

HK/MLW

7 February 2024

Committee Chair and Members  
Culture, Communications, Welsh Language, Sport, and International Relations Committee  
Welsh Parliament  
Cardiff Bay  
CARDIFF  
CF99 1SN

Dear Chair and Members of the Culture, Communications, Welsh Language, Sport, and International Relations Committee,

I am writing to you regarding the potential budget cut that the publishing sector will face in the coming financial year. Whilst I am fully aware that Wales as a nation is facing a grave financial situation where almost all public sector organisations will have some extremely difficult decisions to make, including the Books Council, I would like to explain what the proposed cuts of 10.5% cuts will mean to us and our sector.

The publishing sector continues to deliver exceptional value for an amount of funding which would barely cover a single film or TV production. The outputs in the form of books, ebooks, audio books, magazines and websites produce content that has a long legacy and benefits the widest possible constituents. The direct beneficiaries of the publishing grants are publishers who employ staff, authors and illustrators, freelance designers and editors, typesetters and printers, booksellers, schools and libraries, and of course, readers.

Whilst we have weathered a decade of standstill funding and have continued to contribute substantially to the foundational economy across all of Wales this proposed budget cut of 10.5% will have a severe impact and will cause long-lasting damage that would be very difficult to reverse.

We would urge you to consider how many outputs and activities will be lost by reducing the publishing grants by £249,763 vis a vis the costs for a single TV or film production. We appreciate that Creative Wales finds itself in the unenviable position of having to decide how cuts should be implemented and that passing on an equal proportion of the cuts may seem the only option. This does not, however, take into account the substantial and tangible contributions we make to almost all of the Well-being Goals and cross sectoral priorities, not to mention our significant impact on the Welsh-language targets.

Our Welsh Language content is vitally important in providing engaging contemporary content in a variety of formats to support readers of all interests and abilities. Given the Welsh Government's policy to reach one million Welsh speakers, it seems counter-intuitive to cut the very content readers and learners rely on to learn, practice, and enjoy the language. It is my understanding that whilst books are facing a cut, other organisations which work directly in the Welsh Language such as the Urdd, The National Centre for Learning Welsh and the Mentrau Iaith will retain a proposed standstill budget. The total sum we are expected to save from the Welsh-language Publishing Grant budget is £177,049. Some of the individual grant applications we process can be as small as £250 which illustrates the severity of losing such an amount.

Our Welsh-language Publishing Development Subcommittee has discussed how to implement cuts and there is agreement that a 'salami slice' approach whereby each section will be subject to an equal cut is not feasible. Consequently, it was agreed, as far as possible, that the core functions of programme publishing, and posts should be protected. This means that individual book grants for both adults and children, the digital news service, author commissions and magazines will all be affected. The budgets for book marketing, training, support for the Welsh-language publishers' group CWLWM's outreach work, bookseller incentives and reader-related research will all have to cease. More worryingly, the much greater impact will be on the publishing grants and ultimately how many books are published. This is particularly concerning given that the number of supported titles has shrunk already due to a 25% increase in production costs.

It concerns us deeply that the already exceedingly small and strained budget for English-language publications will have to lose £72,714; again, a very small sum in most contexts but devastating in ours since some of the grants we administer here are for less than £200. The real dilemmas brought about by a deficit in an understanding of Welsh history, politics and culture are well documented and given that the majority of learners and readers in Wales are informed through English content it is calamitous to implement a further reduction.

We cannot and should not have to rely on multi-national publishers in London with little interest or knowledge of our country to be the fall-back position for our English-language content just because it is easier or because they happen to have the largest publishing industry in the world.

We are not certain that it will be possible to protect the budget ear-marked for the creation of a new English-language magazine with a sustainable model following the outcome of the recent franchise tender given and the severe pressure that budget is under. When faced with an overwhelmingly large output of English-language content from England (approx. 300,000 books a year) Wales can ill afford to produce less content that authentically presents and discusses its specific concerns. There is a real risk that a shrinking offer will draw readers further away from content made in Wales for Wales.

The New Audiences Grant has been an opportunity for real innovation and improved representation and several new undertakings are at risk of ceasing to exist. With Welsh Government's emphasis on working towards further implementation of the Race Equality

Action Plan it would be tragic if some of the real progress we have achieved was halted or severely delayed.

The #SchoolsLoveReading programme inspired young readers, in some cases providing the very first books they have ever owned and helped schools to support reading for pleasure activities. With the emphasis of our curriculum on teaching through literature, supporting fewer books in Welsh or English that authentically portray Welsh history, culture and society would be counter productive. The PISA results are tangible evidence that we need to do more to engage our young people with a variety of different content, but it is that very breadth of choice that will be at risk.

The benefits of reading to mental health and well-being have been widely documented, never more so than during several lockdowns and the Covid-19 pandemic. The Reading Well Programme builds on that evidence that bibliotherapy is an effective early mental health intervention. By making such titles available for the first time in Welsh we are supporting social prescribing and community health, while providing a crucial source of mental health and well-being support for people to access and engage with in the Welsh-language.

Through distribution activities the Books Council generates approx. £3 million in revenue which supports 16 posts and since it operates on a not-for-profit basis provides additional subsidies for publishers and booksellers; we service hundreds of booksellers and deliver to over 40 different countries. To put our operation into context, the total book market in Wales is estimated to be approx. £70 million which highlights the pressures small independent booksellers, publishers, and our Distribution Centre face and how finely balanced our book ecosystem is.

Wales already has the smallest spending on arts and culture when compared to other European countries of a similar size. All countries recognise the power of telling their own stories, in their own languages, and I hope you agree with me that we need more rather than less content which engages our citizens in a meaningful way.

I have outlined how our work reaches across different Government department responsibilities and how our infrastructure supports the implementation of key Welsh Government policies; also what the impact of the proposed 10.5% cuts will be in the relative context of the size of our grant funding, especially with regard to the publishing grants. I urge you, therefore, to support a reduction to the proposed cuts as this will help the sector and us to continue providing a valuable service to our nation.

With sincere thanks for your consideration,



HELGARD KRAUSE  
Chief Executive

