



Llywodraeth Cymru  
Welsh Government

Christine Chapman AM  
Chair  
Communities, Equality and Local Government Committee  
National Assembly for Wales  
Cardiff Bay  
Cardiff CF99 1NA

24 August 2015

Dear Christine,

Thank you for your correspondence of 14 July regarding the renewal of the BBC Charter.

The Welsh Government is fully aware of the importance of the next BBC Charter Renewal and we will be responding by 8 October to the consultation on the Green Paper

The Welsh Government intends to play a full and active role in the Charter review process. We are already engaged in discussions with DCMS and the other devolved governments, in addition to our ongoing dialogue on this with the BBC, both in Wales and at the UK level.

### **Charter Renewal Priorities for Wales**

The Welsh Government's priorities will include, but not be limited to, ensuring that there is:

- Sufficient funding for BBC Cymru Wales for news and non-news programming in the Welsh and English languages.
- Protecting sufficient funding for S4C.
- Accountability: the need to strengthen the current governance arrangements which are in place and reconsider the role of the Audience Council of Wales.
- Ongoing commitment to an increase in both 'Out of London' productions and the BBC's investment / economic impact in the nations and regions of the UK, including Wales. This should include a continued commitment from the BBC for Wales to be a centre for Drama Production.
- Continued improvement in the portrayal of Wales on network BBC productions.
- Availability of BBC Radio Wales on FM.
- A HD version of BBC2 Cymru Wales.

### **Engagement with the UK Government and formalising arrangements for input to Charter process**

During recent months, Welsh Ministers and officials have been liaising closely with the UK Government to ensure that the Welsh Government as well as the National Assembly for

Wales is fully involved in the Charter Renewal discussions from the outset. Wales must and will have a voice in these deliberations otherwise changes may be instigated at the BBC that do not meet Welsh needs. It is vital that the new Charter properly reflects the current and changing devolution settlement, and that it recognises and protects the interests of the people of Wales

Engagement with the UK Government in relation to the Charter Renewal process began well before the UK General Election in May. Since the Election, Welsh Ministers have written to the UK Government's Secretary of State for Culture, Media and Sport, John Whittingdale MP on a number of broadcasting matters, including our expectation that we will be fully involved in discussions on renewal of the BBC's Royal Charter from the outset.

In June, a Memorandum of Understanding was agreed between the Department for Culture, Media and Sport (DCMS), the BBC, the Scottish Government and the Scottish Parliament on the process of reviewing the BBC's Charter. We appreciated that DCMS had sought to achieve agreement in Scotland in the first instance given that there was a specific commitment to achieve this in the command paper "*Scotland in the United Kingdom: An enduring settlement*". The Welsh Government was pleased that a model had been developed which was applicable not just to Scotland but to each of the devolved nations. In addition to formalising the roles of the Welsh Government and the National Assembly for Wales, a similar agreement for Wales would build positively on the UK Government's commitments in the command paper "*Powers for a Purpose: Towards a Lasting devolution Settlement for Wales*".

Since June, the Welsh Government has been engaging closely with DCMS at both Ministerial and official levels to formalise a comparable Memorandum of Understanding for Wales that enshrines an equal place at the table for Wales in the Charter Renewal negotiations. In addition, we would expect any improved accountability of the BBC to be implemented on a consistent basis across all of the devolved nations, including Wales. We have been given an assurance that the UK Government intends to treat the devolved governments equitably in terms of formal participation in the Charter review.

DCMS has provided a draft Memorandum of Understanding for Wales and the North of Ireland in relation to Charter review. It is a direct read-across of the elements of the Scottish MoU that relate to enshrining the role of the devolved governments in the Charter review process itself. The elements contained in the MoU for Scotland that are missing from the proposed MoU for Wales relate entirely to duties placed on the BBC after Charter review - to provide annual reports and statements of accounts to the relevant devolved Government and Parliament and to appear regularly before relevant committees of the devolved Parliaments. DCMS has confirmed that this is purely to expedite an agreement which ensures that the Welsh Government will have an equal input into the Charter review process as Scotland – a process which has already started.

DCMS is aware of the UK Government's commitment in the St. David's Day command paper to ask the BBC to report to Wales and we have been assured that they will work with us to formalise this in parallel with ongoing Charter review discussions. DCMS has agreed in principle to further discussions once the initial MoU's have been signed, to formalise additional commitments in relation to the BBC's ongoing accountability to the devolved governments and assemblies in Wales and the North of Ireland, comparable to those already included in the MoU for Scotland. These would be included in a revised MoU, which would supersede the original in due course.

The Welsh Government is content with the draft Memorandum of Understanding provided by DCMS. The draft is now with the BBC Trust for consideration. I will provide an update on the status of the MoU when I appear before the Committee on 16 September.

## **Advisory Panel on the Charter Review process**

I wrote to the Secretary of State for Culture, Media and Sport on 29 July to express surprise and disappointment that the UK Government had established an advisory panel on the Charter review process without any consultation with the Welsh Government, or indeed any of the other devolved nations. We are concerned that there was no representative to reflect the views and needs of Wales on the Panel. We also noted the limited Public Service Broadcasting expertise represented on the Panel as a whole.

I emphasised the need for the Panel to fully consult with stakeholders across the UK as part of its deliberations, including the devolved governments, to ensure that its advice reflects and takes full account of the needs of people in all of the nations and regions of the UK.

## **Engagement with the other devolved nations**

During April and May, I wrote to my counterparts in Scotland and the North of Ireland seeking a meeting to discuss broadcasting issues especially Charter Renewal. On 4 August that meeting was held in Glasgow. During the meeting we agreed to work together to ensure that the BBC Charter renewal process reflects and prioritises our shared interests.

## **First Minister's letter to the BBC's Director General**

On 17 August the First Minister wrote to Lord Tony Hall, Director General of the BBC to highlight the growing gulf in funding between Wales and other parts of the UK, adding that an additional £30m is needed to ensure programming that truly reflects the lives of people in Wales.

In the context of the cuts that BBC Cymru Wales has absorbed over the last ten years, the Welsh Government believes that an additional £30 million is required specifically for English-language programming, bringing the total budget to £50m. This would allow Welsh audiences to have a credible national television station that could provide quality content in English, including drama, comedy and also potentially network contributions.

It is important to stress that our call for additional funding for English-language programming should not be top sliced from the funding allocated to S4C (or from the £20m BBC Cymru Wales receives for Welsh language programming). We are fully aware of the important role that BBC Cymru Wales plays in providing Welsh language content; and of course this should continue.

## **Cross-Party Statement on Broadcasting**

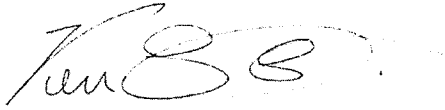
As reflected in the statement jointly signed by three party leaders in the National Assembly for Wales on 10 July, there is significant concern about the challenges facing BBC Cymru Wales and S4C due to funding pressures.

The Welsh Government and the National Assembly for Wales expects the BBC to stand by its own public statements that the deal announced on 6 July between itself and the UK Government in relation to the licence fee will be cash neutral for the BBC and will not affect services. The statement noted assurances from the BBC's management that this 'cash flat' deal will not therefore, impact on budgets at either BBC Cymru Wales or at S4C.

The statement expressed concern that neither the Welsh Government nor the National Assembly were consulted before this deal was reached and that it was undemocratic that the UK Government and the BBC made decisions behind closed doors and outside of the BBC Charter renewal process.

I look forward to providing a further update on these issues during my appearance before the Committee on 16 September

Yours sincerely

A handwritten signature in black ink, appearing to read 'Ken Skates', with a stylized flourish at the end.

**Ken Skates AC / AM**

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