

# Agenda – Culture, Welsh Language and Communications Committee

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Meeting Venue:

Committee Room 2 – Senedd

Meeting date: 18 July 2019

Meeting time: 10.00

For further information contact:

**Gareth Price**

Committee Clerk

0300 200 6565

[SeneddCWLC@assembly.wales](mailto:SeneddCWLC@assembly.wales)

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## 1 Introductions, apologies, substitutions and declarations of interest

(10.00)

## 2 Teaching of Welsh history, culture and heritage: evidence session with representatives of Race Council Cymru

(10.00–11.00)

(Pages 1 – 14)

Uzo Iwobi, Black History Wales Coordinator, Race Council Cymru

Abubakar Madden Al Shabbaz, Black History Wales Specialist Historian, Race Council Cymru

Vernesta Cyril OBE, Windrush Elder, Race Council Cymru

Carl Connikie, Lead Trainer, Windrush Schools Presentation Programme, Race Council Cymru

## 3 Paper(s) to note

### 3.1 Letter to Ofcom regarding the BBC's request to remove the requirement for 100% speech content during the breakfast radio time slot

(Pages 15 – 17)

### 3.2 Letter from the Chair of the Finance Committee in relation to the Welsh Government's Draft Budget 2020–21

(Pages 18 – 25)



- 3.3 Correspondence with the Minister for Economy and Transport regarding the Hyperlocal Journalism Fund**  
(Pages 26 – 29)
- 4 Motion under Standing Order 17.42 (vi) to resolve to exclude the public from the remainder of this meeting**
- 5 Private debrief**  
(11.00–11.10)
- 6 Consideration of draft short report: Community Radio**  
(11.10–11.20) (Pages 30 – 38)
- 7 Consideration of the forward work programme**  
(11.20–11.30) (Pages 39 – 46)

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Eleanor Marks

Ofcom

8 July 2019

Dear Eleanor,

## **BBC request to remove the requirement for 100% speech content during the breakfast radio time slot**

As Chair of the Culture, Welsh Language and Communications Committee of the National Assembly for Wales, I am concerned at the proposals in the BBC Annual Plan 2019–20 to make a request to Ofcom to amend the Operating Licence for radio stations in the Nations and Regions. The proposal to vary the quota for speech content in the chapter on ‘Potential changes to the BBC’s public services’ says:

‘we will be asking Ofcom to amend the Operating Licence to remove the 100% speech quota at breakfast time, whilst retaining the overall 60% quota for speech content between 06:00–19:00 on weekdays.’

I have written to Ken MacQuarrie, Director of Nations and Regions, Rhodri Talfan Davies, Director BBC Cymru Wales and the Deputy Minister for Culture, Tourism and Sport at the Welsh Government with my concerns.

I feel that any move away from the requirement for 100% speech content on the radio between 07.30 and 08.30 on weekdays would reduce the opportunity for Welsh listeners to hear discussion of political and current events which shape their lives.

Listeners in Wales tune into the BBC stations in a greater proportion than other UK nations. Maintaining the breakfast slot discussion hour provides an opportunity for information and interviews which aid understanding of political decision-making specific to Wales.

In order to understand how this request will be dealt with by Ofcom, please can you set out the criteria which will be used to consider the request from the BBC? It would be useful to know the basis on which Ofcom will be judging the request, in particular, what consideration will be given to the BBC's Mission and Public Purposes. I am concerned that the request will undermine their public purpose to 'To provide impartial news and information to help people understand and engage with the world around them'. This public purpose includes the requirement to:

'offer a range and depth of analysis and content not widely available from other United Kingdom news providers... so that all audiences can engage fully with major local, regional, national, United Kingdom and global issues and participate in the democratic process, at all levels, as active and informed citizens.'

An indication of the different factors which will be taken into account in assessing the BBC's proposal would be useful for us and our stakeholders to know in advance of their formal request being submitted to you.

I would be grateful if you could respond to me before 31 July so that I can inform our Members before the Summer Recess, with apologies for the short notice,

Yours sincerely,



Bethan Sayed

**Chair of the Committee**

Chair, Children, Young People and Education Committee  
Chair, Climate Change, Environment and Rural Affairs Committee  
Chair, Culture, Welsh Language and Communications Committee  
Chair, Economy, Infrastructure and Skills Committee  
Chair, Equality, Local Government and Communities Committee  
Chair, External Affairs and Additional Legislation Committee  
Chair, Health, Social Care and Sport Committee

10 July 2019

Dear Committee Chairs

## Welsh Government Draft Budget 2020–21

At our meeting on 1 May 2019, the Finance Committee agreed its approach to the budget scrutiny. I am writing to all Chairs of subject committees to share our thinking, and to encourage your committees to consider how you can contribute to delivering the most coherent and effective scrutiny of the Government's spending plans.

### Budget focus

We have agreed to continue the approach followed in previous years, whereby budget scrutiny is centred on the four principles of financial scrutiny: affordability, prioritisation, value for money and process. The principles are:

- **Affordability** – to look at the big picture of total revenue and expenditure, and whether these are appropriately balanced;
- **Prioritisation** – whether the division of allocations between different sectors/programmes is justifiable and coherent;
- **Value for money** – essentially, are public bodies spending their allocations well – economy, efficiency and effectiveness (i.e.) outcomes; and
- **Budget processes** – are they effective and accessible and whether there is integration between corporate and service planning and performance and financial management.

Following a stakeholder event in Aberystwyth on 27 June, we have identified a number of areas which we would like to see the focus of the scrutiny, these are:



- *How the Welsh Government should use taxation and borrowing powers, particularly in relation to the Welsh Rate of Income Tax*
- *Approach to preventative spending and how is this represented in resource allocation (Preventative spending = spending which focuses on preventing problems and eases future demand on services by intervening early), particularly in relation to the financing of local health boards and health and social care services*
- *Sustainability of public services, innovation and service transformation*
- *Welsh Government policies to promote economic growth, reduce poverty, gender inequality and mitigate welfare reform*
- *The Welsh Government's planning and preparedness for Brexit*
- *How evidence is driving Welsh Government priority setting and budget allocations*
- *How the Future Generations Act is influencing policy making*
- *In declaring a "climate emergency", is it clear how the Welsh Government intends to respond and resource that challenge*

We would encourage you to use some of these areas as the focus for your budget scrutiny.

### **Draft budget consultation**

As has been the previous practice, we will be undertaking a consultation on behalf of all Committees over the summer recess and the responses will be shared with you in the Autumn in order to assist your scrutiny of the draft budget.

I enclose a summary of the views we heard at the Finance Committee's pre-budget stakeholder event in Aberystwyth, which may inform your budget scrutiny.

### **Timetable**

The draft budget is usually published in October. However, this year the UK Government has confirmed it would hold a Comprehensive Spending Review which will conclude alongside the UK Budget. So the Welsh Government currently has no indication of funding from the UK Government for 2020–21 to base its budget upon. The Minister for Finance and Trefnydd has announced that the Welsh Government is planning to publish the outline and detailed draft Budgets together on 10 December 2019, and the final Budget on 3 March 2020.



As you will be aware the provisions in relation to the reporting by policy committees changed in 2017, and you are now able to report in your own right (if you so wish), and your reports can be used as a supporting document to the draft budget debate.

If you have any questions about any aspect of the draft budget process, please feel free to contact me or the Clerk to the Finance Committee, Bethan Davies, 0300 200 6372, [Bethan.Davies@assembly.Wales](mailto:Bethan.Davies@assembly.Wales)

Yours sincerely

A handwritten signature in black ink, appearing to read 'Llyr', is centered on a light-colored rectangular background.

Llyr Gruffydd AM  
Chair of the Finance Committee





# Stakeholder Engagement: Welsh Government

## Draft Budget 2020–21

Finance Committee | July 2019

The Committee held an informal stakeholder event at the Marine Hotel, Aberystwyth on 27 June 2019. The event focussed on the draft budget for 2020–21.

### 1. Preventative Spend, Health & Social Care

Prevention and early intervention should be at the heart of budget allocation.

Stakeholders discussed the increased pressure on local authority budgets especially within social care due to demographical changes and workforce pressures. Current financial pressures for local authorities include workforce parity of treatment re-dress (eg changes to National Living Wage and sleep-in payments), high-cost high-need care packages and increased responsibilities following introduction of new policies and legislation (eg Additional Learning Needs Bill and Sustainable Drainage Systems Standards). Stakeholders felt that duties or responsibilities of local authorities are not reduced when budgets are cut.

Many local authorities are reaching “saturation point” and cannot absorb any additional costs. This is leading to significant cuts in preventative services despite specific focus in recent legislation on the importance of early intervention and prevention (eg Social Services and Well-being Act, Well-being of Future Generations Act, Violence Against Women Domestic Abuse and Sexual Violence (VAWDASV) etc). Cutting non-statutory services such as leisure, culture and transport can have a potentially negative impact on the physical and mental well-being of the local population. In the long term, this can lead to increased pressure on statutory services. Cuts to public transport, for example, can have a significant impact on the local population, especially in rural areas.

Some stakeholders suggested that the affordability of universal services such as free public transport and free prescriptions needs to be revisited by Welsh Government given the current financial climate and reduction in budgets.

Out-of-county placements have huge cost implications for local authorities. It was suggested that local authorities need to work together on a regional basis to develop



specialist, not-for-profit services locally in order to avoid sending children and adults to high cost out-of-county placements.

However, stakeholders discussed the tension between preventative action, which often tends to be longer term, and addressing short term, immediate pressures.

## 2. Long-Term Planning & Strategies

Despite the Finance Committee's recommendations in 2017, the financial implications of new legislation remain difficult for local authorities to plan for. Even when Welsh Government provides assurances that any changes will be "cost neutral", this is rarely the case in practice. It is not just about the direct costs but also the impact of re-direction of resources away from other services. There is often an impact on the third sector too, for example the introduction of the VAWDASV Act had significant resource implications for domestic abuse charities.

Several stakeholders raised concerns about the potential impact of Brexit and the lack of clarity around post-Brexit policy and the Shared Prosperity Fund. It will be necessary to fill some legislative "gaps" post-Brexit but Welsh Government needs to carefully consider the cost implications of this. For example, if Welsh Government is considering raising regulatory standards for farming post-Brexit this could have significant resource implications for local authorities who would be expected to carry out additional inspections. They felt that the Welsh Government should be preparing for a New Deal Brexit, in order to be best prepared for that possible eventuality.

There is a need for more joined up working between health, social care and the third sector, for example on the Adverse Childhood Experiences (ACEs) agenda as this can impact on many areas of society.

Stakeholders stressed that long-term spending and vision were imperative as part of longer-term planning. There was a feeling that short term projects and yearly budgets do not allow for strategic spending nor for value for money – that budgets are being spent for the sake of being spent rather than to follow strategies and with priorities in mind.

A suggestion was made for 'disruptive' budgets, moving away from annual budgets and moving closer to the principles of the Wellbeing of Future Generations Act to ensure requirements are met. Budgets should have an emphasis on meeting the need, working in areas that require action and co-working across sectors rather than adheres to a departmental structures and encourage competition between sectors.



### 3. Economy, businesses & the Third Sector

The Welsh Government needs to do more to promote the economy and business in Wales. Wales should be procuring “from Wales for Wales”, for example, currently most of the education books are procured from England. This is often because procurement rules make it difficult for small suppliers to bid for contracts.

Stakeholders felt that having more support for local businesses would lead to an increase in local economic growth and that the Welsh Government needs to work together with local authorities to achieve this.

The third sector is often expected to “take up the slack” when local authorities are forced to cut services but many of these organisations are also working at full capacity and having to turn people away due to lack of resources. Many smaller third sector organisations have been lost in recent years due to lack of funding or forced to merge with other organisations in order to survive and this has led to a loss of local knowledge, expertise and support.

Public transport was seen as key to communities and especially in rural communities, as well as being integral to enabling economic opportunities. Key considerations around transport were availability, affordability and quality.

Stakeholders were wary of providing funding for large innovative schemes and the risks that may surround that funding and suggested that those resources may be used to support other services. For example, stakeholders questioned whether it was for Wales to take the lead in unproven technologies such as tidal.

Stakeholders discussed the need for a fair work strategy.

### 4. Education funding

Stakeholders suggested that the education budget needed to be clarified and simplified.

Stakeholders from the education sector highlighted that certain industries, facilities and services operate across different areas and rather than competing for budgets, sectors should be working together with outcomes in mind.

### 5. Local services

There were also concerns that community facilities, including leisure centres, were closing. It was noted that this has a significant impact on health and well-being of those communities, which in many cases is preventative, either through opportunities to exercise or for mental health reasons. It was also noted that community facilities provided structures to build social capital.



There was a concern that services and assets were being transferred from local authorities to community and town councils. This leads to a significant risk in terms of the ability of the organisations responsible for service having capacity to operate them, with a local authority likely to have larger specialist teams and a wider pool of expertise compared to a community and town council. Stakeholders suggested that transfer of services needed to be supported by adequate transfer for funding and resources.

Stakeholders suggested that assets needed to be utilised better, and that all tiers of government needed to work together to understand what assets they had and how these may best be used.

There was a general feeling that there was increasing strain being placed upon local authorities due to the lack of funding, which would lead to reduction in staff and a lack of resources, which would only create further issues; stakeholders described this as an endless cycle that wasn't being resolved.

## 6. Housing

Local authorities need more support from Welsh Government to enable them to fulfil their priorities on the availability of affordable housing. For example, when borrowing to purchase own housing stock, it would be helpful if local authorities could pay back at the lower rate rather than the market rate that Registered Social Landlords are required to pay.

Some stakeholders wanted to see a resolution to the 'loophole' in second home tax, wanting to provide local Welsh residents more housing opportunities.

## 7. Transparency & Scrutiny

There's not a clear understanding of Welsh Government's spending decisions and focus needs to be on outcomes and the need of the citizen. The Future Generations Act is integral to impact assessments for local authorities, yet many commented that it has not had a significant impact. Stakeholders acknowledged that the Future Generations Act will likely have a positive impact in the long run, however there will be no immediate benefit and instead will only restrict upon how much money local government will receive. Stakeholders felt that the Future Generations Act needed to be fed into any other additional plans and not be treated as a standalone Act.

Some stakeholders felt that the Welsh Government was overspending and there was an unfairness with regards to funding for health services. Some stakeholders questioned how the Welsh Government is monitoring health boards' spending, given the number of boards in special measures.



## 8. Equality & Vulnerable Groups

Cuts to public transport often have a disproportionate impact on certain groups in society, for example disabled people, older people or victims of domestic abuse. Stakeholders noted that poverty should be at the core of all budget decisions and that the budget should utilise a poverty impact assessment methodology.

## 9. Taxation

Stakeholders were concerned that local taxes were increasing whilst services are being reducing. Stakeholders were keen to understand what additional taxes might be considered for Wales and what might be appropriate. There was an emphasis on the importance of the public being aware what Welsh taxes will fund and cross border concerns with taxes differing in England.

Stakeholders were keen on the idea of a 'Tourist Tax' for people visiting Wales and it's National Parks, arguing that tourists use resources such as the health services, so this could counter balancing that.



Ken Skates AM

Minister for Economy and Transport

Welsh Government

13 June 2019

Dear Ken,

### **Fund to support hyper-local news**

I am writing to ask for more details on the fund to support hyper-local news. The fund, launched in March, is intended to support ‘journalists seeking to set up their own business in hyper-local news’ and develop ‘skills and networks help to sustain and grow the sector, allowing existing hyper-local journalists to broaden their scope and reach within their communities.’

The Committee is keen to see the fund succeed and deliver on the recommendations of our report ‘Read all about it’. I have recently been approached by people working in the sector who inform me that the application process for funds is complex and has the potential to be off-putting.

Please can you let me know the criteria for allocating grants and what the decision-making process is? Can you outline how is the fund being promoted to the sector? Will the fund be reviewed, and, if so, will you be seeking the views of the sector to see how it can be improved?

I am concerned about the feedback I have received that the fund is difficult to access and has not been well promoted. I would be grateful if you could reply to my letter by 9 July to allow me to respond those who have contacted me.

Yours sincerely,

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**Cynulliad Cenedlaethol Cymru**  
Y Pwyllgor Diwylliant, y Gymraeg a Chyfathrebu

**National Assembly for Wales**  
Culture, Welsh Language and Communications Committee

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*Bethan Sayed.*

Bethan Sayed

**Chair of the Committee**

**Ken Skates AC/AM**  
**Gweinidog yr Economi a Thrafnidiaeth**  
**Minister for Economy and Transport**



Llywodraeth Cymru  
Welsh Government

Our ref/Ein cyf: MA-P-KS-2398-19

Bethan Sayed AM  
Chair  
Culture, Welsh Language and Communications Committee

9 July 2019

Dear Bethan,

Thank you for your letter of 13<sup>th</sup> June asking for more details on the fund to support hyper-local news.

The Independent Community Journalism Fund (Fund) went live on 1<sup>st</sup> April to provide revenue grant funding to independent community publications, also known as hyper-local publications, based in Wales to support the sustainability, development and growth of their publication. The Fund is available during the 2019/20 financial year.

The Fund is aimed at independent community publications that are based in Wales, have been operating within their community in Wales for at least 6 months and are members of the Independent Community News Network (ICNN).

Eligible activity includes actions to improve business processes; increase income streams; increase readership; technical improvements; accessing specialist digital expertise; and training. Salary costs for three months are also eligible. This list is not exhaustive and the Welsh Government will consider alternative activities that will contribute to increased business resilience and sustainability or growth if suitably evidenced. However, the funding is for revenue only, therefore capital expenditure such as equipment is ineligible.

The Fund was promoted to the sector via a press notice, social media channels and Business Wales, and we will continue to highlight the Fund on social media. In addition, the Centre for Community Journalism (C4CJ) have promoted the Fund amongst their ICNN members, network and the wider sector.

The application process is light touch and applicants are required to provide brief details about their publication, confirmation of eligibility and details of what the funding will be used for. My Officials are available to discuss applications and eligibility prior to application submission and are on-hand to guide applicants through the process.



There is no restriction on the amount of grant funding that can be applied for, subject to due diligence checks and value for money considerations. In addition, multiple applications can be made during the 12 months period to allow greater flexibility to undertake smaller consecutive projects and to help manage cash flow. The grant funding can be paid in arrears or advance, and also smaller staged payments.

As there is a limited amount of funding available, applications are evaluated on a case-by-case basis by a Welsh Government Panel to ensure it meets the eligibility criteria and is considered value for money. To assist with the evaluation process, each eligible applicant has provided consent for their application to be shared with the C4CJ. The C4CJ is acting in an advisory capacity as experts in the field of hyper-local journalism to provide comment on the proposed activities; however, they are not part of the approval process.

Each grant award will be monitored after six months and the impact of the grant will be evaluated after 12 months. The evaluation will assess how the grant has impacted on the publications and the sector, and will inform any potential future funding. In addition, an independent piece of research is proposed by Professor Karin Wahl-Jorgensen at the C4CJ to look at how the Fund may impact on policy, which will include interviews with the sector in Wales.

Yours sincerely,



**Ken Skates AC/AM**

Gweinidog yr Economi a Thrafnidiaeth  
Minister for Economy and Transport

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

# Agenda Item 6

By virtue of paragraph(s) vi of Standing Order 17.42

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