

## **WGDB25-26(6)22 TAC (Teledwyr Annibynnol Cymru),**

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Senedd Cymru | Welsh Parliament

**Y Pwyllgor Cyllid | Finance Committee**

**Cyllideb Ddrafft Llywodraeth Cymru 2025-26 | Welsh Government Draft Budget 2025-26**

Ymateb gan TAC (Teledwyr Annibynnol Cymru), | Evidence from TAC (Teledwyr Annibynnol Cymru),

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### **1. What, in your opinion, has been the impact of the Welsh Government's 2024-2025 Budget?**

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Please outline your reasons for your answer to question 1 (we would be grateful if you could keep your answer to around 500 words).

Wales has around 50 TV production companies, these are creative SMEs making high-quality TV for the UK PSBs, streaming platforms and for S4C. Cardiff is the third largest TV production sector in the UK. Recent figures from Creative Wales showed that the Welsh TV and film industry delivered a turnover of £460m to Wales during 2023. (<https://www.gov.wales/latest-figures-show-creative-boom-wales-boosting-economy>)

However we cannot be complacent. The current climate in TV production is challenging, with an advertising downturn and inflation together creating pressures on commissioning both from the UK PSBs and global streamers. Some companies in Wales have ceased to trade as a result. Wales also does not receive the same level of benefit from the PSBs as some other nations. A Senedd CCWLSIR Committee report highlighted the disparity of BBC investment in Wales compared to Scotland and a very sharp drop in ITV's investment (<https://senedd.wales/media/vfmmfld1/cr-ld16426-e.pdf>).

We would like to see an increase in funding for Creative Wales/Ffilm Cymru Wales to allow new ideas to get off the ground and add to the potential, both in the UK and internationally, for those ideas to become successful and allow indigenous Welsh production companies to grow their businesses.

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Increased Creative Wales funding can help to counter the effects of losing EU Creative Europe funding, which has lost the UK creative industries overall an estimated £160m since the UK left the programme.

In the Final Budget for 2023-24, Creative Wales' budget was £5m. This amount remained the same for 2024-25 (increased to £5.316m in the Supplementary Budget in October 2024). We note that, in a Senedd CCWLSIR Committee hearing on 10 July 2024, Wales Government and Creative Wales reported that £500k of £1m originally put aside for broadcasting policy was subsequently allocated to skills development in the creative industries, with around £250k for journalism funding.

It was also stated at that Committee session that an unspecified amount was being put aside for a new Broadcasting and Communications Advisory Body. Money for creative industry skills and development is important and while the exact remit of the Welsh Government's proposed Advisory Body is uncertain, we note the Welsh Government's statement in March that "The body will aim to include representatives from key stakeholder bodies in its make-up, ensure regular, reliable advice is available to the Welsh Government in a rapidly evolving sector, provide advice on efforts to strengthen the media in Wales and make recommendations about how those efforts could be brought together."

We will be putting the case for TAC's close involvement in this Advisory Body, to ensure that its budget is used to contribute to the economy, for example by perhaps having a focus on co-ordinating activity around encouraging more commissioning in Wales, as well as fully researching the overall economic benefits to the Welsh economy of any investment by Welsh Government and broadcasters into the Welsh TV and film sector.

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**2. How financially prepared is your organisation for the 2025-26 financial year, how will inflation impact on your ability to deliver planned objectives, and how robust is your ability to plan for future years?**

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Please outline your reasons for your answer to question 2 (we would be grateful if you could keep your answer to around 500 words).

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Inflation has already had an impact on our sector, with increased programme costs not always being matched by increased programme budgets. With some freelancers leaving the sector as a result of the Covid pandemic, there is scarcity in some areas of the freelance workforce which drives up costs further.

Conversely other freelancers that are still in the industry are finding it difficult due to a reduction in commissions and difficult working conditions – a Film and TV Charity survey has reported that “the current climate across the industry, linked to the fact that many are feeling an acute sense of precarity in their roles, may be contributing to the deterioration in the mental health of industry workers” (<https://filmtvcharity.org.uk/stories-events/news/2024-looking-glass-survey-mental-health-worsening-film-tv/>).

The UK Government’s Budget’s increase to the National Minimum Wage, along with increases in company National Insurance contributions, adds an additional burden onto small businesses. The creative industries train people to think creatively, equipping them for a variety of careers. They also are partially dependent on each other, for example TV production makes use of set designers, costume designers, stylists, computer-generated imagery and other specialist disciplines. Art forms such as music and dance either augment, or are the central focus of, some TV content. Supporting the TV production sector and wider creative industries is therefore very important for Wales’ economic, cultural and social future.

In this context the work of Creative Wales is very important. Creative Wales provides funding to develop productions and also supports 17 skills programmes to develop screen industry skills, from screen technicians to writers, as well as increasing diversity.

TAC partners with S4C to train the sector in regulatory compliance, as well as wellbeing, environmentally-conscious production techniques and diversity, inclusion and representation. Many of our productions employ apprentices on their shows to help develop new talent within the industry.

Companies are already proficient in streamlining and making themselves as efficient as possible, due to the natural ebb and flow in work, but it is important that there is continued support and investment from Welsh Government to enable the sector to see through the difficult period and emerge in a position to take advantage of any upturn in commissioning and potential inward investment.

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**3. What action should the Welsh Government take to:**

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- help households cope with inflation and cost of living issues;
- address the needs of people living in urban, post-industrial and rural communities, including building affordable housing and in supporting economies within those communities?

(We would be grateful if you could keep your answer to around 500 words).

**4. Have Welsh Government business support policies been effective, given the economic outlook for 2025-26?**

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(We would be grateful if you could keep your answer to around 500 words).

**5. Are Welsh Government plans to build a greener economy clear and sufficiently ambitious? Do you think there is enough investment being targeted at tackling the climate change and nature emergency? Are there any potential skill gaps that need to be addressed to achieve these plans?**

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(We would be grateful if you could keep your answer to around 500 words).

**6. Is the Welsh Government using the financial mechanisms available to it around borrowing and taxation effectively?**

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(We would be grateful if you could keep your answer to around 500 words).

**7. The Committee would like to focus on a number of other specific areas in the scrutiny of the Budget. Do you have any specific comments on any of the areas identified below?**

**Is enough being done to tackle the rising costs of living and support those people living in relative income poverty?**

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(We would be grateful if you could keep your answer to around 500 words).

**How could the budget further address gender inequality in areas such as healthcare, skills and employment?**

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(We would be grateful if you could keep your answer to around 500 words).

**Is the Welsh Government's approach to preventative spending represented in resource allocations (Preventative spending = spending which focuses on preventing problems and eases future demand on services by intervening early).**

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(We would be grateful if you could keep your answer to around 500 words).

**How should the Welsh Government explain its funding decisions, including how its spending contributes to addressing policy issues?**

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(We would be grateful if you could keep your answer to around 500 words).

It is important that the Welsh Government is transparent in providing its reasoning for any reductions/increases in spending in economic areas, in terms of how it sees those areas contributing to the economy in the future and how they currently contribute to economic growth and employment in Wales.

The Welsh Government has its target of 1 million Welsh speakers by 2050, and clearly the media sector, not least S4C and the independent companies who work with it, have a key role to play in this. The MOU (Memorandum of Understanding) between Creative Wales and S4C emphasises this role, and through its content seeking to facilitate access to and use of the Welsh language for everyone of all ages and linguistic abilities.

The S4C-Creative Wales MOU commits Creative Wales to “up to £1m p.a. for Welsh language film to complement S4C investment” and it is important that this is maintained and if possible increased.

([https://dlo6cycw1kmb.cloudfront.net/media/media\\_assets/PDF\\_Memorandum\\_of\\_Understanding\\_between\\_S4C\\_and\\_Creative\\_Wales\\_MOU\\_-\\_English.pdf](https://dlo6cycw1kmb.cloudfront.net/media/media_assets/PDF_Memorandum_of_Understanding_between_S4C_and_Creative_Wales_MOU_-_English.pdf))

And it is important to note that for every £1 received by S4C in funding, £1.53 in GVA goes to Wales’ economy (<https://www.gov.uk/government/publications/s4c-annual-report-and-accounts-2023-to-2024>).

**How can the documentation provided by the Welsh Government alongside its Draft Budget be improved?**

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(We would be grateful if you could keep your answer to around 500 words).

The Welsh Government should always include an economic impact assessment to show the overall effects on the economy of the reduced/increased spend.

This is important to provide a clear picture on the effects of increasing/decreasing funding on the economic sectors concerned.

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**How should the Welsh Government prioritise its resources to tackle NHS waiting lists for planned and non-urgent NHS treatments. Do you think the Welsh Government has a robust plan to address this issue?**

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(We would be grateful if you could keep your answer to around 500 words).

**Is the Welsh Government providing adequate support to the public sector to enable it to be innovative and forward looking through things like workforce planning.**

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(We would be grateful if you could keep your answer to around 500 words).

**Has there been adequate investment from the Welsh Government in basic public sector infrastructure.**

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(We would be grateful if you could keep your answer to around 500 words).

**How should the Budget support young people?**

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(We would be grateful if you could keep your answer to around 500 words).

**How is evidence and data driving Welsh Government priority-setting and budget allocations, and is this approach clear?**

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(We would be grateful if you could keep your answer to around 500 words).

**Is the support provided by the Welsh Government for third sector organisations, which face increased demand for services as a consequence of the cost of living crisis and the pandemic, sufficient?**

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(We would be grateful if you could keep your answer to around 500 words).

**What are the key opportunities for the Welsh Government to invest in supporting an economy and public services that better deliver against the well-being goals in the Well-being of Future Generations (Wales) Act 2015?**

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(We would be grateful if you could keep your answer to around 500 words).

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