# Pwyllgor Diwylliant, y Gymraeg a Chyfathrebu

Welsh Parliament

#### **Culture, Welsh Language and Communications Committee**

Lee Waters

Deputy Minister for Economy and Transport

29 May 2020

Dear Lee,

# Support for Local Media

Welsh Government

The Culture, Welsh Language and Communications Committee recently received correspondence from Media Wales and the Wales Community Radio Network, regarding their concerns about the financial impact of the COVID 19 outbreak.

Paul Rowland, Editor of Wales Online, has described a situation where advertising revenues are down, readers have moved to online consumption and the resulting drop in income has meant furloughing staff. All of this is happening at a time when people are relying on trusted sources of verified news more than ever.

The Wales Community Radio Network wrote of their 'grave concerns over the state of and financial risk to our sector' which is largely staffed by volunteers. They warn against underestimating their role in assisting with the management of the COVID 19 outbreak, writing:

'Since the lock down has been in place, community radio stations have been preparing mission critical safety information in the form of radio bulletins and key messages to LOCAL populations across Wales. This has helped save lives, educate and inform people, and pass on essential information from Public Services and the Welsh Government.'

The severity of the situation has led to community radio stations and local news media calling on the Welsh Government to provide direct financial support to enable them to continue to operate.



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The Committee has previously looked into issues affecting local media. The relevant inquiries concluded more can be done to support the industry through public spending on statutory and information notices. For instance, the report on the inquiry into Radio in Wales recommended that:

'the Welsh Government should place more government advertising, particularly public information campaigns, with Community Radio stations and provide guidance to other public sector bodies in Wales to draw their attention to the possibilities of using the sector more'

The Committee also recommended carrying out an audit of its spending on statutory notices in Wales and that of other public bodies in its <u>report into news</u> <u>journalism</u>, both of these recommendations were agreed by the Welsh Government.

I am sure you will agree that local media plays a crucial role in keeping the public informed about issues which affect their lives. This is especially important at a time when the national media has often referred to UK Government policy instead of Welsh Government policy regarding lockdown protocols.

I would be grateful if you could respond to the issues raised by Media Wales and the Wales Community Radio Network, including providing the Committee with detailed responses to the following questions:

- What is being done to ensure the continued viability of the community radio stations operating at this time?
- Has the Welsh Government prioritised its placement of public safety notices on the COVID 19 outbreak with local media (i.e. community radio stations and local news media)?
- Has the Welsh Government issued any advice or guidance to the public sector to prioritise public information notices in local media?
- Will the Business Rates holiday be extended to local media?

I know the Welsh Government values local media as an independent and trusted source of information which is needed now more than ever. I am concerned that the short-term financial difficulties they face could well result in a sudden and



irreversible contraction in provision with long term implications for our civic society.

In order to inform the work of the Committee and respond to our stakeholders I would be grateful if you could provide this information by 15 June 2020.

Yours sincerely,

**Helen Mary Jones** 

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Chair of the Culture, Welsh Language and Communications Committee

Croesewir gohebiaeth yn Gymraeg neu Saesneg.



We welcome correspondence in Welsh or English.



Yr Arglwydd Elis-Thomas AS/MS Y Dirprwy Weinidog Diwylliant, Chwaraeon a Thwristiaeth Deputy Minister for Culture, Sport and Tourism



Ein cyf/Our ref MA/DET/1884/20

Helen Mary Jones MS
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24 June 2020

Dear Helen Mary Jones MS,

Thank you for your letter of 29 May to the Deputy Minister for Economy and Transport, Lee Waters MS in relation to Local Media. I am responding as broadcasting and publishing fall within my portfolio.

Local media is an important part of the broadcasting landscape and plays a crucial role in informing people across Wales. This role is of particular importance during the current COVID-19 crisis, when it is essential that people are able to access up to date information on what is going on in their local communities.

I am particularly grateful to the local, regional and national radio stations and media which are continuously keeping our country up to date on critical safety information during this concerning time.

The Welsh Government recognises the incredibly difficult and uncertain circumstances being experienced by businesses and individuals across Wales. Much of our support in response to the COVID-19 pandemic has been non-sector specific and has been introduced to support businesses and organisations across the Welsh economy, including those in the media sector. In response to the COVID-19 outbreak, the Welsh Government has announced almost £2bn of support for businesses in Wales. This includes the Welsh Government Economic Resilience Fund (ERF), which is now entering its second phase of delivery. The eligibility criteria for this phase has been revised to ensure we are able to support those businesses which we haven't yet reached. We have also introduced the Welsh Government's Third Sector COVID-19 Response Fund worth £24m, which is providing essential financial support for third sector organisations. These funding streams side alongside central UK Government schemes, including the Job Retention and Self-Employed Income Support

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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.

Schemes. We continue to call on the UK Government to provide further financial support for Welsh firms and employees to help steer them through this incredibly difficult period.

We have also provided support direct to the sector through the Independent Community Journalism Fund. In response to COVID-19 pandemic, funding through this scheme has been repurposed to provide emergency grant funding for day-to-day costs such as rental costs, wage costs and license / website fees, with the key aim of supporting publications through the next critical few months to maintain sustainability and continue to give communities vital news during the crisis. Further detail on this Fund has been shared with the Committee following my appearance before the Committee on 12 May.

We have also provided support to the publishing sector through the Books Council of Wales.

In addition to the measures detailed within this letter so far, I respond with further information in relation to your specific questions:

# What is being done to ensure the continued viability of the community radio stations operating at this time?

The UK Government announced that the £400,000 Community Radio Fund administered by Ofcom would be used to provide a lifeline for radio stations hit hardest by the coronavirus. Eligible stations were invited to bid for emergency grants to help meet their core costs. On 4 June, Ofcom announced the results of that process, with two community radio stations in Wales successful in receiving emergency cash funding to help them during the current COVID-19 crisis. This figure is reflective of the small number of radio stations in Wales that bid for funding.

Ofcom will be inviting applications for a further emergency funding round, with a view to awarding the outstanding funds available. This will give stations another opportunity to apply for financial support, and additional time to assess their operations and financial positions. Further detail will be available on the Ofcom website in due course. In the meantime, my officials are working with Ofcom to ensure the opportunity to apply for this additional funding is communicated to all eligible applicants in Wales and to consider options for supporting applicants through the process.

The sector is in regular contact with Ofcom regarding the impact of the COVID-19 pandemic on radio stations and to explore options to support those most affected, including the introduction of payment plans and deferred payments for transmission fees. The Department for Digital, Culture, Media and Sport is also in discussion with Arqiva on this issue. The Welsh Government continue to engage with Ofcom in Wales to discuss how the sector is being supported during this difficult and challenging period.

# Has the Welsh Government prioritised its placement of public safety notices on the COVID 19 outbreak with local media (i.e. community radio stations and local news media)?

The Welsh Government's contracts for marketing, advertising and media buying are managed by Communications Directorate. This involves regular contact and review of work, with agencies directed to include local platforms in their media buying plans as part of the Welsh Government's commitment to supporting Community Radio Stations and the Newspaper Industry across Wales. During COVID-19, communications officials continue to ensure that local media are included in the media plans for COVID-19 work as part of the effective delivery of key public safety information.

The Welsh Government, working closely with its specialist media buyers, has ensured that local and community radio stations and local news media outlets across Wales are included in media buying for all COVID-19 work, including campaigns under the 'Keep Wales Safe' umbrella.

# Has the Welsh Government issued any advice or guidance to the public sector to prioritise public information notices in local media?

It is not normal practice for the Welsh Government to issue guidance on media buying to the public sector.

# Will the Business Rates holiday be extended to local media?

The Welsh Government package of support in response to the COVID-19 outbreak includes more than £350m to help businesses with their non-domestic rates bills during this financial year. The Welsh Government recognises that not all businesses will benefit from the rates relief and grant support being provided. The package has been designed to be affordable within the available funding. To ensure clarity and consistency in administering the schemes, there are no plans to amend the eligibility criteria.

The Welsh Government will continue to work with the sector in Wales in response to the impact of the COVID-19 crisis and as we move towards recovery.

I thank the Culture, Welsh Language and Communications Committee for raising these issues and for its commitment to advocating the issues facing local media in Wales.

Yours sincerely,

Yr Arglwydd Elis-Thomas AS/MS

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Y Dirprwy Weinidog Diwylliant, Chwaraeon a Thwristiaeth Deputy Minister for Culture, Sport and Tourism