliver more for audiences and citizens.

[126] Technology offers us huge opportunities to do that, but too often it has been used not for the benefit of citizens or public service broadcasting, but to their detriment. We point out at every opportunity the hundreds of jobs that have been lost across the media, the lack of investment in much of the media in recent years, the lost hours and the marginalisation of public service broadcasting programmes. We see this and Ofcom's public service broadcasting review as an opportunity to set out a new model and, in particular, a new funding model, in all areas and genres of programming. From a journalistic point of view, I was taken by the line in the IWA report that says,

[127] 'Investment in media development is not necessarily the same thing as investment in journalism'.

[128] Although many companies can point to a great deal of investment in technology, whether it is in drama, journalism or other areas, there has been a significant fall in investment in the content providers in a number of different areas.

[129] In the short term, the future of news and non-news programming on ITV Wales is a primary concern. Unlike the doom-mongers who say, 'It simply cannot be afforded any more', we believe that there are a number of regulatory options for addressing that, whether it is spectrum allocation, levies, or increasing advertising minutes. There are many different options that need to be considered in order to protect news and non-news programming on commercial public service broadcasters without resorting to top-slicing the licence fee, which would not add to the pool of money available for public service broadcasting, but simply redistribute it between different public service broadcasters.

[130] Finally, too many of the options put forward by Ofcom and others are about shifting money between public and private or different operators, or about arguing that we leave everything to the market. The key is to find a way to maintain and strengthen public service broadcasting and increase plurality for the benefit of citizens and audiences in Wales. The IWA says that that will require public intervention. That is backed up by the citizens' juries, which say that they value of this type of programming. We are keen to work with you and the industry to see how we can best achieve that.

[131] **Alun Davies:** Thank you very much for those opening statements. I was reading your written submissions, for which we are grateful, and the overwhelming impression was that both unions are not overly in favour of much. You seem to be anxious to strengthen regulation and very suspicious of much of the light-touch regulation that occurs at the moment. Would you agree that, essentially, it is not the place of regulation to impose many of the things that we would like to see in terms of public services broadcasting, but rather to create an environment in which the broadcasters will deliver and develop public service broadcasting?

[132] **Mr Dear:** I do not think that it is the position of regulators to say exactly what programmes should be made, where and how. You are right—it is about creating the environment, but we must also recognise that, if we accept the argument that public service broadcasting is a public good—whether it is children’s programmes or drama that reflects communities and different interest groups or news provision—that has to be paid for. If there is an argument that such programmes cannot be paid for through purely commercial means and that allowing the market to decide would create a democratic deficit in terms of news provision or the provision of quality children’s programming or so on, the regulatory environment must be created in which broadcasters can make those programmes. That is why we talk about the ideas of levies and spectrum allocation. They are different means of creating an environment in which companies are persuaded that it is in their commercial interest and in the public’s interest to provide public service broadcasting programmes of whatever genre.

[133] **Ms K. Carr:** I think that if we come across as being suspicious, it is perhaps because, as unions, we have had to fight very hard for the regulation that currently exists and for companies’ current commitments to be maintained.

[134] **Mr Donovan:** I will not be defensive about being defensive because the evidence before us shows that public service broadcasting is under attack. That is the issue that we have sought to address. The fact that Ofcom is making or suggesting some of these proposals is a matter of concern for us. Wales must decide what we want and what public service broadcasting means to us in Wales. We must set that agenda.

[135] On representing our members, we set the agenda that our members will hopefully develop and use to provide a vibrant economy in Wales. However, we must not forget that we are also a part of Wales; we are the people of Wales and we have a sense of expectancy in terms of what we watch in Wales and an entitlement to believe that how we are seen in Wales, in terms of speaking to each other, and how we are seen further afield in the rest of the UK—and not least in the world—has some merit and value. That value must be about something other than a simple balance sheet in some economy.

[136] **Mr Dear:** It is ironic that, in response to Peter’s question, Pat or Menna talked about network news services. We have had to fight in all four nations of the UK to defend network news services against cuts. Creating the environment also means, as I said in the introduction, investing in content and in the people who provide content, and not just in the regulation of the framework to allow broadcasters to develop new services, but also to say what we want of those new services.

[137] **Alun Davies:** I appreciate that, but when Michael Grade came to give evidence to us, he made his position clear—he is not really interested in regional programming and he does not want to do non-news programming. You can, by regulation, compel ITV to do so, certainly in the short term, but is there any purpose to that level of regulation because what would happen is that ITV would do the minimum to conform with the sort of regulatory environment in which it operates, but would not be investing in anything more than the minimum. Essentially, such programming would be less good because there would be less investment in it and fewer people would watch it, so it would wither on the vine. Surely it is better to look for different ways of delivering that type of content rather than try to impose a regulatory environment on the broadcasters that is not sustainable in the long term.

[138] **Mr Donovan:** You are underestimating the current requirement on ITV; there is a requirement on it and it is the threat against that that has brought us to this meeting today. ITV must be reminded of that because it will do the least that it possibly can get away with, as you said, Chair. The question for us is: are we going to allow that? We need to ensure that anyone who broadcasts for Wales, on behalf of Wales and within Wales has the interest of the

overwhelming majority of Wales at heart.

[139] We need to take ITV to task about its commitment as it stands now, but I also believe that the influence that can be drawn from politicians and the majority of people in Wales is there for us to look at. Why is there a different requirement in Wales for its output of news and non-news programmes than there is in the rest of the UK? Do you think that Michael Grade had some sort of hiraeth for Wales and thought, ‘What a pity about them, we will throw them a bone.’?

2.20 p.m.

[140] I do not think so. I think that the differences are there because we articulated the requirements that we expected of our channel 3 provider.

[141] **Mr Birtwistle:** I think that we have seen in the evidence that you have been teasing out today from the BBC and in the evidence of what we can see is happening in ITV, that there is clearly a failure in terms of the representation of Wales. Therefore, one of the jobs of regulation is to attempt to address that problem. Whether it is ITV that still has that responsibility to address that in the private sector or whether we need to have other systems for dealing with the question of plurality, you are still going to need regulation to police that system. You need regulation through the BBC Trust and partially through Ofcom to look at the failings of the BBC, and you are still going to need regulation with regard to ITV, where the situation is considerably worse. So, we would argue that, to some extent, the light-touch business-friendly regime, with the concept of consumer being promoted above the idea of citizen—that was the brief given to Ofcom, which it has embraced very happily—has led us to this pretty pass. The situation has got worse over the past few years; it has not got better. We would argue that it has been the attitude that Ofcom has taken that is at least partially responsible for the state in which we now find ourselves.

[142] **Alun Davies:** I am going to bring in Nerys Evans in a moment, but before I do, I will ask a question. Is this really the fault of the regulator or is it simply the result of the economics of broadcasting changing over the past few years? I think that it is very easy simply to blame the regulator for what goes on in the market, but, at the end of the day, the market is changing fundamentally. We had a very strong presentation from Michael Grade some weeks ago, and he was saying that the market has changed and, as a result, you cannot go back to where you were 10 years ago or even five years ago. In the future, post-digital switchover, the market will change again and we therefore have to plan for those changes rather than simply try to look back to where we have been.

[143] **Ms K. Carr:** For all that Michael Grade said to this committee when he was here in Wales, I think that ITV would be happy to be encouraged to retain its 103 space on the spectrum. For all that it says, I think that it recognises the benefit of having that. ITV’s profits are down—they were down 35 per cent last year to £188 million; £44 million of that was from Wales. They are significant figures. However, that said, we are trying to recognise that the situation is changing and that alternatives are needed in order to support ITV here in Wales. We also see it as extremely important that that plurality is maintained, and I think that the regulator has a role to play in that. To support what Jeremy was saying, it is about a creative environment, but to go back to what I was saying earlier, I think that ITV would be happy to be encouraged to maintain that commitment within the right framework.

[144] **Alun Davies:** I do not recognise your figure of £44 million. If you could drop us a note on that, following this meeting, that would be quite useful.

[145] **Nerys Evans:** O ddarllen eich **Nerys Evans:** Having read your evidence taflenni tystiolaeth, a ydyw’n deg i ddweud, papers, is it fair to say that, in your opinion,

yn eich barn chi, nad oes angen newid mawr yn y sefyllfa bresennol o ran darlledu gwasanaeth cyhoeddus? there is no need for a great change in the current situation regarding public service broadcasting?

[146] **Mr Dear:** On there being no need for a great change, I think that there is significant technological change that is driving different economic models, which is why we believe that we have come up with different funding models in order not only to maintain the current levels of public service broadcasting, but hopefully to encourage others to develop public service broadcasting. The idea of levies or tax concessions for those who do public service broadcasting can encourage others to become public service broadcasters or to produce public service broadcasting as well. Of course, significant changes are going to happen. However, we are intent on trying to ensure that the content—however it is delivered, on whatever platform, whether on television, radio, online, or even in printed format—has a quality about it, that there is a plurality about it and that it properly reflects the communities that it seeks to serve. We believe that we have come up with some alternative funding models, some of which Ofcom has developed; others go beyond what Ofcom is saying. So, significant changes in the regulatory environment will, we hope, be changes for the better in terms of content and the delivery of content.

[147] **Nerys Evans:** Beth yw barn y ddau undeb ar ddogfen Ofcom ar ddarlledu gwasanaeth cyhoeddus? A ydych yn ffafrio un model dros y lleill? **Nerys Evans:** What do the two unions think of Ofcom's document on public service broadcasting? Do you favour one model over the others?

[148] **Mr Donovan:** That model would be the evolutionary model. It was quite interesting to listen to Pat Loughrey's evidence. He made several references to the way in which it would develop. It is because of the speed of that change that evolution needs to be the model that we adopt. I am not convinced by the suggestion that the marketplace is failing us in ITV and that other market opportunities could be a resolution to that. It is about evolution, because it is changing. I need to be convinced that, before we abandon the current system, in any sense, we know what we will be moving into. We welcome the opportunity to give evidence to you and to the Welsh Assembly Government; that is a process of evolution. Every time we have a hiccup—perhaps more than that in this instance—in the media in Wales, we are invited to a committee with you. We welcome the opportunity, but it has to be brought together in an ad hoc way. Although this is not a devolved power, perhaps the Welsh Assembly Government should be looking at how we can take a strategic approach. However, as I said, it is about evolution.

[149] I also want to come back to Ofcom—not because I would set out a new list of requirements from Ofcom, but because I expect Ofcom to require of ITV that it provides the level of service that it has currently signed up for. That is the key for me about Ofcom and about regulation. I will be a little tongue in cheek and say that I get nervous about regulation on occasion, but that I find myself on this occasion thinking, 'Yes, that is why we need it'.

[150] **Nerys Evans:** Mae gennyf gwestiwn penodol i'r NUJ. A allwch ymhelaethu ar y cynnig yn eich papur ynglŷn â chynyddu'r nifer o funudau hysbysebu er mwyn talu am ddarlledu gwasanaethau cyhoeddus? A ydych wedi camddechongli sefyllfa ariannol ITV? **Nerys Evans:** I have a specific question for the NUJ. Can you expand on the proposal in your paper with regard to increasing the number of advertising minutes in order to pay for public service broadcasting? Have you misunderstood the financial situation of ITV?

[151] **Mr Dear:** I certainly do not think that we have. It was originally floated to us by Clive Jones, head of ITV news, and is therefore one that ITV believes to be possible. It avoids the need for direct increased revenue from citizens—either from an increase in the licence fee or from other broadcasters in the form of levies. Therefore, it attracts some widespread

support across the industry. We would be concerned to see a free for all in terms of advertising minutage, certainly in terms of reduced programme lengths and, therefore, a restriction in content, which would inevitably lead to more job losses and so on. So, it has to be done in a measured way. However, we believe that the economics of it—having looked at it with ITV—give a possibility of being able to maintain current levels of news and non-news regional programming on ITV in return for small increases in advertising minutage.

[152] **Alun Davies:** When you say ‘small increases’, what do you mean?

[153] **Mr Dear:** It is something like 1.6 minutes per hour of broadcasting, but I am happy to come back with some better statistics.

[154] **Alun Davies:** Is that across the board?

[155] **Mr Dear:** Yes.

[156] **Mr Birtwistle:** Credaf mai dyma’r cyfle i ddatgan yn glir ein hofnau ynglŷn â’r drafodaeth ar frigdorri. Y syniad yw, er mwyn datrys y problemau sy’n wynebu ITV ar hyn o bryd ac i sicrhau lluosogrwydd, bod arian yn cael ei gwtogi oddi ar gyllid y BBC. Mae hyn yn ein poeni ni oherwydd y toriadau sydd wedi taro’r BBC, yn enwedig BBC Cymru, lle’r ydym wedi gweld colli rhyw 400 o swyddi dros y blynyddoedd diwethaf. Yr ydym yn ofni y byddai torri hyd yn oed yn fwy ar gyllid y BBC yn achosi problemau difrifol ar gyfer y math o wasanaeth yr ydym wedi bod yn ei drafod y prynhawn yma.

Mr Birtwistle: I believe that this is the opportunity to state clearly our fears with regard to the discussion on top-slicing. The idea is that, in order to solve the problems faced by ITV at the moment and to ensure plurality, money is cut from the BBC’s budget. This worries us, because of the cuts that have hit the BBC, especially BBC Wales, where we have seen a loss of some 400 jobs over the past few years. We are extremely concerned that cutting the BBC’s budget further would cause serious problems for the kind of service that we have been discussing this afternoon.

2.30 p.m.

[157] **Alun Davies:** Mae hynny wedi digwydd, ac mae’n bosibl dadlau ei fod wedi bod yn digwydd ers rhyw 20 mlynedd. Mae rhaglenni S4C yn cael eu hariannu drwy arian trwydded y BBC, a hefyd, ar hyn o bryd, mae £150 miliwn yn cael ei drosglwyddo o’r BBC i ariannu’r newid digidol. Felly, yr ydych yn gwrthwynebu rhywbeth sydd wedi digwydd yn barod.

Alun Davies: That has happened, and it is possible to argue that that has been happening for around 20 years. Programmes for S4C are funded through the BBC licence fee and, at present, £150 million is transferred from the BBC to fund the digital switchover. So, you are opposing something that is already happening.

[158] **Mr Birtwistle:** Ynglŷn ag S4C, nid wyf yn cofio faint o oriau ychwanegol yr oedd y BBC yn gorfod eu darparu ar gyfer S4C. Mae hynny’n mynd yn ôl y tu hwnt i’r hanes yn y diwydiant, ond yr wyf yn siŵr y bydd Aled yn cofio. Yr wyf yn credu bod gennym rywbeth i’w ddweud ar y cwestiwn hwn.

Mr Birtwistle: With regard to S4C, I cannot remember how many additional hours the BBC had to provide for S4C. That goes back beyond my time in the industry, but I am sure that Aled will remember. I think that we have something to say on that issue.

[159] **Mr Donovan:** Are you talking about the BBC’s direct funding?

[160] **Alun Davies:** We are talking about the top-slicing of the licence fee. Are you not

essentially opposing something that has already happened, because S4C programming has been funded through the BBC licence fee for over 20 years? At the same time, the BBC licence fee is helping to fund the digital switchover, to the tune of about £150 million a year. So, essentially, you have already seen the BBC licence fee being adapted for alternative uses within the broadcasting environment and to other broadcasters. So, top-slicing has already happened.

[161] **Mr Dear:** The BBC's submission to the Ofcom review will point out a number of areas where it is able to provide support to other broadcasters, whether that is in terms of technology or shared resources. You heard a little bit of what Mark Thompson might have to say from Menna Richards and Pat Loughrey; there are plans to develop more of those partnerships. However, the idea of top-slicing further—if you consider that what it currently does in terms of partnerships is top-slicing—would mean that you are simply moving money between one public service broadcaster and another. We believe that what we should be trying to do is to create an environment in which there is more money for public service broadcasting, not simply slicing up the same cake in a different way.

[162] In terms of the digital switchover money—the fabled provision that every MP in Westminster thinks of as a way of finding £150 million without having to increase the licence fee or put a levy on commercial broadcasters—the point about that is that it was destined for the BBC to drive digital switchover. One key requirement, if we are to deliver any of the vision set out in any of the documents, is that someone must drive broadband delivery and take-up. The BBC is in a prime position to be able to do that, and it will make a strong case for the £150 million, the £160 million or the £800 million over five years, in order to help to develop broadband, which will provide the next generation of internet television, and to drive DAB radio—we heard about the problems with that. There are significant benefits to all broadcasters and to the whole broadcasting ecology through the BBC being able to do that. People look at it as free money that is just sitting there, but if the Government places a requirement on the BBC to develop different areas and different technologies, it has to be funded. If you say that you will give the £150 million to someone else, and then put that requirement on the BBC, the only place that that money can come from is programme making and content, which, as has been pointed out, have already seen too many cuts.

[163] **Alun Davies:** Is it not the hard reality that the licence fee is living on borrowed time? You can watch most BBC programming now on a laptop; you do not need a television anymore. We know that technological change will make the licence fee obsolete within the next decade or so. Would it not be more creative for us to look at different ways of funding public service broadcasting rather than simply defending what we have at present?

[164] **Mr Dear:** Whether we call it a licence fee or something else, the reality is that it is there to deliver quality content that is rightly valued by the public. The licence fee is seen in all the surveys—run by DCMS, Ofcom or any of the others—as the least bad mechanism for funding. No-one likes to pay any kind of tax, but if you have to pay one, you want to see what is delivered at the end of it and the quality of that content, although we would argue that it could be and should be improved, is seen as a benefit and a public good that people are willing to pay for. When you put the cost of the licence fee against the cost of a subscription package to other broadcasters, you see the enormous value, and not just in television, but also in radio and online. I understand the argument that you will not need a television set, so why have a television licence fee, but the argument is more about what the money is used for rather than what it is called.

[165] **Paul Davies:** Continuing with this theme of top-slicing, you made it absolutely clear that you want to see an increase in the current budgets. I would like clarity about where you would see that money coming from.

[166] **Ms K. Carr:** An increase in the current budgets of—

[167] **Paul Davies:** You are obviously against top-slicing the licence fee, so you are advocating an increase in the current budgets to achieve plurality. Where do you see that money coming from?

[168] **Ms K. Carr:** Do you mean in terms of budgets for commercial providers?

[169] **Paul Davies:** In terms of the licence fee.

[170] **Ms K. Carr:** Sorry; I do not quite understand the question. Yes, we are against top-slicing the licence fee, taking money away from one organisation and giving it to another, potentially losing money from programme making, but we are putting forward suggestions for bringing extra money into the system that commercial providers of PSB could use, not for the BBC—

[171] **Paul Davies:** Is that just on the commercial sector?

[172] **Ms K. Carr:** Absolutely, yes. For example, with any potential levy on a telecommunications company or other commercial company, that money should only be available for commercial providers of public service broadcasting.

[173] **Paul Davies:** So, you are saying that you would like to see an increase in the licence fee. [*Laughter.*]

[174] **Mr Dear:** Let us be absolutely clear: we argued for a higher licence fee than the current settlement. We always argue for an increase in the licence fee to reflect inflation in the broadcasting sector, which is higher than the general retail price index, and to avoid the kind of cuts that we have faced over the past few years, with nearly 6,000 jobs lost across the BBC partly as a result of the licence fee settlement and the 3 per cent year on year efficiencies that have to be found. Yes, we argue for more, but we accept that the current settlement is there until 2013, or whenever it is, so we are not saying, as part of this, that the licence fee should be increased. The next time that it comes around to arguing about the licence fee, we will no doubt be arguing that it should be increased.

2.40 p.m.

[175] **Paul Davies:** How would you see a system of gifted allocation of digital spectrum working?

[176] **Mr Dear:** If there is to be an allocation of digital spectrum, different models have been put forward in that respect. Some talk about auctioning it off and selling it off, and some talk about it being, effectively, a licence for a certain period. Our argument would be that you need to develop a system whereby those who undertake to meet certain public service broadcasting requirements, such as those that are set out in licences, are gifted a spectrum, or a certain proportion of the spectrum, in relation to the amount of public service broadcasting that they do. Therefore, instead of paying a certain amount of money for it, they would either pay a reduced amount of money for it, or if they were doing the maximum amount of public service broadcasting, they may be getting it for free. There are various financial models being worked out, but you would have to have a regulatory decision about what level of public service broadcasting someone would have to be doing to secure certain levels of gifted spectrum.

[177] **Alun Davies:** To follow that up, we heard some very interesting evidence from Michael Grade and Ian Hargreaves of Ofcom, who agreed that, in reality, the value of the

channel 3 licence post-switchover is essentially zero.

[178] **Mr Dear:** They would say that, would they not?

[179] **Alun Davies:** Do you have evidence to sustain an argument against that?

[180] **Mr Dear:** It depends on which economist you ask as to what answer you get.

[181] **Alun Davies:** We have had pretty consistent answers on this. Ofcom was quite clear in its evidence to us that it agreed with ITV's financial analysis of the position.

[182] **Mr Dear:** We would identify that as one of the major problems of the last few years in broadcasting: Ofcom has accepted every argument that ITV has put forward about why it needs to reduce non-news programmes and then news programmes, which is why in some parts of the UK you now have half an hour per week of non-news programming. I have not seen what ITV said to you, but it has said to me several times across the table that this would be totally worthless. If it is totally worthless, is it going to give it up? No, it is not, because ITV enjoys the position of being channel 103 on the electronic programme guide, and so on. There is an intrinsic value in it. There is an argument over what that value is; I accept that it is not the same value as now, but there is certainly a value to it.

[183] We accept that there have to be other issues as well—it is not just about one possible way of solving the problem that ITV has identified. However, there also has to be more scrutiny about the profitability of ITV and its £1.2 billion advertising revenue, and so on—it is not quite as poor as it sometimes makes out.

[184] **Alun Davies:** A number of witnesses have come to us with that argument, but none of them have provided a shred of evidence to sustain that argument. It is difficult for us as a committee to come to a conclusion unless we are provided with an analysis that supports and sustains that argument.

[185] **Mr Dear:** Are you talking about sustaining the argument about the value of spectrum posts?

[186] **Alun Davies:** Yes, and we would be grateful if you could do that.

[187] **Ms K. Carr:** Also, I do not think that Michael Grade has said that, in line with some of the other things that have been suggested in terms of funding public service broadcasting, that he would turn that down.

[188] **Alun Davies:** I think that he said that to us; he was very clear to us in his evidence that he wanted no subsidy from the licence fee or elsewhere—he simply was not interested in regional programming.

[189] **Mr Birtwhistle:** We should also remember that ITV's success has been built on it being part, effectively, of the public sector broadcasting as an independent broadcaster—it has built its wealth on the back of that position, as an independent broadcaster but within public service broadcasting. That is the tradition that we have. All British broadcasting was public sector broadcasting, financed in different ways.

[190] We have seen a severe erosion of that situation, but let us remember that, if ITV were to walk away, it would do so with its staff, who have been trained over the years because of its position as a public service broadcaster, and with a considerable archive that has been built up. That would be of advantage to ITV in the future, and it has those things because of the position that it previously held. So, those are two factors that should be considered. In

addition, although it is damaging its good name now, it would still walk away with it to some extent. Is ITV going to throw all that away? We watch with interest, but we think that it would be foolish to do so.

[191] **Paul Davies:** I will move on to radio stations. In your paper, you make the comment that the growth of local radio stations must involve professional journalistic input from within Wales if they are to reflect the nation's cultural identity. What about community radio stations?

[192] **Ms K. Carr:** The same applies, absolutely. That is the short answer.

[193] **Mr Dear:** We would certainly be very much in favour of the development of more community radio stations, and community television stations. We stand unashamedly for the most plural media that we can achieve. We do not believe that there is one institution, whether it is the BBC or ITV, that has all the answers, and community radio and television has an important part to play in that ecology. We would argue strongly that they should develop professional journalism, if they have journalistic output, which we think that they should. The support that the BBC mentioned, helping to provide some training in some of those elements, is an important contribution. We have also helped to support the development of community radio stations—both unions, over the years, have provided training and other forms of support at different times. It is important that community radio understands the regulations and laws that it is working under, and the way in which professional journalism operates, while involving the local community as much as possible.

[194] **Ms K. Carr:** There is an opportunity for enhanced plurality here as well, if we are able to develop solutions for Wales around this. We have heard about the BBC making some provision for community radio, and there is an opportunity for ITV and other commercial services to bid for money to help support some of these new services.

[195] **Paul Davies:** I have one final question, if I may. Picking up on Mr Donovan's remarks earlier, I think that you mentioned that broadcasting in Wales is approached in an ad hoc way, and in your written paper you make it clear that you oppose the devolution of funding for broadcasting to the Assembly. I have the impression from your remarks that you might possibly want to devolve some aspects of broadcasting to Wales.

[196] **Mr Donovan:** We very much welcome the element of scrutiny, but if you ask me whether I welcome a debate on how much money should go to S4C or some major broadcaster or to a hospital in my valley, I can imagine which way that argument would go. That is why I am careful about this. I would need to know exactly how, what and where we could interface with that. As someone living in Wales, I know that we have aspirations for the development of the Welsh Assembly Government, and not least for increased funding, so that it can do all the things that we all desire in Wales. Therefore I am reluctant that broadcasting—and we all understand broadcasting, because we watch telly every night—should become a political football. In terms of Wales, I believe that scrutiny of our broadcasters is a necessity. It is almost an anomaly that the Welsh Assembly Government has to set up this sort of committee in this way. Your scrutiny is welcome, and supports the claims that we would make. We are not afraid of that scrutiny, because we believe that our agenda is commensurate with and coincides with the interests of anyone living in Wales: in a modern Wales, what do we require of our broadcasters?

[197] **Paul Davies:** So, you are calling for scrutiny, but no responsibility.

2.50 p.m.

[198] **Mr Donovan:** No—I think that with scrutiny comes responsibility, does it not? You

are rightly challenging us, as well as the broadcasters. However, I am reluctant at this stage. I would need to know what sort of funding would be provided, what sort of authority the Welsh Assembly Government would have over broadcasting and the media in general, and how we could work with the Welsh Assembly Government to ensure that that is what the money would be apportioned for. As I have said before, I am a little nervous about whether, given the requirements and duties of the Welsh Assembly Government, someone in my village would understand the necessity for it, and the deep cultural argument as to why we should apportion several million pounds to a broadcaster when what they might see, quite properly, would be the possible closure of services in their community. I think that the argument could be won; it would have been mounted, but, at this stage, I am not aware of the proposals that would come forward. We would welcome the opportunity to explore them.

[199] **Mr Birtwistle:** We are very pleased to be given this opportunity to give you evidence on a range of issues. A few months ago, we gave evidence to the Welsh Affairs Select Committee on the question of globalisation and the media. Therefore, we have had two discussions about different aspects of Welsh broadcasting. We think that that is great, because you tend to go for a number of years with insufficient discussion of the subject. However, this is an ad hoc committee, and, as we have suggested, what we would like is a continuous system, which perhaps needs to be discussed between you and Westminster. Various unions and some of the other contributors have put forward a range of ideas—we are not wedded to any of them at the moment.

[200] The rate of change, the degree of change, the cultural importance of this to Wales, the question of the democratic deficit and an invisible Wales—which you were dealing with earlier with regard to the network—which I hope that we will come to, as well as the cuts that we are seeing affecting the services that our members provide are all issues of such import that a more continuous process of scrutiny needs to be developed. As I say, we have suggested a couple of ideas. The Scots have gone in a different direction. However, it is vital that a more continuous, rolling process of scrutiny is developed whether by Westminster and/or yourselves or a separate stand-alone commission. However we do it, it is vital that is achieved. We are really grateful to be able to give evidence today.

[201] **Peter Black:** One of the reasons why we are an ad hoc committee is that the Assembly and Assembly Government do not have the responsibility for broadcasting. In a sense, the only standing scrutiny committee is at Westminster, which is where the responsibility lies. You suggested a joint committee with the Westminster select committee with powers of scrutiny over broadcasting. I am interested in how you think that that would work and how practical it would be.

[202] **Mr Birtwistle:** It was one of the ideas that we threw into the pot. There are advantages and disadvantages to parallel systems. One idea that we wanted to moot was the possibility of developing a joint operation that would have a number of members from Westminster and a number from here. I know that some other bodies have suggested that you should throw some non-politicians into the mix too. I believe that Scotland has gone completely in that direction and there are no politicians on the broadcasting commission, which, again, is ad hoc. Therefore, it is moving in a totally different direction. There are several ideas and we need to have a debate on this. We feel that a more continuous approach is needed. Ironically, although you have powers only for scrutiny, over the past few years, the Assembly has perhaps given more time to looking at the question of broadcasting than the Welsh MPs because there are other pressures on their committee. It is a small committee that has to cover a whole series of issues, whereas you have a series of committees. We have not made a hard and fast decision on this, but we would like a process that would enable continuous scrutiny.

[203] **Ms K. Carr:** Given the problems across the industry, you might wish to consider

making any such commission or body media-wide, rather than just focusing on broadcasting, because many of these problems are universal. We have already talked about the problems with the print industry in Wales and the fact that so many of the papers that are read here in Wales are produced in London—the statistics are quite shocking on that too. Therefore, whatever you do, it will be good to focus across the industry.

[204] **Peter Black:** Just because we do not have a trade union as politicians, you think that you can dispense of us just like that. [*Laughter.*]

[205] This commission for broadcasting is an interesting idea, which has been thrown up. The question is where you anchor it, in the sense that, if it is a commission that is based in Wales, looking at the whole broadcast industry, without having the powers in Wales, it can just become a talking shop—that is the danger. It could be that you would have a standing commission that talked about the industry and discussed broadcasting issues over a period of time, but who would it scrutinise, who would it report to and where would it be going? Do you not believe that it might be clearer if you just said, ‘Right, the Assembly Government and the Assembly will have the responsibility for broadcasting in Wales.’, and then at least we will know that any arrangements that are set up in Wales to scrutinise that will have a positive outcome, as a result of that scrutiny?

[206] **Ms K. Carr:** There are several issues there. First, do not underestimate the influence that your powers of scrutiny have on those decision-makers; that is why we welcome the establishment of this committee so much. It is fantastic to see the decision-makers that you have brought from London before you to answer for their decisions and the impact that those have here in Wales.

[207] On the devolution of broadcasting, although we would look to Welsh solutions to many issues, I do not believe that we would want to see a break-up of the BBC and ITV or to let decision-makers at a UK level off the hook; there is a danger that the focus then becomes all on Wales, with none of the focus outside of Wales. A large number of people from Wales live and work in England—we talk about the brain drain and the fact that we want people to come back to Wales; whether they are from Wales or not, people need to know what is happening in this nation. There is a danger that, if you break that down too much, it lets people off the hook. If you think that Wales is invisible now, that could make it disappear altogether.

[208] **Alun Davies:** The NUJ paper states that massive budget cuts imposed on BBC Wales are having an impact on programme quality and staff morale. Could you give us examples of that?

[209] **Ms K. Carr:** How long do you have? [*Laughter.*]

[210] **Alun Davies:** Five minutes.

[211] **Ms K. Carr:** I know that Dai will want to pick up on this question too. Michael Grade came down to Cardiff to give evidence to this committee—you would think that that was an important interview to be gathered. However, I understand that there was no camera crew available to come and gather that interview, and it was a struggle to get here. That must be the clearest evidence of the way in which journalists in Wales are struggling to do their job.

[212] I do not want to paint a doom and gloom picture, because some fantastic work is done here. However, I want to explode the myth that journalists are over-resourced and can sit in the pub and drink and get out and chat to people; they are strapped to desks with phones to their ears, whether they work at the BBC, the *Western Mail* or ITV Wales. They are working

harder than ever before; they report on people doing long hours, for low pay, and yet many of those people—and I am talking more about the print industry here—are working long hours for low pay. People work long hours in broadcasting. If you take the numbers of jobs that have gone from ITV and the BBC in recent years out of the mix, it is going to have impact on programme making—it cannot not have an impact on it. I know that Dai has some specific examples.

[213] **Mr Donovan:** Let us not kid ourselves here. We are giving evidence following your session with the BBC. The BBC has explained its vision for the future.

3.00 p.m.

[214] Frankly, we have problems with that vision of the future. When you sit in a room, negotiating with the BBC about the current round of job losses, you do it with the current staff very much in mind. You asked about morale, Chair, and it is significant that we have been able to avoid a major industrial bust-up with the BBC because of one salient fact alone, which is that people are volunteering to leave the BBC. Our position is to oppose compulsory redundancy, but people want to leave an industry where one thing is guaranteed: that its requirements of the people who service it will explode.

[215] I have members who are earning the same amount now as they earned five to 10 years ago. That is the reality of their lives. We have an agreement that allows members to work 72 hours a week under the working-time directive. The hallmark of this industry above all else is that it is voracious—I defer to my colleagues from the NUJ on whether that is the correct word—it is dynamic in the way that it needs to take people in to service it. Its difficulty is that many of the people who see this as a wonderful opportunity in an area that can be extremely exciting are burnt out within two or three years.

[216] So, we will say to the BBC that we have difficulties with it, but, on a scale of one to 10, they are not major in comparison with what we think about what ITV is suggesting. ITV can come before this committee and say that it can take it or leave it, but I go back to my original point: it can do that only if we let it. ITV Wales is part of a huge network in the United Kingdom, so, on the basis of what little economics I did at school, what about cross-fertilisation of financing and helping companies that are going through a difficult time? I do not know; I am not an accountant, but ITV needs to make a public service broadcasting commitment to Wales now.

[217] If we allow ITV to get away with its current remit and licence requirements, what message does that send to the rest of the sector? It is in our interests, and Ofcom has shown this, to ensure that best practice is followed. At this moment in time, best practice in the field of public service broadcasting is indicated to a large extent by the BBC. The difficulty for us—it is a moot point and we will be talking about it—is whether that will give it an unfair advantage in the marketplace. To the credit of the BBC, it wants to stay in that game, but I can see no evidence of that from ITV at this moment.

[218] **Mr Birtwistle:** In the last round of redundancies, some 220 jobs were lost from BBC Wales. In this round of redundancies, we are looking at another 230 jobs being lost from BBC Wales. Management will tell you that new jobs are coming, but some of those are in administrative rather than production areas, and some of those jobs are related to network programming and not Welsh programming per se, so there is a loss there. It would also argue that some of those staff have gone to the independent sector, but it is difficult to quantify how many have done so. What we know is that 450 of our members' jobs have been lost; they have gone.

[219] In terms of ITV, when I was the father of the chapel at HTV Wales, HTV Wales and

West employed some 1,300 members, and we are now down to something like 300 for its equivalent, so the decline is clear to see. Similarly, in the print sector, we are losing jobs at the *Western Mail*. That quantification is clear, but it is trickier in terms of quality, because it is not purely about the loss of staff: budgets have consistently been cut year in, year out. When I worked in the factual department of the BBC, predominantly making programmes for S4C, the number of filming days that you had with a crew would be cut every year, moving increasingly to a situation where you would be expected to do your own filming. I know that it is its hope to move to a situation where it can get a number of people to do their own editing.

[220] You cannot expect people to take on all of those responsibilities and perform to a high level and produce high-quality programming—I am sorry, but that is a myth. On top of that, they are now being asked to move into the area of new media. Many of our journalists are now asked to produce material for television, radio and new media in Welsh and in English. I can assure you that they do not get a vast number of days in which to do that; they are expected to complete the work to a timescale similar to that which they had previously, when they were doing one or two of those jobs.

[221] **Mr Dear:** To pick up on that point, we are in favour of multiskilling journalists; many will have to be multiskilled and be able to work in radio, television, online and in other new media services that develop. However, you cannot do all of those at the same time and still gather the news. We have heard many stories of people being at a press conference, but having to finish filming it before the end in order to write the online version of the story. They then have to go back to try to find out from someone else what was said in the rest of the press conference that they missed because it is considered wasteful to send both a television journalist and an online journalist to a conference. It is only wasteful if you want half the story.

[222] Our problem is that we have fewer journalists working on more platforms and there is more 24/7 working, and newsgathering then suffers. So, there is a greater reliance on sitting in the office, reprocessing and repackaging public relations rather than being out newsgathering, because the latter takes money, time, resources and staff. So, you may not notice lesser quality in an individual story, but if you look at the range of news being covered, you will notice that there is a drop in quality in terms of the range of news being covered by those numbers of journalists because they are having to cover the news across so many different platforms.

[223] There is an important point about multiskilling and this development, because when all of these cuts happened, we were promised that they were about reinvesting money in other areas, particularly at the BBC. However, we have seen the cuts and we are still waiting to see the reinvestment; there does not appear to be a clear plan for it. It seems to have been forgotten. One thing that a broadcasting, media or communications commissioner could do is ask the people who promised reinvestment where that money is.

[224] **Alun Davies:** Thank you for that.

[225] Diolch am eich amser y prynhawn Thank you for your time this afternoon. We yma. Gwerthfawrogwn eich tystiolaeth. appreciate your evidence. You will receive a Byddwch yn derbyn cofnod o'r sesiwn hwn transcript of this session next week. yr wythnos nesaf.

[226] **Mr Dear:** I will provide that further evidence on the argument about the value of spectrum. I am not sure whether you have received it, but a report was also done by Cardiff University looking at the impact of the convergence and the move online, which we would like to send, so we will ensure that a copy of that is also provided.

[227] **Alun Davies:** Diolch yn fawr.

Alun Davies: Thank you very much.

[228] Hoffwn groesawu Digital UK i'r bwrdd. Diolch am ddod i'r cyfarfod i roi tystiolaeth i ni. Yr ydym wedi derbyn eich papur ysgrifenedig a gwerthfawrogn hwnnw. Mae'r Aelodau wedi cael cyfle i'w ddarllen.

I would like to welcome Digital UK to the table. Thank you for coming to give us evidence. We have received your paper and we appreciate it. Members have had an opportunity to read it.

3.10 p.m.

[229] Gofynnaf i chi gyflwyno eich hunain ar gyfer y cofnod a gwneud sylwadau ariadol cyn i ni ddechrau'r sesiwn holi.

I ask you to introduce yourselves for the record and make some introductory remarks before we start with questions.

[230] **Mr Crine:** Thank you very much, Chairman, and I hope that you will not mind me opening in English, although I am sure that my colleagues will move between English and Welsh very easily. I am Simon Crine. I am the director of corporate affairs at Digital UK, and I will invite my colleagues to introduce themselves.

[231] **Ms G. Carr:** Gwenllïan Carr ydwyf i. Fi yw rheolwr cenedlaethol Cymru ar gyfer Digital UK, felly fi sy'n arwain y tîm yng Nghymru.

Ms G. Carr: I am Gwenllïan Carr. I am the national manager for Wales for Digital UK, so I lead the team in Wales.

[232] **Mr Hughes:** Emyr Byron Hughes ydwyf i. Yr wyf yn ymgynghorydd i Digital UK ac mae gennyf beth brofiad o redeg prosiectau newid i ddigidol yn Nglanyferi a Copeland.

Mr Hughes: I am Emyr Byron Hughes. I am a consultant to Digital UK and I have some experience of running digital switchover projects in Ferryside and Copeland.

[233] **Mr Crine:** Chair, we will make only a few points as I am sure that committee members will have lots of questions. In line with our paper, we really want to say that, first of all, we welcome your committee's interest in our work, and we are delighted to be here today. We believe that switchover is broadly on track and on time in Wales. It is on track technically, in that the work on modernising the infrastructure is well under way, and it is on track with the public's understanding and awareness of switchover—when it is coming and what people have to do—and perhaps, most of all, it is on track with conversion rates. The great thing about Wales is that the vast majority of households have already converted their first television set—88 per cent of households in Wales have done so—and 60 per cent of all households have gone completely digital, on every television in the home. The only thing that we recognise and are aware of is that the rate is not quite so high among those aged over 75, who are eligible for the Government switchover help scheme. That figure is 67 per cent, so there is a job to do there. However, broadly, things are in a good place.

[234] We believe that switchover is good for the UK and it is particularly good for Wales because, at last, as you may say, Channel 4 and S4C will be available from Welsh transmitters. In the past, I know that there has been some tension and irritation that you have not always been able to get what you want in Wales—the full range of Welsh services—and we are remedying that.

[235] Last but not least, the second half of our paper tries to take you through the steps that we are taking to address consumer needs, consumer and viewer understanding of switchover, and what we are doing to support local government, housing and the trade to make absolutely

sure, together with our good friends and colleagues at the switchover help scheme, that we are ready to assist you in Wales. The creation of our team in Wales, led by Gwenllian Carr and supported ably by Emyr, over a year ago, was a sign of that.

[236] **Alun Davies:** Thank you for your presentation. How are the lessons that are being learned having an impact on your work? I remember a scheme that you ran in Bolton, learning about people who will have difficulties, or vulnerable people whom you presume might have difficulties, in the switchover. There was also the Ferryside project. With the reality of switchover now taking place in the borders, how are you learning the lessons? How are you finding that the reality of switchover is impacting on the most vulnerable people in society?

[237] **Mr Crine:** If we may, we will probably take this in two chunks: my chunk and then Emyr's. The first thing that Bolton confirmed was that there was a need for a scheme that would address the particular interests of those who were aged 75 or over and disabled people. The Government has put the switchover help scheme in place, which will be operational during switchover in Wales.

[238] The second thing that we, as an organisation, learned from Bolton is that there are some people outside the switchover help scheme who may just need a little more information and advice during the switchover process. The key way that we have decided to address that in Wales, as well as the other three television regions that are the first to go, is by setting up a partnership with the voluntary sector, the charities, to address the particular needs of those more vulnerable consumers. So, a combination of the help scheme and our partnership with the charities are two things that we have done across the UK to address this. However, Emyr was there, in Bolton.

[239] **Mr Hughes:** Bùm yn rhedeg y cynllun yn Bolton ar gyfer yr Adran dros Ddiwylliant, y Cyfryngau a Chwaraeon hefyd, a dweud y gwir. Pwynt y prosiect hwnnw oedd gweld pa help oedd ei angen ar bobl hŷn a sut yr oedd pethau'n gweithio. Ni fu inni ddiffodd y signal yn Bolton, gyda llaw, oherwydd eu bod yn derbyn eu signal o Winter Hill a byddai hynny wedi bod yn anodd. Pwynt y prosiect oedd gweld sut oedd pobl yn ymdopi gyda'r offer a pha gymorth a chefnogaeth yr oedd ei angen arnynt. Yr oedd y rhan fwyaf o bobl, hyd yn oed pobl hŷn, yn gwneud yn rhyfeddol o dda. Fodd bynnag, yr oedd angen llawer o help ar ryw 20 y cant. Mae hynny wedi treiddio drwodd i gynllun y Llywodraeth ac, fel y dywedodd Simon, i drafodaethau gyda'r sector gwirfoddol i roi cymorth ychwanegol yn ôl yr angen.

Mr Hughes: I ran the scheme in Bolton for the Department for Culture, Media and Sport as well, to be honest. The point of that project was to see what assistance older people would need and how things were working. We did not switch off the signal in Bolton, by the way, because they receive their signal from Winter Hill, and so it would have been difficult. The point of the project was to see how people coped with the equipment and to identify what help and support they needed. Most people, even the older people, fared amazingly well. However, around 20 per cent needed a lot of help. That has filtered through into the Government's plan and, as Simon said, into the discussions with the voluntary sector to provide additional support, where that is necessary.

[240] **Nerys Evans:** A wnewch esbonio'r amserlen ar gyfer newid digidol yng Nghymru yn fras? A ydych yn cadw ati? A oes unrhyw broblemau wedi codi sydd wedi eich atal rhag cadw ati hyd yn hyn?

Nerys Evans: Will you explain briefly the timetable for the digital switchover in Wales? Are you keeping to it? Have any problems arisen that have prevented you from keeping to it so far?

[241] **Ms G. Carr:** Mae'r newid yn dechrau yr haf nesaf, yn nhrydydd chwarter

Ms G Carr: The change begins next summer, in the third quarter of 2009, when

2009, pan fydd ardal y gorllewin yn mynd yn dddigidol. Golygir hyn trosglwyddyddion Carmel, Bryn Cilfái yn Abertawe, a Phreseli. Wedyn, rhwng mis Hydref a mis Rhagfyr 2009, bydd gogledd Cymru—sef Llanddona, Moel-y-Parc, a Long Mountain—yn mynd yn dddigidol. Yna, ar ddechrau 2010, rhwng Ionawr a Mawrth, bydd Blaen-plwyf a Gwenfô yn y canolbarth hefyd yn mynd yn dddigidol. Yr ydym yn falch o ddweud bod pethau'n rhedeg ar amser ar hyn o bryd. Mae'r gwaith yr ydym yn ei wneud yn awr yn cefnogi'r ffaith hwnnw.

west Wales will go digital. That means the transmitters in Carmel, Kilvey Hill in Swansea, and Preseli. Then, between October and December 2009, north Wales—Llanddona, Moel-y-Parc, and Long Mountain—will go digital. Then, at the beginning of 2010, between January and March, Blaen-plwyf and Wenvoe in mid Wales will also go digital. We are pleased to say that things are currently running on track. The work that we are undertaking now supports that fact.

[242] **Paul Davies:** You mentioned that you are on track. Could you tell us how you know that switchover is on track as regards the public's understanding?

[243] **Mr Crine:** There are two aspects to this. The first is the technical one. Is the work going ahead to get the masts modernised? Are the new antennae being placed on the masts? Is the groundwork ready? At this stage, everything is on track in Wales, as it is throughout the UK. Everything is about timing. So, that side of things is ready. As I said in my introductory remarks, the second thing is that the figures in Wales are very good, including on the level of understanding of switchover, awareness that it is going to happen, understanding what it means for you as a consumer or viewer, and what you have to do to get ready. Increasingly, we are also getting a greater understanding or awareness of the dates. The only thing that we would add to that as a team is that it is only when we at Digital UK can announce the precise dates—the day of the month on which switchover will happen—that you see a very big increase in date awareness. However, broadly speaking, the percentage figures are very much in our favour. For awareness and understanding, they are in the 90s.

[244] **Paul Davies:** How have you collated those figures?

[245] **Mr Crine:** Together with Ofcom, we have an extensive tracker, a survey of public opinion. I cannot remember off the top of my head how many homes this goes to, but I think that it is a couple of thousand.

[246] **Mr Hughes:** I think that it is 2,800 homes on a rolling quarterly basis. There are 300 in Wales on a rolling quarterly basis. So, it is quite a big survey.

[247] **Paul Davies:** We understand that not all services will be available uniformly throughout Wales. Could you tell us where the problem areas are geographically or around particular technologies, such as DDT, DSat, or any other relevant technology?

[248] **Mr Crine:** Let me start and then other colleagues may wish to contribute. The key thing to understand about channel availability for Freeview is that it relates to whether you get your signal from a main transmitter mast or from one of the relays. If you get your signal directly from the main mast, then you will get six multiplexers, or muxes, which means up to 40 or so channels. If you get your signal from a relay, you will get up to 20 or so channels. Let us be clear: those 20 or so channels include the most popular television channels in the UK. They are the full family of public service television channels, which is where most of the viewing goes on. However, it all depends on whether your signal is received from the main mast or a relay. The good news in Wales is that 73 per cent—and Gwenllïan will correct me if I am wrong—of viewers will get up to 40 channels, six muxes, and up to 98.7 per cent will get the three muxes with the 20 or so public service broadcast family of channels. Gwenllïan, would you like to add anything to that on the geographical aspect of the question?

3.20 p.m.

[249] **Ms G. Carr:** Un ardal a fu'n destun llawer o drafod, ac yr wyf yn siŵr eich bod fel pwyllgor yn ymwybodol ohoni, yw'r gogledd ddwyrain, lle mae problemau gyda derbyn signal o Gymru, a lle mae pobl yn gallu derbyn gwasanaethau llawn os ydynt yn troi eu herialau at Loegr. Os ydynt yn troi eu herialau at Gymru, dim ond y tri y gallant eu derbyn. Buom yn gweithio cryn dipyn yn yr ardal honno, ac mae'n bwysig inni gofio bod gwasanaethau eraill ar gael, a'n bod yn gallu dewis gwasanaethau eraill ar wahân i Freeview er mwyn cael y gwasanaethau hyn. Mae'n bwysig cofio hynny mewn rhai o'r ardaloedd hyn.

[250] Cymerwyd cam pwysig yn yr ardal honno, sef datblygu trosglwyddydd sy'n rhan o deulu Winter Hill, yn Storeton, ar y Wirral. Bydd hwnnw'n rhedeg gwasanaethau o Gymru hefyd. Felly, bydd pobl yn enwedig yn ardaloedd y glannau yn sir y Fflint ac yn ardaloedd yr hen Glwyd yn gallu derbyn gwasanaethau o Gymru er bod eu herialau yn troi at Loegr. Mae hynny'n gam ymlaen, a gobeithiwn y bydd hwnnw'n helpu rhywfaint gyda'r broblem hefyd. Nid wyf yn siŵr a hoffai fy nghydweithwyr ychwanegu rhywbeth.

[251] **Mr Hughes:** Mae'n werth nodi bod y patrwm trosglwyddo yng Nghymru yn arbennig o gymhleth, am fod gennym gynifer o fynyddoedd a dyffrynnoedd, ac mae ambell le gyda chanlyniadau annisgwyl, braidd. Mae tair enghraifft. Y cyntaf yw Abergwaun, yn sir Benfro, sydd i fod i drosglwyddo yn nhrydydd chwarter 2009, ond ni fydd yn gwneud hynny oherwydd mae'r signal ar gyfer Abergwaun yn dod o Flaen-plwyf, sy'n trosglwyddo yn chwarter cyntaf 2010. Felly, mae angen gwaith gofalus o ran cyfleu negeseuon i ardaloedd arbennig. Yn ail y mae Dolgellau, sy'n gweithio i'r gwrthwyneb gan fod signal Dolgellau yn dod o Breseli, credwch hi neu beidio, a fydd yn trosglwyddo yn nhrydydd chwarter 2009. Mae ambell le sy'n wahanol, a chaiff gwaith ei wneud i sicrhau bod pobl yn cael yr wybodaeth gywir o ran pryd y byddant yn trosglwyddo.

[252] **Ms G. Carr:** Penrhyn Gŵyr yw'r

Ms G. Carr: One area that has been the subject of a great deal of discussion, and I am sure that the committee will be aware of it, is the north east, where there are problems with receiving a signal from Wales, and where people can receive a full service if they turn their aerials towards England. If they turn their aerials towards Wales, they can receive only the three. We have been working quite a bit in that area, and it is important that we bear in mind that there are other services available, and that we can choose other services apart from Freeview in order to receive these services. It is important to bear that in mind in some of those areas.

An important step has been taken in that area, namely the development of a transmitter that is part of the Winter Hill family, in Storeton, on the Wirral. That will also run services from Wales. So, people particularly on the coastal areas in Flintshire and in the former county of Clwyd areas will be able to receive services from Wales even though their aerials are turned towards England. That is a step forward, and I hope that that will go some way towards solving the problem. I do not know whether any of my colleagues want to add anything to that.

Mr Hughes: It is worth noting that the pattern of transmission in Wales is particularly complex given that we have so many hills and valleys, and some areas throw up quite unexpected results. There are three examples. The first is Fishguard, which is in Pembrokeshire, which is meant to switch over in the third quarter of 2009, but will not because the signal for Fishguard comes from Blaen-plwyf, which will not be switching over until the first quarter of 2010. So, careful work is required in conveying messages to certain areas. The second is Dolgellau, which is the other way around because it receives its signal from Preseli, believe it or not, which will be switching over in the third quarter of 2009. A few areas are different, and work will be done to ensure that people receive the correct information about when they will switch over.

Ms G. Carr: The Gower peninsula is the

drydedd enghraifft yn y categori hwn. Mae dinas Abertawe yn newid yn ddigidol yn nhrydydd chwarter 2009, ond, am fod y Gŵyr yn cael ei signal o Wenfô, dros y dŵr, ni fydd yr ardal honno'n mynd yn ddigidol tan dechrau 2010. Felly, mae pethau rhyfeddol yn digwydd gyda'r darlledu.

third example in that category. The city of Swansea will switch over in the third quarter of 2009, but, as Gower receives its signal from Wenvoe, across the water, that area will not go digital until the start of 2010. So, there are some strange things happening with broadcasting.

[253] **Mr Hughes:** Mae stori am dŷ arbennig yn ne Cymru â dwy set deledu—un ym mlaen yn tŷ a'r llall yn y cefn—sydd yn derbyn eu signalau o drosglwyddydd gwahanol. Felly, bydd y ddwy set deledu yn trosglwyddo rai misoedd ar wahân, sy'n anarferol iawn. Mae problemau mewn ambell le.

Mr Hughes: There is a story about a particular house somewhere in south Wales, with two television sets—one in the front of the house and the other in the back—which receive their signals from different transmitters. So, the two sets will switch over some months apart, which is very unusual. There are problems in some areas.

[254] **Alun Davies:** Dychwelaf at y ffaith bydd 73 y cant o'r boblogaeth a fydd yn gallu derbyn y pecyn llawn o sianeli. Un sianel na fydd ar gael, yr wyf yn cymryd, fydd S4C2. Un o strategaethau newydd S4C yw i fabwysiadu sianel i blant, sy'n hanfodol bwysig ar gyfer strategaethau eraill Llywodraeth y Cynulliad i hybu'r Gymraeg ymhlith plant. Bydd y sianel honno ar gael i 73 y cant o'r boblogaeth yn unig.

Alun Davies: I return to the fact that 73 per cent of the population will be able to access the full package of channels. One channel that will not be available, I take it, will be S4C2. One of S4C's new strategies is to adopt a channel for children, which is vital to other Assembly Government strategies to promote the Welsh language among children. That channel will be available only to 73 per cent of the population.

[255] **Mr Hughes:** Mae hynny'n wir. Yn y pen draw, penderfyniad Ofcom yw cynnwys y rhestr o wasanaethau cyhoeddus. Nid yw S4C2 ar y rhestr honno, felly, os bydd pobl eisiau cael S4C2, mae dewisiadau eraill ar gael iddynt, sef Freesat neu loeren Sky.

Mr Hughes: That is true. At the end of the day, what is included in the list of public services is Ofcom's decision. S4C2 is not on that list, and so, if people want to receive S4C2, there are other options open to them, such as Freesat or a Sky dish.

[256] **Alun Davies:** Felly, yr unig ddewis arall y tu allan i ardaloedd poblog Caerdydd ac Abertawe yw Freesat a Freeview. Nid oes cebl ar gael yn unrhyw le arall, a'r unig ddewis arall i bobl sydd angen neu eisiau gwasanaeth megis S4C2 mewn ardaloedd eang o Gymru yw Freesat.

Alun Davies: Therefore, the only alternatives outside the densely populated areas of Cardiff and Swansea are Freesat and Freeview. Cable is not available anywhere else, so the only alternative open to people who need or want a service such as S4C2 in vast areas of Wales is Freesat.

[257] **Mr Hughes:** Mae hynny'n gywir.

Mr Hughes: That is correct.

[258] **Peter Black:** I was interested in how the 73 per cent figure compares with provision in the rest of the UK and what proposals you are putting in place to make up the difference. Is Freesat, for example, the only free option?

[259] **Mr Crine:** To begin with your last point, terrestrial television is now only one way of getting digital television. As you, and other committee members, have rightly pointed out, you can also get digital television through a cable or from a satellite. The arrival of the new Freesat offering, sitting alongside Freesat from Sky, means that the range of platforms available to consumers has increased in the last few months. We would say, as you would expect us to, that the decision to move to a digital terrestrial platform, which, for 98.7 per cent

of the population, means that they will get the 20 most popular channels—if they wish to get more than that, they will either have to avail themselves of a satellite or cable, if they live in areas where cable is available—is not a bad offer to make. It is a considerable improvement on the current status.

[260] **Alun Davies:** Could you give us an update on the current situation in the borders? I understand that this is the only live area, if you like, where switchover is taking place. Could you update us on the impact that that is having, and any unforeseen issues that have been experienced by people there?

[261] **Mr Crine:** Funnily enough, I was sitting before the Scottish Parliament's Local Government and Communities Committee only last week, and answering many of the kinds of questions that you have raised today, Chair. I have also been to the Scottish borders region in the last few weeks. Broadly speaking, the situation is on track. In many ways, we are in a stronger position than we were in the town of Whitehaven on the west Cumbrian coast; awareness and understanding are at higher levels, and conversion is in a good place.

[262] There are a few issues that we have picked up. The first point is the importance of the local retail trade for educating most consumers through switchover. We work closely with our partners in the retail trade, but the Scottish borders is a live reminder that ensuring that retailers have all the information and understanding that they need in order to be able to advise others is a crucial part of local delivery.

[263] Secondly, I will come back to the switchover help scheme and our relationship with the charities for those who are not eligible for the help scheme. We need to make absolutely sure, as early as we can, that not only consumers and more vulnerable consumers, but those who look after them, know that a help scheme is coming along for those who are eligible. We also need to ensure that consumers are in a position to make choices, knowing that there will be a help scheme for those who are aged 75 and over, or who are on disability benefits.

[264] **Alun Davies:** Can you explain the role that you see local government playing in the switchover?

[265] **Ms G. Carr:** Yr ydym yn gweithio'n agos â llywodraeth leol yng Nghymru. Nid yw'n sector yr ydym eisiau rhoi gormod o bwysau arno—yr ydym yn ei ystyried yn sector a all gefnogi'r hyn yr ydym yn ei wneud, a drwy hynny gefnogi ei etholwyr hefyd. Mae'r gwaith gyda llywodraeth leol yn mynd ar draws pob portffolio, bron, yn arbennig, efallai, wasanaethau cymdeithasol. Mae tai yn sector eithriadol o bwysig i ni hefyd, wrth geisio sicrhau bod tai sydd yn eiddo'r cyngor, a landlordiaid eraill yn y sector cyhoeddus, yn cael eu paratoi.

Ms G. Carr: We are working closely with local government in Wales. It is not a sector on which we want to put too much pressure—we see it as a sector that can support what we are doing, and through that support its electorate as well. Work with local government cuts across nearly all council portfolios, in particular, perhaps, social services. Housing is also an extremely important sector for us, as we try to ensure that houses belonging to the council, and to other landlords in the public sector, are prepared.

[266] Hefyd, mae gwaith cyfathrebu'r cynghorau yn eithriadol o bwysig wrth inni geisio cyfleu'r neges drwy ddefnyddio eu ffyrdd hwy o siarad â'u hetholwyr. Felly, mae llywodraeth leol yn bwysig ar draws y spectrwm. Yr oeddem yn ddiolchgar yr wythnos diwethaf am gefnogaeth y Gweinidog, Brian Gibbons, a ysgrifennodd at

Councils' communication work is also extremely important for us as we try to convey the message by using their means of communicating with their electorates. Therefore, local government is important across the spectrum. We were grateful last week for the support of the Minister, Brian Gibbons, in writing to all council chief

brif weithredwr pob cyngor yng Nghymru yn sôn am y newid i ddigidol, ac yn awgrymu sut y gall cynghorau fynd ati i ddelio â hyn yn lleol. Yr oedd hynny'n gymorth pwysig i ni.

[267] **Alun Davies:** Yr ydych wedi sôn am yr ardaloedd ger y ffin â Lloegr, lle mae anhawster derbyn signal o Gymru; cyfeiriwyd at Wrecsam a gogledd-ddwyrain Cymru yn arbennig. Beth yw asesiad Digital UK o'r effaith a gaiff hynny? Faint o bobl a faint o dai a effeithir gan hynny?

3.30 p.m.

[268] **Mr Hughes:** Byddai'n rhaid inni edrych ar y dystiolaeth i roi ffigurau pendant i chi, ond mae'r rhan fwyaf o gartrefi yng ngogledd-ddwyrain Cymru yn gallu derbyn signal o Winter Hill a Moel-y-Parc. Mae tua 40 y cant o gartrefi Cymru yn gallu derbyn signal o'r ochr arall i'r ffin, sydd yn ffigur enfawr, ac mae'r rhan fwyaf ohonynt yn y gogledd-ddwyrain neu yn yr ardal hon.

[269] O ran effaith hynny, y broblem yw bod Winter Hill yn cario chwech ambleth ond nid yw'r cyfnewidfeydd ond yn cario tri ambleth. Mae Moel-y-Parc yn cario chwech ambleth a'r cyfnewidfeydd ond yn cario tri. Felly, mae'r effaith yn dibynnu ar lle yr ydych yn byw ac o le yr ydych yn derbyn eich signal. Mae'n gweithio ddwy ffordd, gyda llaw—mae rhai pobl yng Nghilgwri yn methu â chael signal o Winter Hill ond maent yn gallu cael signal o Foel-y-Parc. Mae'n ardal lle mae problemau y ddwy ochr i'r ffin. Unwaith eto, yr ateb gan bawb yw lloeren, gan fod modd cael pob sianel ar deledu lloeren; hynny yw, gwahanol fersiynau o'r rhaglenni rhanbarthol. Ond, byddwn yn cyfeirio at yr hyn a ddywedwyd eisoes am y trosglwyddydd newydd yn Storeton; bydd y rhan fwyaf o bobl yn sir y Fflint yn gallu cael gwasanaethau o Gymru drwy Storeton hefyd, sydd yn rhywbeth cwbl newydd. Bydd hynny yn cael effaith arbennig o gadarnhaol.

[270] **Ms G. Carr:** Ar y nodyn hwnnw hefyd, gwnaeth Ofcom ddarn o ymchwil y llynedd a oedd yn help mawr o ran edrych ar y mater hwn, ac ar effaith derbyn signal o'r tu allan i Gymru ar bobl yng Nghymru ac ar

executives in Wales about the digital switchover, suggesting ways in which they can deal with this locally. That was important assistance for us.

Alun Davies: You have mentioned areas along the English border, where there are difficulties in receiving a signal from Wales; mention was made of Wrexham and north-east Wales in particular. What is Digital UK's assessment of the impact that that will have? How many people and how many homes will be affected?

Mr Hughes: We would have to look at the evidence to give you precise figures, but most homes in north-east Wales are able to receive a signal from Winter Hill and Moel-y-Parc. Approximately 40 per cent of homes in Wales are able to receive a signal from over the border, which is an enormous figure, and most of them are in the north-east or in this area.

In terms of impact, the problem is that Winter Hill carries six multiplexes but its relays only carry three multiplexes. Moel-y-Parc carries six multiplexes but its relays only carry three. So the impact depends on where you live and where you receive your signal from. It works both ways, by the way—some people on the Wirral cannot receive a signal from Winter Hill but can get a signal from Moel-y-Parc. It is an area where there are problems on both sides of the border. Again, the answer that everyone gives is satellite, because you can receive every channel on satellite television; that is, different versions of regional programmes. However, I would refer to what has already been said about the new Storeton transmitter; most people in Flintshire will also be able to pick up services from Wales via Storeton, which is a completely new development. That will have a very positive impact.

Ms G. Carr: On that note, Ofcom did some very useful research last year looking at this issue, and at the impact of receiving a signal from outside Wales on the people of Wales and on citizenship. That was quite

ddinasyddiaeth. Yr oedd hynny yn eithaf diddorol; yr oedd yn gofyn a yw pobl yn llai tebygol o wybod pwy yw eu Haelod Cynulliad, er enghraifft, os nad ydynt yn gwyllo rhaglenni o Gymru.

[271] **Alun Davies:** Yr ydym wedi trafod y cwestiwn hwn ers blynyddoedd. Yr oeddwn wedi tybio y byddai'r newid digidol yn dechrau datrys hyn, gan fod y signal yn wahanol i'r hen signal analog, ond nid yw hynny'n wir. Felly, sut yr ydym yn mynd i ddatrys y sefyllfa hon?

[272] **Mr Hughes:** Mae erial ar dô tŷ yn pwyntio at drosglwyddydd arbennig, felly oni bai fod pwy bynnag sy'n byw yno yn newid cyfeiriad yr erial, ni fydd unrhyw beth yn newid o ran lle mae'n derbyn ei signal. Dyna yw'r broblem. Gan fod Storeton rhwng sir y Fflint a Winter Hill, mantais y trosglwyddydd yw nad oes raid i bobl wneud unrhyw beth; hynny yw, mae'r signal o Gymru yno beth bynnag. Fel arall, yr wyf yn ofni mai lloeren yw'r unig ateb o ran y gallu i gyflwyno'r holl wasanaethau i bawb.

[273] **Alun Davies:** Onid ydych yn gweld ei bod yn realistig i gael signalau o Gymru ar y trosglwyddyddion yn Lloegr?

[274] **Mr Hughes:** Yr ydym wedi ceisio gwneud hynny. Gofynnwyd a oedd modd rhoi gwasanaethau o Gymru ar drosglwyddydd Winter Hill hefyd, a'r ateb oedd nad yw hynny'n dechnegol bosibl. Felly, mae'r pwynt wedi cael ei godi, ac yr ydym wedi ceisio gwneud hynny.

[275] **Alun Davies:** Pan oedd S4C yn rhoi tystiolaeth i ni yr wythnos diwethaf, yr oedd yn nodi pryder am y newid i ddigidol—yr oedd cwestiwn ym Mhreseli yn benodol o ran presenoldeb S4C Digidol. A ydych yn ymwybodol o'r sefyllfa gydag S4C?

[276] **Mr Hughes:** Ydym. Mae'n gwbl amlwg fod S4C yn wasanaeth cyhoeddus ac yn wasanaeth craidd yng Nghymru, a bod yn rhaid i S4C gael ei gynnwys ar dri amlbleth gwasanaeth cyhoeddus Freeview; nid oes dadl am hynny. Mae pwynt wedi codi o ran amseru, lle mae gwahaniaeth technegol er mwyn rhoi mwy o wasanaethau ar Freeview. Ar hyn o bryd, mae'r gwaith papur y tu ôl i

interesting; it asked whether people were less likely to know who their Assembly Member was, for example, if they did not watch programmes from Wales.

Alun Davies: We have discussed this question for years. I had assumed that the digital switchover would begin to solve this issue, because the signal is different from the old analogue signal, but that is not the case. So how will we resolve this situation?

Mr Hughes: The aerial on the roof of a house points at a particular transmitter, so unless the person living in that house changes the direction of aerial, nothing will change in terms of where the signal is received from. That is the problem. As Storeton is between Flintshire and Winter Hill, its advantage is that no-one has to do anything; that is, the signal from Wales is there in any case. Otherwise, I am afraid that satellite is the only solution in terms of being able to deliver all of the services to everyone.

Alun Davies: Do you not think that it is realistic to have Welsh signals on transmitters in England?

Mr Hughes: We have tried to do that. We asked whether services from Wales could be included on the Winter Hill transmitter, and the response was that it was not technically possible. Therefore, the point has been raised, and we have tried to do that.

Alun Davies: When S4C gave evidence to us last week, it raised a concern about the digital switchover—it identified an issue in Preseli in particular in terms of the presence of S4C Digidol. Are you aware of the situation with S4C?

Mr Hughes: Yes. It is obvious that S4C is a public service and a core service in Wales, and that S4C must be included on the three Freeview public service multiplexes; there is no argument about that. A point has been raised about timing, where there is a technical difference in putting more services on Freeview. Currently, the paperwork behind that seems to be creating a time problem

hynny i'w weld yn creu problem amser lle mae posibilrwydd, yn rhesymegol yn hytrach na thechnegol, y gallai fod cyfnod pan na fydd S4C ar gael. Credaf fod hynny'n annerbyniol a bod yn rhaid i ni a phawb arall roi pwysau ar y darlledwyr ac ar Ofcom i sicrhau na ddigwydd hynny.

whereby there is a possibility, more theoretical than technical, that there may be a period during which S4C is not available. I consider that to be unacceptable and we and everyone else must put pressure on the broadcasters and on Ofcom to ensure that that does not happen.

[277] **Alun Davies:** A oes modd ichi anfon nodyn atom ar hynny?

Alun Davies: Can you send us a note on that?

[278] Gan nad oes rhagor o gwestiynau, diolchaf ichi am eich presenoldeb y prynhawn yma, ac am eich atebion. Cewch gopi o'r trawsgrifiad yn ystod yr wythnos nesaf.

As there are no further questions, I thank you for your attendance and for your answers. A copy of the transcript will be sent to you in the coming week.

[279] Dyna ddiwedd ein cyfarfod y prynhawn yma. Cynhelir y cyfarfod nesaf ddydd Llun nesaf yn ôl yn ein cartref yn y bae. Mae'n dechrau am 12.30 p.m., a bydd Mark Thompson, Syr Michael Lyons a Janet Lewis-Jones yn rhoi tystiolaeth inni.

That brings this afternoon's meeting to an end. The next meeting is next Monday, back in our home in the bay. It starts at 12.30 p.m., and Mark Thompson, Sir Michael Lyons and Janet Lewis-Jones will be giving evidence to us.

*Daeth y cyfarfod i ben am 3.36 p.m.
The meeting ended at 3.36 p.m.*