



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

**Briefing note
12th December 2018**

ITV is Wales' most watched peak-time television broadcaster and Cardiff is ITV's fourth largest production centre after London, Manchester and Leeds. ITV Cymru Wales, together with the ITV Studios' companies Boom Cymru and Boomerang, employ some 400 people in Wales making 800 hours of programming for ITV Cymru Wales, the ITV network, S4C, the BBC, Channel 4, Channel 5 and others. We are proud of our heritage and our contribution to national life in Wales and we see new opportunities to build new audiences for public service content on new platforms as the media landscape continues to evolve.

ITV Cymru Wales highlights 2018

- Wales' most watched channel with a peak-time share of viewing (SoV) of 23.5% to August 31st, up 1% year-on-year. This represents 4 consecutive years of growth.
- A growing share of TV News viewing: Wales at Six SoV reached 22% to August 31st, up by 0.8 % year-on-year. This represents 7 consecutive years of growth to 2016 and again in 2018.
- Creating new audiences on new platforms with social media views of 16m (to Sept 30th).
- Building a production business of scale, with significant growth in UK Network commissions.

1. Introduction

1.1. ITV Cymru Wales is having a successful 2018. The share of audience for our broadcast channel has grown to make us the most watched peak time television channel in Wales. ITV has also built a production business of scale in Wales. It is delivering 500+ hours of programme sales to Welsh and UK broadcasters. We are the only commercial broadcaster available in Wales making news and programming about issues that matter to the people of Wales. We continue to play a vital

role in Welsh life: shaping culture, growing Welsh brands and creating trusted news content, that provides plurality for viewers in Wales across platforms. All made available free to viewers and with no direct cost to the taxpayer.

1.2. Our key on-air brands are thriving. *Wales at Six* has again increased audiences and is often the only source of Welsh news for some viewers.

1.3. *Wales This Week* has investigated many issues of concern to the members of the National Assembly: from healthy lives for the over 50s, to the impact of the so-called 'County Lines' drugs trade.

1.4. *Coast & Country* highlights rural Wales and remains hugely popular. *Sharp End* continues to provide a platform for political debate and scrutiny of AMs and MPs.

1.5. Across 2018, ITV Wales will have delivered 15 different series and programmes, often in the heart of the ITV schedule, reflecting the breadth and diversity of Welsh life. These include *St Davids: Britain's Smallest City*; *The Strait* - filmed along the Menai Strait - and *Dock of the Bay* which featured the diverse communities in Cardiff Bay.

1.6. We continue to fulfil our licence requirements to produce at least 286 hours of public service programming made in Wales for viewers in Wales. On average this will deliver 4 hours of news and 1.5 hours of other programmes every week. This number of hours has remained stable since 2010. The terms of the current licence, which runs to the end of 2024, were agreed with Ofcom in 2013 as a fair balance between the costs and benefits of holding the Wales public service broadcasting (PSB) licence.

1.7. Over the last decade we have innovated and adapted to become a commercial producer of scale, strengthening our business by diversifying revenues away from television advertising. We now have 4 production labels: ITV Cymru Wales; Shiver Cymru; Boom Cymru and Boomerang.

1.8. ITV Cymru Wales has continued to innovate the programmes it makes for S4C. *Y Byd yn ei Le* presented by Guto Harri provides a fresh perspective on Welsh politics whilst another new series, *Ein Byd* has brought a contemporary approach to current affairs.

1.9. Our network production label Shiver Cymru - a partnership between ITV Cymru Wales and the ITV Studios company Shiver - has enabled stories from Wales to be seen across the UK. In total, 7 different series have been commissioned in the last 2 years by the ITV Network providing a positive portrayal and representation of Welsh lives on screens across the UK.

1.10. Lastly, Boom Cymru and Boomerang, part of ITV Studios employing nearly 300 people in Wales, have had considerable success in 2018 selling 500+ hours of programming to Welsh and UK networks.

2. News

2.1. In 2018 our evening news programme, *Wales at Six*, won Best TV News and Current Affairs Programme, Best TV News Reporter and Best Specialist Journalist at the Wales Media Awards. The programme has enhanced its specialist coverage, creating both a National and a Brexit Correspondent to complement specialist health, sport and political coverage.

2.2. An exciting innovation in 2018 has been the expansion of our live capacity, enabling multiple live broadcasts from different locations across Wales within the same programme, increasing viewer engagement.

2.3. We have featured extensive live coverage from the Royal Welsh Show, the National Eisteddfod, the Gold Coast Commonwealth Games and the Tour de France. We have looked to make full use of our partnership with the BBC to keep The Six Nations Rugby Championship on terrestrial television to maximise our news coverage of the tournament.

2.4. We continue to invest in original journalism, with the introduction of a dedicated Original Journalism Producer allowing us to investigate stories in Wales that no-one else is telling.

2.5. We continue to build substantial new audiences for our news content on social media platforms, working closely with the digital team at the ITV Network News to ensure the best content from Wales gets a UK-wide and, indeed, worldwide audience. Whilst not a requirement of our broadcast licence, we are nonetheless ambitious to continue to serve our audience wherever it is commercially viable.

3. Current Affairs and other programmes

3.1. As part of our licence obligations we are required to broadcast a total of 78 hours of 'non-news' programmes, with half being shown in peak-time. Of the 78 hours, 41 hours must be returned as current affairs. We are due to reach all these requirements, as we have in each year we have held the licence.

3.2. On funding, Ofcom noted in their *Media Nations: Wales* report this July that, "original hours from ITV Cymru Wales have remained stable since 2009." It also noted: "ITV Cymru Wales spent

£6.1m on new UK content in 2017 and has maintained this level of investment in real terms since 2013.”

3.3. *Wales This Week* will broadcast 23 episodes - all in 8pm peak-time slots - and often between highly popular episodes of *Coronation Street* during 2018. This puts high quality and trusted public service content right at the heart of our schedule. Highlights have included profiles of the 3 candidates to be the next First Minister; a deeply moving film on people coping with extreme poverty; an investigation into prescription drug addiction; a report on the challenges facing people with hearing loss; and the debate over fixed odds betting terminals.

3.4. *Coast & Country* too will produce 23 episodes this year, including special coverage from the Royal Welsh Show. All are broadcast in the heart of the ITV schedule.

3.5. Underlining our commitment to serious and accessible coverage of Welsh politics, *Sharp End* will broadcast 36 episodes during 2018 including ten 60 minute programmes. All our public service programmes are also available on our video on demand website www.itv.com/walesprogrammes

4. S4C

4.1. ITV Cymru Wales has a proud tradition of producing programming in the Welsh language for S4C. In 2018, we reinvigorated a long running countryside series and launched 2 new current affairs series.

4.2. *Ein Byd* launched on S4C in January, with an undercover investigation into ‘sex for rent’ arrangements exploiting women in Wales. Other highlights including the practices of so-called paedophile hunters and a special report from Las Vegas on the attitudes of Welsh people to gun culture in America. *Ein Byd* has been re-commissioned for a second series.

4.3. *Y Byd yn ei Le*, was widely praised for bringing a fresh and energetic approach to political reporting. Presented by Guto Harri, the series features in-depth interviews from across the political spectrum in Wales and Westminster. The series also includes a weekly ‘street surgery’ giving the public the opportunity to question their elected representatives. A third series will air in early 2019.

4.4. Two of the channel’s longest running series *Y Byd ar Bedwar* and *Cefn Gwlad* were refreshed with new presenter line-ups to maintain their enduring appeal with viewers.

4.5. *Y Byd ar Bedwar* undercover investigations have included our journalists exposing the pressure on a security company’s staff to issue littering fines to the public and uncovering poor standards of care for dementia patients at a North Wales care home.

4.6. *Y Ditectif* returned for a third series looking at some of Wales' most notorious crimes. The series was produced back-to-back in English for ITV Cymru Wales where it proved to be hugely popular with viewers. Filming is also underway for a new, observational series following Dyfed-Powys Police and other key agencies as they search for missing people.

5. **Wales on the ITV network**

5.1. A total of 7 series have been commissioned by ITV Network commissioners from programme makers in Wales over the last 2 years. All have been based on merit, reflecting a growing creative pipeline for successful network programmes.

5.2. *The Strait* looked at the lives of people living and working around the Menai in north Wales and was first broadcast on ITV Cymru Wales this January. Made by the Welsh independent producer, Slam Media, it was co-commissioned by ITV Cymru Wales and the ITV network with the series being broadcast across the UK on ITV this autumn. The network series delivered a combined audience of more than 8m viewers across its 4 episodes.

5.3. We are now working with Slam Media to produce 2 new series - one on Snowdonia and another on Portmeirion that will also be shown on the ITV network following a first broadcast on ITV Cymru Wales.

5.4. This autumn has also seen us broadcast a highly popular peak-time series focussing on people living and working in Pembrokeshire. *St Davids: Britain's Smallest City*, was made by the ITV Studios companies Boom Cymru and Oxford Scientific Films. It has also been co-commissioned for broadcast on the ITV network.

5.5. Future, peak-time network commissions include *Harbour Cops*, a six-part series looking at the work of Dyfed-Powys Police and *Code Blue*, 2 one-hour long films on the Serious Crime Squad of South Wales Police. Both are being made by Shiver Cymru, one of our in-house network production labels.

5.6. All these programmes add considerably to the portrayal and representation of life in many different parts of Wales to UK wide audiences.

6. **ITV Studios companies in Wales**

6.1. ITV is now a producer of scale in Wales following the acquisition of the Cardiff-based production companies Boom Cymru and Boomerang which became part of ITV Studios in 2015. This

year they will make more than 500 hours of programmes for S4C and a wide range of other broadcasters. The two companies between them employ around 300 people based in Wales.

6.2. Boom Cymru's customers include S4C, ITV, BBC Wales and Channel 5. Key genres include children's programming, entertainment, factual entertainment, factual and drama.

6.3. Boom Cymru is a leading maker of children's programmes delivering over two hundred hours of content per year including *Cyw*, S4C's pre-school brand, which was devised and created by the company. Boom's expertise in children's content has resulted in the creation of many successful formats, including *Prosiect Z*, which won a prestigious Bafta Children's Award in November 2018.

6.4. Boom Cymru is a significant creator of content for *Hansh* - S4C's digital platform - and they produced some 80 hours of coverage from the Royal Welsh Show. Their programmes had 8 Bafta Cymru nominations in 2018 with the factual entertainment format *The Salon* winning both a Bafta Cymru award and a Celtic Media Festival award.

6.5. Boom Cymru makes drama - most notably the crime series format *35 Diwrnod* which has been sold to broadcasters in New Zealand, Malaysia and Poland. The format has also been commissioned by Channel 5 for broadcast in 2019.

6.6. Boom Cymru includes a range of specialist media businesses. Gorilla, is a leading post production company and has just expanded to a second base in Cardiff. Bait Studio is a high-end visual effects company which recently worked on the highly regarded Netflix feature film, *Apostle* and regularly supports series such as the BBC's *Casualty*. Cloth Cat Animation is enjoying international success with a second series of the Chinese-commissioned *Luo Bao Bei*. It follows the successful launch of the first series in China, Australia, the UK, Spain and several other countries. It has recently been nominated for Best Pre-School Programme at the International Emmy Kids Awards.

6.7. The production label, Boomerang has also had a successful 2018 with its Channel 4 (C4) series, *Extreme Cake Makers* winning this year's Best Daytime Programme at the Broadcast Awards.

6.8. 2018 will see Boomerang deliver almost 57 hours of television to key UK networks, with a further 18 hours already confirmed for 2019.

6.9. A second series of the family game-show *What Would Your Kid Do?* will include a Christmas special episode. The ITV network series launched in February 2018 proving popular with viewers.

6.10. *Extreme Cake Makers* goes from strength to strength with 60 episodes being commissioned by C4 in 2018 including a Royal Wedding Special and a Christmas Special. By the end of series four

Boomerang will have produced 105 episodes for broadcast in the UK and the series has been sold to over 60 territories worldwide.

6.11. Their documentary series *Sinkholes* received a 12-part recommission from Channel 5 after the initial run of three episodes proved to be highly popular gaining 1.7 million viewers for the channel.

6.12. Boomerang's *The World's Most Expensive....* format continued to bring in large audiences to C4 with *The World's Most Extraordinary Christmas Dinner*, featuring the preparations of NASA astronauts and the Royal Navy for Christmas away from home.

6.13. Since the company's first series commission of *Posh Pawn* in 2013, Boomerang's factual and factual entertainment slate production has grown year-on-year, cementing its reputation for making high quality programming for a wide range of UK broadcasters.

7. Prominence

7.1. Prominence helps ensure that PSB services are easy to find and highly visible. This increases the consumption of PSB programmes, so increasing the public value that they deliver. Competing PSB news services, for example, are easily visible and accessible, helping to support the civic debate that underpins democracy. ITV's agreement to very substantial PSB obligations - particularly for news - and which are above and beyond those of purely commercial broadcasters, is critically reliant on the value in the PSB licences that ITV holds. Part of this value is provided by the guarantee of prominence as well as ring-fenced digital terrestrial television spectrum.

7.2. Ofcom has during the summer been consulting on proposals to change rules which ensure that public service broadcasting content can more easily be found in the new digital landscape. They note that new legislation will be needed to ensure that this prominence is maintained on the many different platforms now being used by viewers to access content. Smart TVs, subscription video on demand services (SVOD) and other platforms might not offer the same prominence to PSB content as existing programme guides.

7.3. The changing media landscape in Wales could mean viewers in Wales are less likely to come across PSB content made in Wales, for viewers in Wales. Ofcom's *Media Nations: Wales 2018* report notes that:

- In 2017 people in Wales spent an average of 3 hours 43 minutes per day watching broadcast television, down 17 minutes since 2016. This 7.1% decline in television viewing in Wales was greater than the UK average of 4.2%.
- At 50.4%, far more homes in Wales had a satellite TV service in Q1 2018 than the UK average

(37.1%).

- A third (33%) of adults in Wales used subscription streaming and on-demand services, such as Netflix and Amazon.
- Over two in five (42%) households with a TV in Wales had a smart TV in H1 2018 and most of these were connected to the home broadband service (79%).
- When we look at all forms of internet connectivity, including broadband-connected smart TVs, more than half (52%) of TV households in Wales have their TVs connected to the internet in 2018.
- Other ways people in Wales connected their TV to the internet include: through games consoles (26%); laptops/desktops (15%), and internet-connected dongles or set-top boxes (such as NOW TV set-top box, Roku, Google Chromecast, Amazon Fire TV stick, Amazon Fire TV, Apple TV) (13%).

7.4. These figures illustrate some of the challenges facing public service broadcasters in Wales. They explain why we and the other PSBs are calling on the UK government to modernise the rules that help guarantee prominence for PSB linear services and associated on-demand services, such as the BBC iPlayer, ITV Hub, STV Player, All 4, My5, and S4C Clic, to ensure they are fit for purpose as viewing habits change. Regardless of where you're watching, which device you're watching on, or who provides your television service, we believe people should always be able to easily find PSB services and programmes in the UK.

8. Diversity

8.1. We operate a wide range of initiatives to improve the diversity of our news programme to ensure it reflects the audience and communities it serves.

8.2. In September 2018, for example, our 6pm news programme achieved a 50-50 split between the appearances of men and women with the percentage of women not dropping below 45% since February 2018.

8.3. We continue to improve the representation of Black and Minority Ethnic communities which currently stands at 6.2% across our news programmes. This compares with an all-Wales BAME population of 4.4%, according to the 2011 census.

8.4. We continue to create new pathways into ITV, particularly from under-represented communities. In 2018, ITV Cymru Wales expanded its team of apprentices to four. All will be studying for a Creative and Digital Media Apprenticeship. Previous apprentices have gone on to gain full-time jobs with ITV Cymru Wales.

8.5. In 2018 we were awarded Employer of the Year in the Quality Skills Alliance Awards. The

judges said: *“The focus is clearly on the personal development of their apprentices as individuals and each one is given guidance and mentoring from staff with decades' worth of experience. ITV's ongoing commitment to apprenticeships make it a worthy winner of this award.”* We have also recently been awarded a Gold Award in the Careers Wales Valued Partner Awards in recognition of our work to inform, inspire and motivate young people in Wales about their career opportunities.

8.6. In addition, we have worked with S4C to recruit two young journalists to make current affairs reports specifically for S4C's digital service, *Hansh: Dan Sylw*. It ensures that we help train the next generation of Welsh language journalists to create content for current and future platforms. We take part in the 'Breaking into News' initiative with the Media Trust. Previous finalists have gone on to gain jobs in our newsroom.

8.7. Our ITV Studios' companies are also committed to maintaining a diverse workforce. For example, Boomerang works closely with Think Bigger and Channel 4 on its diversity and training. It currently has a Diversity Trainee Researcher on a one-year contract through C4's 2018 Production Trainee Scheme. This is the fourth such scheme in which it has been involved.

8.8. Elsewhere ITV Cymru Wales is the media partner of the equality organisation Chwarae Teg for their 2019 Womenspire awards. The charity has worked since 1992 to ensure that women across Wales can enter the workplace, develop their skills and build rewarding careers. We will help launch the search for nominations in January.

8.9. We had a substantial presence at the Pride Cymru Parade in Cardiff and provided extensive reporting on air and online.

9. Conclusion

9.1. ITV Cymru Wales and ITV Studios' companies in Wales make significant investments that contribute greatly to national life. As the only commercially funded public service TV broadcaster in Wales, we produce high quality content that brings to life the stories and issues facing the people of Wales. We offer plurality for viewers and effective competition to other Welsh media organisations. But we operate in a rapidly changing environment where we face tough regulations on what can be advertised on UK television at a time when competition from global online content companies is growing with no obligations on them and few restrictions on how they operate. They certainly have no obligation to provide Welsh content. Given this situation, we welcome the support of members of the National Assembly for Wales to help maintain a policy environment in which commercially funded public service broadcasting in Wales can thrive.