



Cynulliad
Cenedlaethol
Cymru

National
Assembly for
Wales

Cofnod y Trafodion The Record of Proceedings

[Y Pwyllgor Diwylliant, y Gymraeg a Chyfathrebu](#)

[The Culture, Welsh Language and
Communications Committee](#)

06/07/2017

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Cofnodir y trafodion yn yr iaith y llefarwyd hwy ynddi yn y pwyllgor. Yn ogystal, cynhwysir trawsgrifiad o'r cyfieithu ar y pryd. Lle y mae cyfranwyr wedi darparu cywiriadau i'w dystiolaeth, nodir y rheini yn y trawsgrifiad.

The proceedings are reported in the language in which they were spoken in the committee. In addition, a transcription of the simultaneous interpretation is included. Where contributors have supplied corrections to their evidence, these are noted in the transcript.

Aelodau'r pwyllgor yn bresennol
Committee members in attendance

Hannah Blythyn Bywgraffiad Biography	Llafur Labour
Dawn Bowden Bywgraffiad Biography	Llafur Labour
Suzy Davies Bywgraffiad Biography	Ceidwadwyr Cymreig Welsh Conservatives
Neil Hamilton Bywgraffiad Biography	UKIP Cymru UKIP Wales
Bethan Jenkins Bywgraffiad Biography	Plaid Cymru (Cadeirydd y Pwyllgor) The Party of Wales (Committee Chair)
Dai Lloyd Bywgraffiad Biography	Plaid Cymru The Party of Wales
Jeremy Miles Bywgraffiad Biography	Llafur Labour
Lee Waters Bywgraffiad Biography	Llafur Labour

Eraill yn bresennol
Others in attendance

Gareth Howells	Aelod o Grŵp Llywio Cymru Hanesyddol Member of the Historic Wales Steering Group
Dr Rachel Howells	Golygydd, Port Talbot Magnet Editor, Port Talbot Magnet
Llion Iwan	Pennaeth Cynnwys a Dosbarthu, S4C Head of Content and Distribution, S4C
Nick Powell	Aelod o Gyngor Gweithredol NUJ yng Nghymru a Chadeirydd Cangen ITV Wales

Member of the NUJ's Welsh Executive Council and
NUJ Father of Chapel (FoC) of ITV Wales

Ken Skates Bywgraffiad Biography	Aelod Cynulliad, Llafur (Ysgrifennydd y Cabinet dros yr Economi a'r Seilwaith) Assembly Member, Labour (The Cabinet Secretary for Economy and Infrastructure)
Martin Shipton	Aelod o Gyngor Gweithredol yr NUJ yng Nghymru a Chadeirydd Cangen Trinity Mirror yr NUJ Member of the NUJ's Welsh Executive Council and Chair of the NUJ's Trinity Mirror Group Chapel
Jason Thomas	Dirprwy Gyfarwyddwr Gweithrediadau Masnachol ac Eiddo, Llywodraeth Cymru Deputy Director, Commercial and Property Operations, Welsh Government
John Toner	Trefnydd Cenedlaethol NUJ yng Nghymru a Gweithiwr Llawrydd NUJ National Organiser for Wales and Freelancer

Swyddogion Cynulliad Cenedlaethol Cymru yn bresennol
National Assembly for Wales officials in attendance

Steve George	Clerc Clerk
Gwyn Griffiths	Uwch-gynghorydd Cyfreithiol Senior Legal Adviser
Lowri Harries	Dirprwy Glerc Deputy Clerk
Adam Vaughan	Ail Glerc Second Clerk
Robin Wilkinson	Y Gwasanaeth Ymchwil Research Service

Dechreuodd y cyfarfod am 09:33.

The meeting began at 09:33.

Cyflwyniad, Ymddiheuriadau, Dirprwyon a Datgan Buddiannau **Introductions, Apologies, Substitutions and Declarations of Interest**

[1] **Bethan Jenkins:** Croeso i'r cyfarfod ffurfiol. Eitem 1 yw'r cyflwyniad, ymddiheuriadau a dirprwyon. Croeso i'r Aelodau. Os bydd larwm tân, dylai pawb adael yr ystafell drwy'r allanfeydd tân penodol a dilyn cyfarwyddiadau'r tywyswyr a'r staff. Ni ddisgwylir prawf heddiw. Dylai pawb droi eu ffonau symudol i fod yn dawel. Rydym ni'n gweithredu'n ddwyieithog, ac mae clustffonau ar gael i glywed y cyfieithiad ar y pryd ac i addasu'r sain ar gyfer pobl sy'n drwm eu clyw. Mae'r cyfieithu ar y pryd ar gael ar sianel 1, a gellir chwyddo'r sain ar sianel 0. Nid oes angen cyffwrdd â'r botymau ar y meicroffonau gan y gall hyn amharu ar y system, a gofalwch fod y golau coch ymlaen cyn dechrau siarad. A oes gan Aelodau unrhyw fuddiant i'w ddatgan? Na. Mae Dai Lloyd wedi cynnig ymddiheuriadau ar gyfer yn hwyrach ymlaen yn y sesiwn, rydw i ar ddeall, ond nid oes dirprwy ar ei gyfer.

Bethan Jenkins: Welcome to our formal session. Item 1 is introductions, apologies and substitutions. Welcome to Members. In the event of a fire alarm, everyone should leave the room by the fire exits and follow instructions from the ushers and staff. We're not expecting a test today. Everyone should switch their mobile phones to silent. We operate bilingually, and headphones are available for interpretation and for amplification. Interpretation is available on channel 1 and amplification on channel 0. You don't need to touch the microphones as this can interfere with the system. Please ensure that the red light is on before you speak. Does any Member have any interests to declare? No. Dai Lloyd will have to leave later and has apologised, but there is no substitute.

09:33

Sesiwn Dystiolaeth ynghylch Cymru Hanesyddol **Evidence Session on Historic Wales**

[2] **Bethan Jenkins:** Eitem 2 yw'r sesiwn dystiolaeth ynghylch Cymru

Bethan Jenkins: Item 2 is an evidence session on Historic Wales. A warm

Hanesyddol, a chroeso i Ken Skates, welcome to Ken Skates, the Cabinet Ysgrifennydd y Cabinet dros yr Secretary for the Economy and Economi a'r Seilwaith. Jason Thomas, Infrastructure. Jason Thomas, I'm not nid wyf i'n siŵr o'ch teitl chi, felly, os exactly sure of your title, so if you medrwch chi ddweud eich teitl— could tell us what that title is—

[3] **Ken Skates:** Jason, Chair, was promoted just earlier this week to director of culture, sport and tourism. He was formerly the deputy director of commercial and property operations, but has risen up the ranks.

[4] **Bethan Jenkins:** Grêt. Diolch yn fawr iawn am yr esboniad hynny a da very much for that clarification and iawn am gael y swydd. Gareth congratulations on your promotion. Howells, croeso hefyd, fel aelod o Gareth Howells, welcome to you too, grŵp llywio Cymru Hanesyddol. as a member of the Historic Wales steering group.

[5] Felly, diolch am ddod i mewn So, thank you for joining us today. I atom heddiw. Rwy'n credu bod think that Assembly Members have Aelodau'r Cynulliad wedi dangos cryn been very interested in this area. You ddiddordeb yn y maes yma. Rŷch chi have been looking at discussions in wedi bod yn edrych ar drafodaethau the past. We want to ask an initial yn y gorffennol. Felly, rydym ni eisiau question: as you will be aware, we've gofyn cwestiwn cychwynnol: fel rŷch had the director-general of the chi wedi deall, rydym wedi cael national museum in in the past to cyfarwyddwr cyffredinol yr discuss Historic Wales. He said that amgueddfa genedlaethol i mewn i drawing up the PwC report was very drafod Cymru Hanesyddol, yn y problematic. There was often no gorffennol. Roedd e'n dweud bod agenda or minutes for the meetings, llunio adroddiad PwC yn broblematic and there wasn't sufficient iawn. Nid oedd dim agenda na opportunity for stakeholders to chofnodion ar gyfer y cyfarfodydd yn contribute. Is that something that gyffredinol, ac nid oedd digon o gyfle you, as a Cabinet Secretary, i gyfrannu at y strwythur hwnnw. A recognise, or can you give some ydy hynny'n rhywbeth yr ydych chi fel explanation of the process so that we Ysgrifennydd Cabinet yn ei can understand why David Anderson gydnabod, neu a ydych chi'n gallu expressed those concerns when he rhoi esboniad i ni o'r broses er mwyn gave evidence before us? inni ddeall pam yr oedd gan David Anderson y farn honno ar y pryd pan ddaeth i mewn i roi tystiolaeth ger

ein bron?

[6] **Ken Skates:** Thank you, Chair. I'm delighted to be able to join you today for an update on progress that's been made in the heritage sector.

[7] Can I just clarify what particular piece of work you're referring to? Is it the PwC—*[Interruption.]* Right. Okay, the PwC piece of work. I know that Baroness Randerson operates in a collegiate manner, and I don't recognise those concerns that were expressed. The PwC work was carried out by experts. There were a number of people who formed the stakeholder group. A large number of organisations were engaged with during the course of the report, and everybody concerned with the report had an opportunity to comment on the recommendations and the content of it. So, I don't necessarily recognise those concerns that were expressed. Indeed, I'd like to put on record my thanks to Baroness Randerson for the collegiate manner in which she conducted the work that led to the publication of that particular report.

[8] **Bethan Jenkins:** Océ. A ydych chi fel Ysgrifennydd Cabinet, felly, wedi cwrdd â chyfarwyddwr yr amgueddfa i drafod y materion yma? Oherwydd, yn sicr, nid yw amdanaf i'n cytuno â beth yr oedd e'n ei ddweud; fe oedd yn dweud bod y problemau yma wedi dod gerbron, a fe a oedd wedi dweud hynny wrthym ni fel pwyllgor. Felly, a ydych chi wedi trafod y materion hynny i geisio mynd i'r afael â'r sefyllfa?

Bethan Jenkins: Okay. Have you, as Cabinet Secretary, met with the director of the national museum to discuss these issues? Because it's not a matter for me to agree or disagree with what he said, but he did identify these problems and he told us that as a committee. So, have you discussed those concerns and tried to get to grips with that situation?

[9] **Ken Skates:** I should just point out as well that the report was endorsed by every member of the stakeholder group, which included David Anderson from National Museum Wales. So, the report and its contents and recommendations were endorsed by the director general. I meet regularly with the president and the director general of the museum. We discuss a various range of concerns. It's my belief that this matter has been resolved. I'll ask Jason to come in to talk about communications at an executive level, but we're at the position now where we have a strategic partnership formed, making good progress off the back of what has been an extensive amount of work and research and engagement. And I'm confident that we are now in a

far stronger position to build a heritage sector that is resilient, that is sustainable, that is building a wider range of opportunities to lever in income to ensure that more can be reinvested back into the sector. But these concerns that have been expressed, as I say, have, I believe, been resolved, been dealt with. But, ultimately, every person on that stakeholder group endorsed that report. But I'll bring in Jason to talk about communications at an executive level.

[10] **Mr Thomas:** Thank you, Cabinet Secretary. We meet regularly at an executive level. Obviously, myself, with the new role, but, obviously, previously, with my role as deputy director of Cadw. For the museums and libraries division, I meet with David on a very regular basis, and, indeed, with the president at the museum. There are also formal six-monthly meetings between the president and the Cabinet Secretary.

[11] I think the points that you raised in your question, they do revert back to a sort of different period, when we were working on the Randerson report, and maybe there was perhaps a case where David was concerned about the pace at which that steering group progressed. When we moved to the next stage, when the Cabinet Secretary announced the steering group to implement the findings of the PwC report, I did discuss with David on a regular basis perhaps where his concerns were about that pace, and then the way the steering group was then assembled for the next phase, we took on board perhaps some of his concerns and you'll see from the next phase about how that operated.

[12] **Ken Skates:** And as far as I'm aware, minutes were taken and there were agendas. I think I'm correct in saying that. I wasn't part of the stakeholder group, but PwC and Baroness Randerson conducted themselves exceptionally well, in my understanding.

[13] **Bethan Jenkins:** That would have been the—. Through Baroness Randerson would have been the only way by which people would have been able to engage. What I understood was, obviously, the PricewaterhouseCoopers' report was a report in and of itself, and then Jenny Randerson had her own group. So, I think there's been a misunderstanding, potentially. I think lots of people think—the public—that it was her report. I just need that clarified.

[14] **Ken Skates:** Well, all of the work was peer reviewed by Baroness Randerson, who engaged with the stakeholder group and ensured that

members of that stakeholder group were content with the report. As I've already said, all members of that stakeholder group endorsed the report. I think it's also fair to say that, as a consequence of that report, the steering group that was put together shortly afterwards was done in an inclusive, open and transparent way, with an independent chair, with all notes circulated for approval, all minutes taken, and that steering group has also produced an outstanding piece of work.

[15] **Bethan Jenkins:** Okay, thanks. Dawn Bowden.

[16] **Dawn Bowden:** Yes, thank you, Chair. I think, Ken, you've probably answered the question, but what I was trying to establish really was how the stakeholder views were actually incorporated into the PwC report and the subsequent work that you've done. You've explained a process that is perhaps a little bit different from some of the evidence that we've had previously, but I take your word for what you're saying. But it's just really how the stakeholders' views were taken on board: have they been incorporated, and where they haven't been, have those stakeholders been notified that they haven't been?

[17] **Ken Skates:** Essentially, it goes back to the very point that all stakeholders endorsed the report—

[18] **Dawn Bowden:** They endorsed it, yes.

[19] **Ken Skates:**—and Baroness Randerson worked tirelessly to peer review that report and to engage with stakeholders. So, I'm content that all stakeholders were engaged with properly. PwC carried out numerous interviews with stakeholders—not just with those who formally sit on the group, but with other stakeholders, which included representatives from the Welsh Local Government Association, the Department for Digital, Culture, Media and Sport, Historic Scotland, and numerous other organisations outside of Wales as well as inside Wales. So, that piece of work was absolutely thorough and peer reviewed by Baroness Randerson in a very, very comprehensive way and endorsed by every member of that stakeholder group.

[20] **Dawn Bowden:** Can I move you on then to the future of Cadw?

[21] **Ken Skates:** Yes.

[22] **Dawn Bowden:** We've seen your preferred option for the future of Cadw, and you're going to be looking at bringing that forward by September this year. So, are you on track to do that? Perhaps you can tell us a bit about the work that you've done since the recommendations were published in February up to now—where you're at with that.

[23] **Ken Skates:** Okay. I think it's fair to say one of the reasons that Jason was promoted was his outstanding work in driving up income numbers and visitor numbers at Cadw sites. Last year was a record year, again capitalising on the Year of Adventure. This year being the Year of Legends, there are huge opportunities for the historic environment as well.

[24] We've seen a record number of members join Cadw and I think it's something in the region of 43 per cent of schools that now visit Cadw sites are from deprived areas. That demonstrates how Cadw has reached out in a way that is admirable. I think that showcases the fantastic historic assets that we've got around Wales, not just for people who have visited in the past, but for people who have never visited before.

[25] So, Cadw is in a strong position now, but I wish to see its performance improve still further. I wish to see it generate more income from sales of goods and from membership and from entry charges. Yes, we put up entry charges at a number of the sites this year. Some people believed that that would impact adversely on visitor numbers—it didn't. Visitor numbers still went up further and, at the same time, we were able to offer more opportunities for free entry through schemes such as Open Doors.

[26] An extensive amount of work has been carried out within Government. A project team has been formed to bring together a business case that looks at all options, and I'm confident that they will bring that work to me by September of this year.

[27] **Dawn Bowden:** You're still moving towards Cadw becoming either a charitable body or something that sits slightly outside of Government.

[28] **Ken Skates:** The business case will, based on best practice, offer up an analysis, an appraisal, of all options available, and then what I'll do is take it to Cabinet for determination. What I'm determined to do is to make sure that Cadw has sufficient freedom and flexibility to be able to operate as we know it truly can.

09:45

[29] Perhaps if I can give an example of some of the constraints on Cadw at the moment; it might serve to highlight why I think this work is absolutely necessary. In this age of social media, I think it's important that you can tweet innocent things. But, with it being in the position it is, if we wish to tweet about something from the Cadw Twitter account, it has to come to me for approval. Now, that does not really play to the way that people operate in the modern world. There are constraints and limitations in other ways as well with, for example, procurement and so forth. I think there are huge opportunities to do more for the people of Wales; more opportunities for Cadw and the experts who are there to work with experts in other national institutions for the benefit of all; and, crucially, more opportunities to better promote the historic environment as a whole.

[30] Chair, it concerns me that a considerable number of Members are new to the Assembly in this fifth Assembly, and I'm not sure whether they have had an opportunity yet to look at the work that was conducted in the fourth Assembly by the committee that was succeeded by this. That seminal report on the historic environment is incredibly important. It provides, if you like, the landscape against which a huge amount of work has been carried out. I do have a copy here, and I can actually point to the recommendations in it, which are very important. This was an extensive piece of work. It was agreed by all parties. Some of the recommendations include, recommendation 10:

[31] 'The Welsh Government should put in place mechanisms to ensure better collaboration in promoting the historic environment.'

[32] Recommendation 11:

[33] 'The Welsh Government should explore options to transfer the responsibility for promoting local authority sites to Cadw.'

[34] That was a pretty major recommendation—an extraordinary recommendation—but you can see the ambition that was present in that committee at the time, and the determination to see everyone in the historic environment sector work more closely and collaboratively. Recommendation 12:

[35] 'The Welsh Government should explore the possibility of establishing a national membership-based heritage organisation, in order to promote

historic sites.'

[36] Again, it is the idea of bringing all in the historic environment together to better promote the historic environment and drive up visitor numbers and to drive up active participation. Finally, recommendation 14:

[37] 'The Welsh Government should explore the possibility of establishing a representative umbrella body, such as English heritage, to represent non-Government organisations in the third and private sectors.'

[38] Again, I think Members can appreciate how the work that has been carried out subsequently refers back to this committee report, which, as I said, was agreed by all members of that committee. Often, Ministers are criticised for not taking forward committee recommendations and for not paying due regard to the work of Assembly committees. I think that what we have done demonstrates that we have given considerable energy to this particular area of work, and that we are determined, where we can, to meet those recommendations.

[39] **Bethan Jenkins:** Okay, moving swiftly on: Lee Waters.

[40] **Lee Waters:** You've spoken approvingly a number of times about Cadw's performance—the Twitter matter notwithstanding. Is one of the options that you are considering keeping Cadw within Government in some way?

[41] **Ken Skates:** There would have to be significant reshaping of Cadw, I think, in order to ensure that it can operate to the best of its ability if it was to stay in Government, but that will be captured within the work that's being undertaken by the project team, and it will be captured in the business case as well. We will be informed by what's best for Cadw and what's best for the historic environment as a whole.

[42] **Lee Waters:** So, what's going to be your benchmark? What criteria are you going to use to judge the best way forward?

[43] **Ken Skates:** We are going to look at best practice and judge from examples elsewhere what would be best for Wales. I would like a unique Welsh solution. However, I think we do need to ensure that we pay due regard to the successes and failures in other parts of the UK and beyond. Jason can probably give an indication of the work that's taken place thus far

in bringing together the various options into a business case.

[44] **Mr Thomas:** Thank you, Cabinet Secretary. There has been a project board that's been set up within the department to take all this work forward. I think it's worth giving, if possible, a little bit of context, as well, over the last two years, which is going to inform the work of the project board now up until the end of September. Cadw is performing extremely well now in terms of the income that it's generating, but I do believe there are limitations to what we can achieve, necessarily, within Government. The work of the project board's going to look in and test that as far as it could possibly go. We have explored as many freedoms that could possibly exist within Government to operate, but ultimately, and I can say this with a lot of experience now, it's like running a business from within Government, and that does create some tensions. So, this is the work of the project board now to see whether or not those tensions can be resolved to allow the organisation to grow even further within Government or if a different model is more appropriate to go forward.

[45] **Ken Skates:** I think it's worth saying as well that if we look right across the UK there has been reorganisation and reform in England and in Scotland that we can learn from. There has been no such reform in Wales to date and I think the time has come to ensure that we have a greater degree of collaboration across the sector and to do more to raise income from other sources, other than Government. I think many institutions in Wales rely more heavily on Government money than elsewhere in the UK.

[46] **Lee Waters:** I understand that, but the steering committee report set out a couple of options: a charitable body or an executive agency. You've just said that remaining within Government in some form is also an option. I'm still not very clear on the basis on which you're going to make the judgment of the best way forward.

[47] **Ken Skates:** On what would work best, and that will be determined by best practice.

[48] **Lee Waters:** What works best in what way?

[49] **Ken Skates:** In terms of being able to run a sustainable operation, increase visitor numbers, increase income.

[50] **Lee Waters:** The current model's done that.

[51] **Ken Skates:** The current model is doing that but it could do better. It could do far better, and I think, again, it's probably worth looking back at the previous Assembly and the work of a previous committee to assess and to compare visitor numbers and income levels across the heritage sector—sites across the heritage sector against similar sites elsewhere in the UK. What it'll show, what it'll demonstrate, is that whilst Cadw is performing well, whilst figures are rising, they could and should be further improved and the question for us in Government is: how can we raise aspirations and improve performance still further? So, that business plan will take account of best practice elsewhere, and our decision will be based on what is best for Cadw in terms of improving income generation, improving visitor numbers and also reaching out to as many people as possible. But that issue can be dealt with as well through other interventions, such as the Fusion programme.

[52] **Lee Waters:** So, the primary benchmarks are the commercial ones, are they?

[53] **Ken Skates:** Visitor numbers and commercial.

[54] **Lee Waters:** Right, so those are the two keystones you're looking at to judge what the model is.

[55] **Ken Skates:** And sustainability as well, because I think it's also important to look at where reform has taken place and hasn't produced what was desired. But you're right, on the primary benchmarks we'll be looking at commercial potential, we'll be looking at engagement, visitor numbers and membership numbers and sustainability as well.

[56] **Lee Waters:** Right, and you're clear, are you, that a model of governance has a direct correlation to achievement in those three areas, are you?

[57] **Ken Skates:** It largely does, but there are other initiatives and interventions that can enhance performance as well. I've already mentioned the Fusion programme. The ability of organisations and institutions to take advantage of other funding opportunities such as trusts, foundations—commercial activities are not alone but trusts and foundations—but the issue there is that you have to have the capacity within an organisation to be able to draw down, often, the large sums from trusts and foundations that have been drawn down elsewhere. In order to get to that level of capacity you have to be able to pay your way, and that often means that you have to generate

income in order to build up the expertise to become more sustainable.

[58] **Lee Waters:** As part of your assessment, are you considering potential mergers with other heritage bodies?

[59] **Ken Skates:** I think we're in a good place right now with the progress that's being made in terms of collaboration, but if progress stalls, we need to keep all options on the table, including a merger. I think it's essential that we do not take our foot off the gas as far as this area of work is concerned. We need, also, to reflect on the fact that, unfortunately, it looks like we will have a continued period of austerity, and, I'm sure as all Members are aware, there are calls for increased funding for all public and third sector organisations, set against a backdrop of diminishing public resource. It's very difficult to say when we would be in a position as a Government to increase considerably, because a lot of the organisations that we're talking about require considerable increases in resource in order to get them through what is a difficult period. And so, I'd be failing in my duty if I didn't take forward work that would ultimately lead to sustainability rather than hope for an end to austerity and for—

[60] **Lee Waters:** We're expecting this decision within the next two months, aren't we? Do you have a clear view, now, whether or not Royal Commission on the Ancient and Historical Monuments of Wales, for example, would be a potential merger for Cadw by the time you make that decision?

[61] **Ken Skates:** I think that question has been dealt with on numerous occasions, where we said the question of merger with Cadw is not one that we're going to revisit.

[62] **Lee Waters:** Okay. All right, thank you.

[63] Bethan Jenkins: Byddai jest yn ddiddorol i glywed barn Gareth Howells yn hynny o beth, o ran eich barn chi ynglŷn â'r hyn sydd yn digwydd nawr gyda'r Llywodraeth o ran datblygu'r gwaith busnes, a sylwad yn benodol gan y Gweinidog sydd yn dweud, 'Wel, mae'r <i>merger</i> dal ar y bwrdd.' Beth yw barn y grŵp llywio yn hynny o beth?	Bethan Jenkins: It would be interesting to hear Gareth Howells's view in that regard, in terms of your view on what's happening now with Government, in terms of developing the business case and the particular comment from the Minister saying that the merger is still on the table. What's the view of the steering group on that?
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[64] **Mr Howells:** Wel, o ran yr undebau, roedd yr undebau yn anhapus ynglŷn â'r syniad bod y cyrff yn mynd i fod yn rhan o un corff ar draws y sector, so fe wnaethom ni esbonio'n glir, ac roedd staff yr undebau â'r rheolwyr yn y cyrff yn unfrydol nad oedden nhw eisiau hynny i ddigwydd. Dyna beth oedd yn bwysig, ac fe gawsom ni gyfarfod efo'r Ysgrifennydd Cabinet, ac fe wnaeth e gytuno bod angen teimladau'r staff, so rwy'n credu roedd hynny yn bwysig.

Mr Howells: Well, in terms of the unions, the unions were not content with the idea of merger across the sector, so we clearly explained that position, and the staff, the unions and the managers within the organisations were unanimous that they didn't want to see that happening. We did have a meeting with the Cabinet Secretary, and he agreed that staff feelings needed to be taken into account.

[65] **Bethan Jenkins:** Ond rydych chi newydd glywed nad yw uno *off* y bwrdd, felly beth yw eich barn chi o glywed hynny y bore yma?

Bethan Jenkins: But you've just heard that merger is not off the table, so what's your view in hearing that this morning?

[66] **Mr Howells:** Wel, fe wnâi droi i'r Saesneg, os yw hynny'n gyfleus, jest i esbonio'n fwy eglur.

Mr Howells: Well, I'll turn to English, if that's okay by you, just to explain that.

[67] We accept that we're in a difficult financial position. There have been issues in the organisations where I think there have been issues around capacity and capability. I think, from our point of view, where there's an option of strategic partnerships, where there's an option of collaboration—. I'll give you an example that was brought to my attention yesterday, for example. You're aware that the royal commission is co-located with the National Library in Aberystwyth, and I was with some colleagues yesterday, and they are now working together in developing a programme for the commission's staff to learn Welsh. Now, that's one example. We are looking at other areas of collaboration, but the issue is if we cannot collaborate—. Well, I can understand we're in a challenging environment; we don't want a merger—let's be quite clear—but I think if I was sitting where the Cabinet Secretary is, with the challenges, I can well understand that he's not going to rule that out as an option. But I think from the staff's point of view, and the organisation's, our preferred option is retained independence, and I think—

[68] **Bethan Jenkins:** But at what point would you say—sorry, I'll come to Suzy—at what point would you say that that would be an acceptable change of direction, therefore? So, you're saying collaboration on some things is working now. At what point would it take for that collaboration to say, 'Well, actually, it's gone as far as it can and we need to consider merger.'

[69] **Mr Howells:** If there was a failure. If the collaborative approach we're trying to develop through the new strategic partnership group—if that failed to deliver, well, I think if I was sitting where the Cabinet Secretary was, I'd be quite clearly asking the questions, 'Well, this clearly isn't working and we have to look at other options.' And I can understand that, but I think the important point from our point of view, and what, I think, has been a lesson when we developed the Historic Wales road map, I think what was interesting was there was a clear—. Initially, there were some reservations, worrying what the final agenda was, but there was a clear understanding by the four bodies involved—Cadw, the national library, museum and commission, as well as the trade unions recognising the staff—that there was a golden opportunity to develop a joint approach that would benefit not just the institutions, but—the important one for the trade unions—the staff who actually make up the institutions and are the people who actually deliver. Because I've always made the point in these institutions that the staff who are working there—they don't see it as a job, it's a vocation. If we see the commitment and the passion they've got, and the difficult and challenging times there have been over the last number of years, these people are still committed to the organisations continuing in existence, to delivering in the sector in Wales, and they're passionate about it. They will not be looking to see this support failing. I am confident that this is the way forward. If I didn't think it was the way forward, I wouldn't be here articulating that as a way forward because—I think anybody who knows me—I'm not someone to nod my head in agreement to anything if I think it's not the right thing forward.

10:00

[70] **Ken Skates:** Absolutely. And collaboration has been talked of for years. You only need to go through the evidence that was given in the last inquiry. It was talked of for years, wasn't delivered, we need the courage to see it through this time. And where we are right now, it's positive, it's good. We cannot take our foot off the gas.

[71] **Bethan Jenkins:** Okay, thanks.

[72] **Suzy Davies:** At the risk of sounding like this is repeated questioning, can you just clarify this for me? You said, in response to Lee's question, that merger of the commission and other bodies isn't off the table for the reasons you've articulated. But did you also say that merging with Cadw is something that you're not going to revisit?

[73] **Ken Skates:** I think we have to keep that option on the table—

[74] **Suzy Davies:** Right, okay. I misheard you.

[75] **Ken Skates:** Okay, yes.

[76] **Suzy Davies:** All right, that's fine. I just wanted to ask you about the strategic partnership group now. It's been going since April. What's it done?

[77] **Ken Skates:** Gareth can—*[Inaudible.]*

[78] **Suzy Davies:** Apart from 'extensive' and 'engage', can you tell me exactly what it's done?

[79] **Ken Skates:** Yes, it's met, it's engaging with stakeholders—

[80] **Mr Howells:** Yes. We had our first meeting on 25 May. What happened was that the decision was made that there would be joint chairs: myself and Christopher Catling from the royal commission. It's the heads of the institutions, so it's obviously Chris from the commission, there was David Anderson from the museum, Linda Tomos from the library, myself, my colleague Shavanah Taj from Public and Commercial Services Union and Paul Neilson from the Association of FDA, and Jason, then, was leading from Cadw. What we've decided—. The way we're going to approach it is that we said that we had terms of reference, which was that we were looking to work collaboratively, and the words that we used were that, 'The terms of reference were drafted in the spirit of a voluntary coming together of partners on issues they wanted to work on collaboratively.' So, that was the approach.

[81] What we're looking to do, based on the recommendations in Justin Albert's group—that was the predecessor group—what was agreed was that we would take the principles there about how we were going to move forward and we were going to set up sub-groups. So, for example, Chris Catling and I are actually meeting tomorrow to look at developing a strategy

on skills. Because obviously we've had issues where we've had cuts in the organisations, we've had a number of skill areas that have disappeared, and the concern is that we need to look at what are the options available for trying to redress that skill gap that's in the organisation. So, we're looking at that, and we're actually, in the process, working across the sector—there's a questionnaire, which we'd be happy to share with you, which is asking the institutions, 'What are the issues around skills?', 'Why have you lost the skills?', 'Why is it that you are unable to replace the skills? Is it, for example, an issue around the skills not being available, or you cannot recruit, or is it an issue that the terms and conditions that have been offered aren't attractive to draw people in?' So, we were looking at things there. That's one example that I'm specifically developing.

[82] **Suzy Davies:** Okay, well can I ask you, just on that skills thing, without going on a tangent too much? I mean, one of the reasons this is on the table at all is for more visitors to walk through doors, from different backgrounds, and for more money to be made. So, what skills are you looking at? Is it about commercial development or is it about conservation, preservation and so on?

[83] **Mr Howells:** Yes, for example, there's an issue around—. We're developing a food strategy—. The museum has put forward an idea about working on a food strategy. That's one example. So, there will be areas there where they'll be looking to see what skills can be utilised there—of course, marketing, et cetera. I'm specifically talking about areas where you've got archivists, curators and specialist skills in these areas, which, you know, we need to retain and we need to develop, because that's the problem. A lot of the arguments that the staff are saying is that the exhibitions that are produced and that people attend aren't just magicked out of the air; you've got to do the research.

[84] **Suzy Davies:** No, I understand that.

[85] **Mr Howells:** I don't need to tell you that, but I think there's a perception—. I don't think we want to turn these institutions into Welsh Disneyland. We want something a bit more valuable that recognises the importance of the sector. I think that's what we're looking at. We want to work with the institutions—with the management of the institutions. The relationship in the past has been challenging. Now, I think, there's a recognition that we're all in this together, so to speak, and we've got to survive together.

[86] **Suzy Davies:** Okay—

[87] **Bethan Jenkins:** Sorry, Suzy, Jason Thomas wanted to—

[88] **Suzy Davies:** Okay, because I want to get to the nub of this, if I can.

[89] **Mr Thomas:** Just to say there's so much commonality between the institutions on a number of different skill fronts. Just one example: within Cadw, we've got an in-house conservation team who are just absolutely renowned, top of their craft—take stonemasons, for example—but we've got an ageing workforce. We've got a team of around 30 there, and we're looking at succession planning now. The benefit of this partnership is, when we're talking through these issues and similar issues in the museum, rather than just do our own thing, we can look at whether there is a shared apprenticeship programme that we can do via the partnership. There are really exciting things that we can do on that. That's just a benefit—one benefit immediately from coming together and talking about it.

[90] **Suzy Davies:** Okay. Well, let me be a bit more to the point, then. By December, what is it that you will have achieved that will persuade the Cabinet Secretary that you've done enough on the collaboration agenda to at least knock into the long grass questions of a merger?

[91] **Ken Skates:** I think the progress that's being made at the moment is good. I am content with the progress that's been made in this very short time, but I want to make sure that the pace of the progress is maintained so that, on the skills front, for example, we do move to a position where we can identify opportunities, fill gaps and actually make sure that there is a succession plan in place. On the food strategy, I'd like to see Cadw take advantage of the expertise within the national museum, and likewise the library too. Then I'd like to move on to other areas of collaboration in terms of promotion, in terms of being able to promote one another's assets across all of the heritage sites, and also to determine how we can reach out to more people. I'd like an action plan of sorts for how we can reach out to people who have not been engaged in the heritage sector to date. To do that—to really reach out and to bring in people who have never visited a castle, never visited a museum, or have rarely done so—requires concerted effort and a collaborative approach, and I think that will be a key piece of work for the strategic partnership to take forward.

[92] **Suzy Davies:** Okay. Well, I think we all accept the collaborative approach argument is just exactly what that report's going to look like in December. But before that, I want to know what it's going to look like at an interim stage in September as well because, by then, you'll have to make a decision on whether Cadw is coming out of the Government. Obviously, there will be an extra impetus on Cadw coming out of the Government to have the freedom to merge in the future. If, by September, you haven't had a really good steer from the strategic partnership that they can get the collaborative agenda together, if you like, what will you be expecting from them by September?

[93] **Ken Skates:** That's a really good question, because the timings don't match up perfectly here, given that the strategic partnership has only been in operation for a short period of time, and that the business plan will be brought to me in September. What I'm looking for is a genuine and demonstrable commitment to take forward collaboration, and I'd like to see, from the strategic partnership, that commitment—which is undeniable, which is led over the course of the next two months or so—to change being implemented and with a plan for taking forward further work at pace in the autumn. I think that will be able to contribute to the decision that we make on the future of Cadw.

[94] **Suzy Davies:** Okay. Just finally, if that's okay, Mr Thomas, you're obviously on the strategic partnership and also on the project board for Cadw. Are you wearing two hats in these meetings? I'm just wondering if you're the voice between the two organisations. Otherwise I'd like to know how often those two boards have met.

[95] **Mr Thomas:** Well, with the promotion on Monday, I've got to work—

[96] **Suzy Davies:** Oh, apologies—it's that fast.

[97] **Mr Thomas:** No, that's okay. Yes, we work pretty quickly. I'll now become the chair of the project board for Cadw because the person who was doing it on an interim basis has now moved on, obviously. Personally, I think there's enormous value in me continuing to be the representative of the Welsh Government on the strategic partnership, going forward. Could I just add one bit of context? Lee mentioned this earlier on about the metrics for looking at what's going to be successful in all of this. I just want to give you a flavour for the numbers in Cadw, because they're really stark to me. I come with a bit of a commercial background, and what's going to judge whether

this is going to work or not—. To run Cadw is around the £20 million, and that's everything from the conservation side and the historic environment side to managing all the monuments, and we manage 129 monuments. If you go back three years ago, and then for a period of 10 years before that, the income of Cadw was pretty flat. It was generally around £5 million a year income. Then the net position, the remaining £15 million—because the conservation requirement hasn't really changed over hundreds of years and some of our buildings have been there 900 years—the net position on Government was to fund that £15 million. So, what we've had to do over the last couple of years because of austerity and because revenue budgets have been so challenging is: by raising the income level, the net position of the Government is reduced, and as the Cabinet Secretary outlines, that position—we've just got to keep going with that. The more we can increase income for Cadw, the better the net position the Government has to put in to run it. And it's similar for the other institutions—

[98] **Suzy Davies:** Yes, well, I'm not the one you need to persuade on that. But the same will apply to the other organisations, and it's—

[99] **Mr Thomas:** That's it, and—

[100] **Suzy Davies:** It's spreading culture, rather than a taking over completely.

[101] **Mr Thomas:** Yes. It's not the only metric for the other institutions, because there are four work streams at the partnership: commercial is one; skills; we've talked about back office functions—but purely on the income side, we have to demonstrate that we're improving the net position as a result of the partnership.

[102] **Suzy Davies:** I understand that. Thank you.

[103] **Bethan Jenkins:** Okay. We have to move on. Neil Hamilton.

[104] **Neil Hamilton:** In answer to Lee Waters earlier on you made what I thought was a bold assertion that visitor numbers and commercial success are directly related to proposals for governance of these institutions, and you compared the experience in England with what we've had in Wales. Last September, at the time of your announcement, you said that the proposals that you had in mind were broadly comparable to what had happened in England and Scotland. Could you actually tell us what changes have taken

place in England and Scotland that have motivated you to—?

[105] **Ken Skates:** I think I said that change is needed in Wales in a similar way that we've seen in Scotland and England, and that change has been for the benefit of the entire heritage sector in Scotland and England. The changes are actually captured in the PwC report, and it's worth the committee taking a close look at them because they have helped to inform the work that we've done. But, as I said earlier, I'd like a solution that's based on the current situation in Wales, rather than just adopting a change programme from Scotland, from England or, for that matter, from anywhere else. But the changes that have taken place in Scotland and England have seen, to some degree, mergers, and in other areas we've seen responsibilities shifted to a new organisation. And that's precisely what we are, with the work that Jason is leading on, reviewing at the moment.

[106] **Neil Hamilton:** I can see that there are opportunities for administrative cost savings and so on, but fundamentally, doesn't the success of any organisation ultimately depend upon the qualities of leadership of those who are driving it?

[107] **Ken Skates:** You're absolutely right. It's about getting the right people on the bus, so to speak. It's about knowing your hedgehog, that what you offer is unique, and it's also about facing the brutal facts. The brutal fact for the historic environment sector is that in an age of austerity you cannot continue to rely on increasing public money—you have to find another way of generating revenue. Income is crucial, and therefore getting the right leadership with the determination to generate greater income is absolutely crucial. That can require a governance change, and that's why I said to Lee Waters that, in the case of the heritage sector, and specifically Cadw, I think we do need to consider governance against the potential to raise income levels.

[108] **Neil Hamilton:** And you said in that statement last September that you wanted to bring together the commercial functions of Cadw and Amgueddfa Cymru. Do you think that the steering committee's proposal for a steering partnership is consistent with what you were expecting to bring about?

[109] **Ken Skates:** I think so, yes, but it's going to depend on what the outcomes are. So far we've heard about a food strategy that could be developed. Now, that's really exciting. I'll give credit to the museum—I think their food and drinks offer is superb. What they do on that front, if we could

replicate that across other institutions and across Cadw sites, I think that would have huge benefit for the sector. So, I'm pretty satisfied with the work that's being taken forward. What I'd wish to see in the coming months is some implementation of the aspirations and the plans, because as I've said repeatedly now, I really do feel that we have to move at pace in terms of collaboration. There have been too many instances in the past where collaborative efforts have ground to a halt because there hasn't been the energy to maintain them.

10:15

[110] **Neil Hamilton:** Okay.

[111] **Bethan Jenkins:** Are you done?

[112] **Neil Hamilton:** Yes.

[113] **Bethan Jenkins:** Okay. Diolch yn fawr iawn. Jeremy Miles.

[114] **Jeremy Miles:** Thank you. There's a bit of a risk, as with all things, that there's an institutional solution to what is a behavioural challenge, if you like.

[115] **Ken Skates:** Yes.

[116] **Jeremy Miles:** Can I just stay on the point that Neil Hamilton was raising about the issue of commercial functions? It seems to me that there's a range of things that the strategic partnership is seeking to do, and you've described, Mr Howells, some of them, which are around skills and effectively operational issues, if you like. What assurance can you give that the right level of focus will be given to what is quite a separate issue, really, which is the generation of revenue? Because we have a mammoth funding issue coming down the path. It's important that that's in the mix as well. Are you comfortable that there's appropriate focus being given on that aspect?

[117] **Ken Skates:** Well, that's one of the work streams of the strategic partnership. Gareth can probably highlight with greater insight than me the degree to which the focus has been on that, but my impression is that raising commercial income is a priority for the strategic partnership and for everybody involved in it.

[118] **Mr Howells:** Yes, it is, and just to hark back to one of the earlier points that were made, when you were asking about how we were looking to demonstrate that things are going forward, I think one of the key points that we all made in the first meeting was that we'd try to have some quick wins. Because if we were going to demonstrate that this was going to work, we had to show there were going to be quick wins, right? So, for example, with the food strategy, there's a group that's going to get together between the museum and Cadw, and they're looking at it there. There will obviously be some work streams that will—. You know, we're strategic; we're over—

[119] **Jeremy Miles:** Can I just pause you on that? Because that's one of the issues, really, isn't it? You've described the composition of the board, which has the senior leaders of each organisation, but on some of these issues, really, the people on the front line are probably the right mix of people to be having the discussion with.

[120] **Mr Howells:** We are setting up work streams, and it's been made clear that the work streams that are being set up must involve the people who are actually delivering on these functions. Because at the end of the day, I am not an IT expert. I'm not an expert on finance or food strategy. There are people in each of the organisations that have those skills.

[121] **Ken Skates:** Absolutely.

[122] **Jeremy Miles:** So, just in terms of giving more description—because you've said there'll be a review of the performance of the strategic partnership after two years, I think—within that period, is it intended, or does it currently have a budget that the individual organisations are committing to the work of the partnership?

[123] **Ken Skates:** I don't believe that there is a budget that's committed by each of the organisations. This is being carried out on a project-by-project basis, and any budget that's required, I'd imagine, would be found by those individual institutions. It's worth just adding to the points that Gareth made that it's actually already happening in terms of engagement. I think I was keen that we all learnt from the unfortunate industrial action that took place and how we reach resolution, and resolution was reached by engaging better with front of house staff in particular, and engaging with the workforce and the experts who keep these institutions alive.

[124] **Jeremy Miles:** And if one of the things that we'll be doing is looking for

commercial opportunities for the four institutions or organisations, there'll be an element of decision making around what to do in simple terms—what to back, how to structure deals, how to contract, whether to do it, how the revenue is apportioned from any individual deal between the four organisations that may be contributing different levels of assets or intellectual property or whatever it is. Has any of that been worked out at this point in the agreement that set up the partnership?

[125] **Ken Skates:** I think it's too early to have determined how revenue is going to be shared out, but I'm sure that's something that can be determined once projects are brought forward.

[126] **Mr Howells:** We're at an early stage on some of these things. If I said we had, I'd be dishonest.

[127] **Jeremy Miles:** I'm just exploring what the—. Because there are many ways of structuring the kind of commercial arm of these organisations, and I just want to get a sense of what thinking has happened to date, really.

[128] **Ken Skates:** I don't think we can overstate the importance of marketing, either, and joint marketing efforts. This was something that was raised repeatedly back in, I think it was, 2013, when the previous inquiry took place, and there was considerable criticism of everybody for failing to market the heritage sector in a joined-up and coherent way, and this criticism came from the private sector, it came—well, it came from all sectors, and it's something that we're really keen to find solutions for.

[129] **Jeremy Miles:** So, will you expect to see a plan on issues of budget, you know, decision-making processes, contracting parties, revenue portion, by September or December?

[130] **Ken Skates:** Not necessarily by September, I wouldn't have thought.

[131] **Jeremy Miles:** Or December, perhaps.

[132] **Ken Skates:** Hopefully, by December, we'd have agreements in place and budgets and so forth, and actual implementation. As I said to Suzy Davies, I wish to see implementation take place at pace, and therefore I'd expect those plans to be developed in the autumn.

[133] **Jeremy Miles:** Okay. Thank you.

[134] **Bethan Jenkins:** Dai Lloyd.

[135] **Dai Lloyd:** Diolch, Cadeirydd. Wel, ymhellach i hynny, yn naturiol, rydym ni wedi clywed cryn dipyn o dystiolaeth dros y misoedd diwethaf, yn sylfaenol bod pawb yn cytuno bod rhagor o gydweithio ac ati yn mynd i fod o fudd, ac mae pawb yn mynd i weithio'n galetach er mwyn cyrraedd y nod yna, er bod yna bethau heb ddigwydd yn y gorffennol, ond gobeithio y bydd pethau yn newid i'r dyfodol. Ond, wrth gwrs, erys gofid am annibyniaeth rhai o'r sefydliadau yma, fel yr amgueddfa genedlaethol—byddwch chi wedi clywed y dadleuon o'r blaen. Yn y bôn, mae yna gyfraniad unigryw gan Amgueddfa Genedlaethol Cymru i'n diwylliant ni wedi bod yn hanesyddol. Nawr, sut y mae hynny'n eistedd efo chi, Ysgrifennydd Cabinet? Hynny yw, ydy annibyniaeth yr amgueddfa genedlaethol yn dal i fynd i fod allweddol bwysig, o ystyried ei chyfraniad hanesyddol i'n cenedl ni dros y blynyddoedd, ac ers lot cyn i'r Cynulliad yma ddechrau, neu a ydy ystyriaeth ariannol yn unig yn mynd i feddwl bod y sefydliadau, fel yr amgueddfa genedlaethol, yn mynd i golli annibyniaeth a bod materion diwylliannol yn eilradd i faterion ariannol?

Dai Lloyd: Thank you, Chair. And further to that, naturally, we've heard a great deal of evidence over the past few months, basically that everyone seems to be agreed that more collaboration will be beneficial and that everyone will work harder to reach that aim, although certain things haven't happened in the past, but hopefully things will change for the future. But, of course, the concern remains in terms of the independence of some of these institutions, such as the national museum—you will have heard these arguments before. Now, essentially, National Museum Wales makes a unique contribution to our culture and has done so historically. So, how does that sit with you, Cabinet Secretary? That is, is the independence of the national museum still going to be crucially important, given its historic contribution to our nation over the years, way before the establishment of this Assembly, or are financial considerations alone going to mean that institutions such as the national museum are going to lose that independence and that cultural issues are secondary to financial issues?

[136] **Ken Skates:** Can I assure committee that there is no intention to bring the national museum into Government? There is no intention to weaken the independence of the museum. There is no attempt to take control by Government of institutions. On the contrary, all of the indications that I have

given suggest that I'd rather hand away responsibility and empower our national institutions to become more effective and to become more sustainable. I don't think there is a question, concerning particularly commercial activity, over whether that would impede the independence of the museum. On the contrary, the museum has come forward, I understand, with the food strategy suggestion, and that demonstrates to me a new determination to collaborate in an area of great importance for the whole heritage sector.

[137] **Bethan Jenkins:** Lee Waters.

[138] **Lee Waters:** Can I just try and clarify, for my own purposes, the direction of travel here? Because, on the one hand, you quote approvingly the report of the former committee on the need for far greater collaboration. You've said we need to move at pace, and it does seem to me that your personal view is impatient with the pace of change and the refusal to see the benefits of the synergies, especially in the age of austerity. On the other hand, you talk about the importance of independence, and there does seem to me an unresolved tension between these two sets of ideas. The report of the steering group talks about developing a joint brand of Historic Wales. I wonder if you can just tell us your thoughts about that, because I'm not entirely clear that—. If this is simply a commercial, back-of-office bringing together of common activities under one roof to strengthen all the independent institutions, you don't need a common brand to do that. But the common brand is needed if you are going to create a new organisation that tries to do what the ones currently are. So—

[139] **Ken Skates:** Or—. Sorry. I think—. If I could take the question there—. Or if you were going to develop new and innovative ways of attracting more people to sites. So, for example, a shared membership system might require a brand that captures all. What would that brand be? Well, I very much doubt that the museum would relinquish its brand, and I very much doubt that Cadw would do so as well without an agreed central brand that everybody could buy into. So, there is the potential to utilise the Historic Wales brand or a brand that can be given full evaluation.

[140] **Lee Waters:** But the report talks about cultural tourism, so potentially

[141] 'Joint marketing of national campaigns and events, possibly through an "Historic Wales" brand, working within and as part of a wider "Visit Wales" brand'.

[142] Now, the brand of Visit Wales has had multiple millions of pounds invested over many years to build it up, and it's recognised internationally. Similarly, the national museum and Cadw are recognised brands. Is it really the best use of resource to start building up a new brand from scratch when actually what you're trying to do is sensible back-of-house synergies? Do you need a brand to do that when there are much stronger existing brands?

[143] **Ken Skates:** We may do, and this is what the strategic partnership is going to look at. We may need a brand, because you say that those brands of Cadw and the national museum are well-renowned—actually, in this age where we are constantly bombarded every moment of the day with a plethora of messages, you need single, strong messages and brands to cut through and it's my belief that we should keep on the table the option of a single brand that all can contribute to and benefit from. I'm not entirely convinced that the Cadw brand is well-known. I'll be perfectly honest, I am not, and that's in spite of all the work that we've done. Would it be better known if the national library, the national museum, the National Trust, local government-run historic environment sites, could promote Cadw sites as well? Yes, possibly so. But the ordinary person out there—do they know that Cardiff castle is run by Cardiff council? Do they know that St Fagans is run by the national museum, that Castell Coch is run by Cadw? I'm not entirely sure that most people do appreciate that, and it just becomes a confusion for many people when they are seeing lots of different brands presented to them, and there are huge opportunities from bringing together shared membership systems and shared marketing programmes as well. The historic environment is one of the primary draws for visitors to Wales. Now, when I go to trade shows to showcase Wales, it's very difficult, in all fairness, to take with us every organisation representing every part of the historic environment, and, with them, every organisation representing every part of industrial heritage, and every organisation representing adventure tourism—the areas that we sell best. Instead, we need really strong messages. We need a really strong brand to capture all.

[144] **Lee Waters:** Isn't the logic of that that it'd be better to have one merged organisation, in that case?

[145] **Ken Skates:** Not necessarily. Not necessarily. A brand that captures all—it's the same in the private sector—can sometimes then cascade down through the relevant companies that are captured by a broader overarching brand, and I think we need to assess the work that's been carried out by the

strategic partnership in terms of marketing and in terms of commercial activities and then judge whether the Historic Wales brand would add value or, as perhaps you pointed out or raised in the introduction to your question, whether, actually, it is unnecessary, starting from scratch with a brand. But I don't think it's right to rule out the option at this stage.

[146] **Lee Waters:** Okay. Thank you.

[147] **Bethan Jenkins:** Couldn't they just become part of the Visit Wales brand? Why do you need to create the Visit Wales, as Lee Waters has said?

[148] **Ken Skates:** So, it could. It could. But this is—sorry, Chair—this is part of my point, that it could become, if you like, a Visit Wales brand and then, as we go around the world, as we promote Wales around the world, having a Historic Wales brand that captures Cadw sites, the national museum, the national library, and local authority-run assets, would become a really, really powerful way of promoting them.

[149] **Bethan Jenkins:** Neil Hamilton.

[150] **Neil Hamilton:** Well, people don't visit brands, though, do they?

[151] **Ken Skates:** They don't, no, so why have so many—so why have so many?

10:30

[152] **Neil Hamilton:** What I'm saying is that the brand itself is of secondary importance here. What is of primary importance is the offer that you make to the public to attract them through the doors, and I think we're confusing here the importance of branding with the more important issue of how do people work together collaboratively to produce a product that is going to be mutually beneficial in terms of selling the totality of things that we want to market. So, I can see the advantages of collaboration and for particular marketing campaigns, and they may differ internationally from the kind of marketing approach you want to take internally in Wales or in the United Kingdom, but I think it's a mistake to get hooked up too much upon having a new logo, for example, or a new title. It's horses for courses. Any food company knows that there are different brands within its corporate offer and you design your brand for the market that you're targeting. So, I wonder whether we're engaging here in an enormous exercise to solve a problem

that is much smaller than it appears.

[153] **Ken Skates:** It's about making sure that there is a consistency of message with the offer and that the message in the brand matches the offer so that experiences are as good as expectations. That's what it's about. So, there is work that needs to be done on the offer as well.

[154] **Bethan Jenkins:** Sorry for having to cut you short. Jason wanted to come in quickly, and then we have a few more questions. So, we'll try and get through—

[155] **Mr Thomas:** It was on the same—

[156] **Bethan Jenkins:** It was the same thing.

[157] **Mr Thomas:** It was this brand thing—it has an opportunity for everybody in the sector to raise their game. The Cabinet Secretary mentioned Cardiff Castle; we've got Pembroke Castle. Surely, if we can brand together, everybody can benefit on the back of it.

[158] **Bethan Jenkins:** Okay. Thanks. Suzy.

[159] **Suzy Davies:** Yes. Half of my question has been answered, but, on the bit to do with collaboration, you've already said that Historic Wales could be used to help market local authority or even privately-owned heritage.

[160] **Ken Skates:** Yes, absolutely.

[161] **Suzy Davies:** I don't hear them being mentioned in the collaboration agenda, though, which is very much about our national institutions. At what point are you planning to bring in the rest of the sector?

[162] **Ken Skates:** I think the sector at the moment is quite disparate because it's—

[163] **Suzy Davies:** Yes.

[164] **Ken Skates:** Yes, it covers so many local authorities and private sector operators. During the course of our inquiry in 2013 we found that the lack of capacity, particularly within the private sector and local government, was preventing full opportunity being taken of the assets that were in their

hands. I think it's going to be important that the strategic partnership first of all resolves to work together in terms of marketing and promotion, and reaches out afterwards to local authorities in the private sector. It's something that I think would be of huge benefit to the entire sector and something that should be done.

[165] **Suzy Davies:** Okay. Mainly because local authorities—to reinforce Mr Thomas's point about the net reduction of the cost to the public purse will affect local authorities as well.

[166] **Ken Skates:** Absolutely. Yes.

[167] **Suzy Davies:** Okay. Thank you.

[168] **Bethan Jenkins:** Finally, Gareth Howells.

[169] **Mr Howells:** Can I just say something quickly on that? That issue about the wider effect of collaboration has actually been discussed within the group and in the previous group with Justin Albert and there was an acceptance there that that was something that needed to be looked at. For example, we know that the national museum works closely with local museums in supporting them; we know the same thing happens with the national library—they've got the outsourcing, well, not outsourcing, but the outreach area in Merthyr and that. So, that is going on, but I think it is, you're quite right, something that is agreed between the group that that is something that needs to be looked at going forward, but I think it's basically that we're moving in that direction, but we've got to get the initial stages sorted out first before we can go in that direction.

[170] **Suzy Davies:** That's fair enough. Thank you.

[171] **Bethan Jenkins:** Hannah.

[172] **Hannah Blythyn:** Thank you.

[173] **Bethan Jenkins:** Yes, we got to you in the end. [*Laughter.*]

[174] **Hannah Blythyn:** I just want to turn more to the idea of how the strategic partnership would better enable the national institutions to reach out, particularly in respect of the whole tackling poverty through culture agenda, because I think you referenced the Fusion project as an example in

response to, I think, my colleague Lee Waters. So, how will, in your view, the strategic partnership enable that, and to what extent will that be a focus of the partnership?

[175] **Ken Skates:** I think it's fair to say that it is the very heart of the strategic partnership's work. The Fusion programme has been incredibly important. It's been very successful in drawing together institutions and communities. We've rolled out further pioneer areas, so I expect that work to be maintained, and it will form a good basis of the considerations that are taken forward by the strategic partnership.

[176] **Hannah Blythyn:** And, just finally, to return to the concerns that we've heard expressed to this committee before about the independence of the national museum. I don't know whether you're aware, Cabinet Secretary, that we heard concerns that the Welsh Government had sought to perhaps influence some of the activity of the national museum, in terms of the pricing structure and signage. So, I was wondering if you recognise those concerns and you're able to address those today.

[177] **Ken Skates:** I know exactly what that relates to, then, if it was pricing. That has to be the exhibition that took place; the adventures in treasures exhibition, I imagine. Okay, so we operate thematic years—this year is the Year of Legends—and, in order to get best value from the themed years, we support with money our partners out there to promote the themed year by developing new and innovative and creative products and events. The idea of an adventures in treasures exhibition was developed between us and the museum, and the museum did a great job in getting an agreement from the George Lucas museum out in the United States to get Indiana Jones memorabilia—superb—and in order to make the exhibition a reality, we provided capital funding for a paid exhibition. But, as with any other organisation that gets public money from the Government as part of the themed years, it has to be aligned with the theme. So, in terms of the branding, it was clear that that should be aligned with the Year of Adventure, and hence it became, I think, Adventures in Archaeology—the exhibition.

[178] **Bethan Jenkins:** So, you put the pricing commitment as part of that package, because, really, we have to finish this session now.

[179] **Ken Skates:** Sorry—pricing commitment. The pricing commitment I'm not entirely sure of. I think what happened there was they didn't benchmark against other paid-for exhibitions, and I think that's a pretty big omission,

actually, in the way that you develop a business. You should benchmark prices, and it was something that we suggested they did.

[180] **Bethan Jenkins:** Okay, thank you. If we need clarification on that we'll write to you, but I'm sure that's—

[181] **Mr Howells:** Can I just make one quick point—

[182] **Bethan Jenkins:** Only if it's micro.

[183] **Mr Howells:** It will be. On this issue of independence, let's be clear—we are signed up to retaining independence for the organisations. The reality of the situation is that all the organisations signed up to be part of this. So, I think the issue about independence may have been an issue with some institutions at the beginning, but the fact that they've signed up now, I would hope, would be clear that they accept that that isn't an issue and we're trying to work together.

[184] **Bethan Jenkins:** Okay. Thank you for that positive ending.

[185] Rydym ni'n symud ymlaen yn syth. Diolch yn fawr iawn i chi am ddod i mewn yma heddiw. Rydw i'n siŵr y byddwn ni'n cyfathrebu yn y dyfodol. Rydym ni'n gorfod symud ymlaen yn syth i'r sesiwn nesaf, ac wedyn byddwn ni'n cymryd seibiant byr ar ôl y sesiwn yma. Felly, eitem 3 yw newyddiaduraeth newyddion yng Nghymru, a byddwn ni'n cymryd tystiolaeth gan S4C mewn dwy funud. Diolch yn fawr iawn i chi am ddod i mewn. We'll move immediately on, but I would like to thank you for joining us today and I'm sure we will be in touch in future. But we do have to move on immediately to our next session, and then we'll take a brief break after this session. So, item 3 is our investigation into news journalism in Wales, where we will take evidence from S4C in two minutes' time. Thank you very much for your attendance.

Newyddiaduraeth Newyddion yng Nghymru: Sesiwn dystiolaeth 7

News Journalism in Wales: Evidence Session 7

[186] **Bethan Jenkins:** Diolch yn fawr. Rydym ni'n croesawu yn awr, yn rhan o sesiwn dystiolaeth 7, Llion Iwan, pennaeth cynnwys a dosbarthu S4C. **Bethan Jenkins:** Thank you very much. We now welcome as part of evidence session 7, Llion Iwan, head of content and distribution for S4C.

Diolch i chi am ddod. Sori, rydym ni'n symud ymlaen yn gyflym gan ein bod ni wedi mynd dros amser yn barod ar y sesiwn ddiwethaf.

So, thank you for joining us. We are moving swiftly along because we are already over time following our previous session.

[187] Yn amlwg, o sesiynau yn y gorffennol, rydych chi wedi gweld, efallai, ein bod ni'n edrych mewn i sefyllfa'r newyddion yng Nghymru. Ond, o ran y sefyllfa newyddion Cymraeg, a ydych chi'n credu bod y sefyllfa yn wahanol i newyddion drwy gyfrwng y Saesneg? Yn ôl Ifan Morgan Jones o Brifysgol Bangor, roedd e'n dweud mod newyddiaduraeth y Gymraeg yn profi rhyw fath o 'oes aur' yn sgil y cyllid cyhoeddus sydd wedi dod gan y Llywodraeth i bapurau bro, i Golwg 360 ac yn y blaen. A ydych chi'n cytuno â hynny, neu a ydych chi'n credu bod yna'n dal lle i fynd gyda newyddiaduriaeth Gymraeg?

Clearly, from previous sessions, you may have seen that we are looking into the situation of news journalism in Wales. But, in terms of Welsh news journalism, do you think that the situation is different as compared to the situation through the medium of English? According to Ifan Morgan Jones from Bangor University, he said that Welsh journalism was experiencing some sort of golden age given the public funding provided by Government to the *papurau bro*, Golwg 360 and so on. Do you agree with that, or do you think that there is still room for improvement with Welsh-language journalism?

[188] **Mr Iwan:** Mae yna'n dal lle i fynd. Mae yna'n dal lle i fynd gyda phob math o newyddiaduriaeth, ym mha bynnag iaith ydy hi. Rydym ni mewn oes lle mae'n hawdd cael gwybodaeth, ac yn hawdd rhannu gwybodaeth, ond eto mae newyddiaduriaeth brint yn crebachu, ac rydych chi'n gallu gweld bod y swyddfeydd lleol i gyd yn cau, felly mae'n amlwg bod yna rywbeth yn mynd i gael ei golli yn y fan yna.

Mr Iwan: There is still room for improvement. There is room for improvement in all sorts of journalism, in whatever language it is. We're in an age where it is easy to access information and to share information, but print journalism is shrinking, and you see the local offices closing, so clearly something is going to be lost there from our perspective.

[189] O'n rhan ni, beth rydym ni'n gwneud efo darlledu, ac yn benodol y rhaglen newyddion gan y BBC, yw ein bod ni wedi gosod briff annibynnol i'r

What we're doing with broadcasting and specifically the BBC news programme, is that we have set an independent brief for that

rhaglen yna. Maen nhw o fewn ystafell y BBC, ond maen nhw'n gweithio efo ein briff golygyddol ni, ac yn canolbwyntio yn y fan yna ar straeon lleol yn Gymraeg ac yn Gymreig. Felly, pan fyddan nhw'n darlledu am 9 o'r gloch, mae'r gwylwyr yn cael rhywbeth gwahanol i beth sy'n cael ei drafod ar y cyfryngau eraill yn ystod y dydd.

programme. So, they're working within the BBC newsroom but with our editorial brief, where they're focusing on local stories in Welsh and in Wales. So, when they broadcast at 9 o'clock, the viewers get something that's different to what's been broadcast on other media during the day.

[190] **Bethan Jenkins:** Ocê. Diolch yn fawr iawn. Jeremy.

Bethan Jenkins: Okay. Thank you very much. Jeremy.

[191] **Jeremy Miles:** A ydych chi'n cytuno â barn Ifan Morgan Jones yn ei asesiad ef bod newyddiaduriaeth yn y Gymraeg yn dioddef diffyg plwraliaeth achos nad oes adnoddau ar gael i chwilio am ffynonellau gwahanol?

Jeremy Miles: Do you agree with the view of Ifan Morgan Jones and his assessment that Welsh-language journalism suffers from a lack of plurality because the resources aren't available to look for different sources?

[192] **Mr Iwan:** Wel, mae'n amlwg pwy ydy'r darparwyr newyddion yng Nghymru. Mae gennych chi'r BBC ar sawl lefel—y radio, teledu a'r ochr ddigidol. Mae gennym ni ITV, ac mae gennym ni wahanol bapurau newydd, ond, wrth gwrs, crebachu a cyfyngu y mae'r rhain yn bennaf. Efallai—

Mr Iwan: Well, it's clear who the news providers in Wales are. You have the BBC on radio, television and on digital. We have ITV, and then we have various newspapers, but, of course they are in decline.

[193] **Jeremy Miles:** Fe fyddech chi'n cytuno gyda'r datganiad yna, felly.

Jeremy Miles: So, you would agree with his statement, then.

[194] **Mr Iwan:** Ydw. Mae hynny'n amlwg, rydw i'n meddwl, ac mae o'n rhywbeth i'w resynu. Mae wedi newid lot o pan wnes i gychwyn gweithio ar bapur newydd. Ond o ran beth rydym ni'n gwneud, rydym ni'n gyrru'r briff yna, sef bod y gohebwy'r yn eu

Mr Iwan: Well, yes. I think that's clear, and it's regrettable. It's changed a great deal since I started working on a newspaper. But, from the point of view of what we do, we do have that brief that the correspondents work on their

patches ac nad ydyn nhw'n gweithio o'r swyddfa fawr a chanolog yng Nghaerdydd—eu bod nhw'n edrych dros Gymru i gyd, bob rhan ohoni.

patches and do not work centrally from Cardiff—that they are covering the whole of Wales, all parts of Wales.

[195] **Jeremy Miles:** A ydych chi'n credu bod ffordd i allu delio â hynny o fewn cyfrwng print, er enghraifft, gyda threfniadau gyda'r *Western Mail* ac ati? A fyddai rhywbeth creadigol yn y maes hynny yn gallu cywiro hynny rhywfaint?

Jeremy Miles: And do you believe that that can be dealt with within the print media through arrangements with the *Western Mail* and so on? Would something creative in that area be able to correct that to some extent?

[196] **Mr Iwan:** Mae hwnnw'n dipyn o gwestiwn. Na, disgyn mae'r niferoedd sy'n prynu papurau newydd yn Brydeinig ac yn genedlaethol, ac nid ydw i'n gweld dim byd yn mynd i newid hynny. Nid ydy print wedi dod i ben, a fydd o ddim yn dod i ben. Mae'n newid, mae'n esblygu, fel y mae'r diwydiant wedi erioed.

Mr Iwan: Well, that's quite a question. No, the numbers buying newspapers are falling on a UK level and a Welsh level, and I don't see that changing. Print hasn't come to an end, and it won't come to an end, but it is changing and evolving, as the industry always has.

[197] **Jeremy Miles:** Rydw i'n jest trio gweld a oes dimensiwn sy'n *specific* i'r iaith Gymraeg yn y fan hyn, neu a ydy e, fel rydych chi'n awgrymu, rydw i'n credu, yn rhywbeth sy'n broblem gyffredinol. A oes dimensiwn penodol Gymraeg i'r broblem hon, neu a ydyw e jest yn rhan o'r darlun ehangach lle mae diffyg plwraliaeth am resymau yr ydym ni'n eu deall?

Jeremy Miles: Well, I'm just trying to see whether there is a specific Welsh-language dimension here, or, as you're perhaps suggesting, something that is a more general problem. Is there a specifically Welsh dimension to this problem or is it just part of the bigger picture where there is lack of plurality for reasons that we all understand?

[198] **Mr Iwan:** Mae'n rhan o'r darlun ehangach, ond mae yna elfen benodol Gymreig. Oherwydd ein hen hanes ni, nid ydym ni wedi cael gwasg genedlaethol cyn gryfed â'r Alban, efallai. Ond eto, o ran y darlledu, rydym ni mewn sefyllfa lle

Mr Iwan: Well, it is certainly part of the bigger picture, but there is a specifically Welsh element. Because of our history, we've not had a national press that has been as strong as it is in Scotland, for example. But, in terms of

rydym ni'n gallu gofyn i'r BBC ac maen nhw yn gweithredu'r polisi yna. Rydym ni yn cael lot o straeon gwreiddiol yn cael eu torri yn y Gymraeg, sydd yn cyfrannu wedyn, wrth gwrs, at newyddiaduriaeth ehangach, achos maen nhw'n cael eu rhoi yn Saesneg y noson yna neu'r bore wedyn.

broadcasting, we are in a position where we can ask the BBC and they do implement that policy. We do have a great deal of regional stories broken in Welsh, and that contributes to wider journalism then, because they are then provided through the medium of English that night or the following day.

[199] **Jeremy Miles:** Ocê, diolch.

Jeremy Miles: Okay, thanks.

[200] **Bethan Jenkins:** A ydych chi'n teimlo bod pobl yn cydnabod y ffaith eu bod nhw wedi torri ar newyddion Cymraeg? Achos weithiau nid ydych chi'n gweld o ble mae gwraidd y stori wedi dod—*source* y stori. A ydych chi'n credu bod hynny'n digwydd, neu a ydy hynny efallai ddim yn cael ei gydnabod digon, sef bod stori wedi cael ei thorri trwy cyfrwng y Gymraeg?

Bethan Jenkins: Do you feel that people recognise the fact that news stories were broken via Welsh-language output? Because sometimes you don't see where the source of the story is. Do you think that that is a problem, or that that is perhaps recognised enough—that a story was originally broken through the medium of Welsh?

[201] **Mr Iwan:** Sori, a allech chi ofyn y cwestiwn eto?

Mr Iwan: Would you mind repeating that question?

[202] **Bethan Jenkins:** Fel roeddech chi'n dweud wrth Jeremy, rydych chi'n torri stori a wedyn mae'n cael ei drawsnewid i stori yn y Saesneg ar blatfform gwahanol. A ydych chi'n credu bod yna ddigon o gydnabyddiaeth bod y stori hynny wedi dod o system cyfrwng Cymraeg, neu a ydy hynny ddim o bwys, neu a ydy hynny ddim yn digwydd o gwbl?

Bethan Jenkins: Well, as you explained to Jeremy, you are bringing news forward and then that may be reported in English on a different platform. Do you think that there is sufficient recognition that that story was originally emerging through the Welsh-medium system, or does that not matter, or doesn't it happen at all?

[203] **Mr Iwan:** Nid yw'n digwydd. Nid ydw i'n meddwl ei fod o bwys achos cyfrannu at newyddiaduriaeth

Mr Iwan: It doesn't happen. I don't think it's important because we are contributing to journalism. We are

ydym ni. Rydym ni'n rhan o'r gwead part of that wider network providing sy'n darparu gwybodaeth i bobl yng information to people in Wales. Nghymru.

[204] **Bethan Jenkins:** Suzy Davies.

[205] **Suzy Davies:** What would you say is the impact of broadcast journalism on the contraction of the printed media?

[206] **Mr Iwan:** I think there's been a greater drive then on broadcast journalists to be out in areas looking for stories, and for the producers, in whatever central location they have, to also be generating their own stories. I mentioned how, in print journalism, when the offices close papers, whereas before you were having all these stories flowing in, up into the pyramid, if you will, now we have to push the journalists to do that. The BBC are doing it on our behalf, and then also for the greater spread of stories and journalism in Wales.

10:45

[207] **Suzy Davies:** Do think when BBC—BBC local, I think it's called— comes in and you've got journalists going and taking more interest in local democracy, that's going to be a useful source of information for you, or is it going to be tackling deficits in the, you know, reporting on local democracy, where there are currently gaps? 'Is that going to be of interest to you?', I think is what I'm coming to. If the new BBC journalists are going out and looking at what councils do, how often do you expect them to bring a story that will be of interest to you?

[208] **Mr Iwan:** Yes, there are two events: the scrutiny of public bodies, whatever form they take—

[209] **Suzy Davies:** Sorry, yes, that.

[210] **Mr Iwan:** But also, just finding good stories, and then also to have the ability to convey those stories in a meaningful, interesting way and not just sort of regurgitating minutes. So, there are two elements: the journalists must be experienced to do that; and also, then, that scrutiny on public bodies, and not to forget that. You know, it's the staple of journalism and always has been.

[211] **Suzy Davies:** The chances are it's going to be hyperlocals that will pick up on very localised stories around democracy. It's inconceivable that you'd be competing with hyperlocals for stories, but will you be working with them in any important way? Will you be looking to what they're doing, effectively, as well as your BBC Local lot?

[212] **Mr Iwan:** Well, as a broadcaster, we're looking for any opportunities to work with bodies or societies through Wales. On the journalism side and with works that we provide, we discuss with the BBC, they have their brief, and then they go out and work on that, and I discuss more or less weekly, but we meet them monthly as well to discuss how that's working and how it can evolve, because it's always evolving.

[213] **Suzy Davies:** I've also noticed, as well, that Welsh-medium news coverage can be different from what goes out on the English language channels. Very often, it's better. What influence have you been able to bring to bear, then, to get the better stories? Is it because your Welsh language journalists have just got more experience? What is it?

[214] **Mr Iwan:** It's that drive we began. In discussion with the BBC about four years ago, we relaunched our main news programme. We moved it from 7.30pm to 9 o'clock and called it *Newyddion 9*, and then rebranded our bulletins *Newyddion S4C*, and giving that specific brief to go—. Because people are given the information by so many other means these days throughout the day, we needed to have something different then at 9 o'clock. So, you know, we do report politics and wider international affairs, but the priority is local stories—the local stories that are relevant to everybody throughout Wales. So, it might be a fatal car crash in a particular part of Wales, but then that can illustrate the problem, possibly, of drink-driving or speeding and the deaths that happen among young people because of that.

[215] **Suzy Davies:** Just finally, as a matter of curiosity as much as anything else, do you find that some of the younger journalists coming through with the streams that bring you news now have got a sense—? Are they coming from a hyperlocal background, or do they have an awareness of how hyperlocals are working these days? I'm just curious to see how journalist training has changed as much as anything.

[216] **Mr Iwan:** Giving myself as an example, I did the traditional route. I went into local papers and did my apprenticeship there and then went to

work for the BBC radio and onwards to television. There are courses these days with the CGS—so, very, very respected. We fund one scholarship there per year for broadcast journalists. It's a combination. There are many more courses available these days for young people to study, and not just the theory, but the practical elements of it as well. So, we're seeing journalists—. And we talk about journalism; I think we should expand it just a little bit, because I commission documentaries, and, for me, that's long-form journalism where you can get to grips with the story and you have 40 to 50 minutes to really get under the skin of a story. We had a series on *iechyd meddwl* recently, and we had many, many stories there, and they were long-form journalism, but dealing with issues that affect us today, and stories that cannot be told in three or four minutes, which is usual in a news programme. So, I see ourselves as a broadcaster. We have news programmes and news bulletins, but also we have our current affairs provision. But, also, beyond that are our documentary films. We made a documentary film last year about the abuse in care homes in Wrexham, and, for me, it was a privilege to be able to commission that, and it took three and a half years, because of various court cases, and that could only be sustained because we supported it. Again, that's a form of commissioning and getting under the skin of a story and being able then to broadcast it. Not many papers would have the resources to do that. I think it was a very important story to tell and that's—

[217] **Suzy Davies:** That's an important point, actually. At least you had the money for it. Thank you. Diolch.

[218] **Bethan Jenkins:** Neil Hamilton.

[219] **Neil Hamilton:** Well, that was very interesting, and there is a significant difference in Welsh language journalism in Wales between television and the print media and commercial radio because, obviously, because of BBC funding, you have a financial foundation that the other parts of the news sector don't have to anything like the same extent. We've seen, and will continue to see, the decline of news media, I think, in the UK. Wales starts off from a worse position than the UK generally was in, for the reasons you yourself referred to earlier on, but I wonder if you could give us your view on the impact of the decline of news media generally in the UK, whether there are any specifically Welsh elements to this that we ought to be particularly aware of.

[220] **Mr Iwan:** It is to be lamented, the decline of print journalism, but I think that's something that's much wider than Wales and has an impact on

journalism. But then, I mentioned journalism is evolving—the methods that we use to collect stories and also be able to find stories. If we talk about our provision, I have discussions with the BBC about the agenda—the story order—because I think they should be able to have the freedom and independence to operate within the BBC there to follow the brief that we set them for Wales. So, as a contribution, then, towards setting the agenda, it's a different agenda to what the BBC has for their local programme or national programme, but it's for us. It's relevant to Wales. It's in Welsh, but it's for Wales.

[221] **Neil Hamilton:** Ifan Morgan Jones said that Welsh language journalism is enjoying something of a golden age as a result of public funding. I don't know whether you'd agree with that, but Welsh language journalism, in the last 10 years or so, has been supported by public funding in a way that English language journalism hasn't, in terms of relativities between the size of the sector and the amount of public funding that goes into it. So, I wonder whether you think that more public funding is the answer to what otherwise is going to be an inexorable decline.

[222] **Mr Iwan:** Well, our national paper in Welsh, *Y Cymro*, possibly the last edition was put to bed last week. There is a campaign to keep it going, but if it is the last edition, that's terrible, and that's for journalism generally, not just through the medium of Welsh, because they work side by side. They feed into each other, they take from each other, they can both learn from each other. It's all contributory journalism. So, yes, there is an element there, then, to be made. Remember that they're all part of one network: the print, the broadcast, the radio, the digital. They all provide the environment for providing information for the people of Wales. So, if there are elements that are to be supported, possibly. What we do then is make sure that journalism—. We have bulletins throughout the day, at 1, 2, 3, 5, 6 and 9 o'clock. Then we contribute to our current affairs programmes and also to the other long-form journalism mentioned, our documentary films, which actually can be very, very, very popular, and can be some form of Trojan horse. They appear to be this story, but actually they're discussing other issues. There might be a personalised story, but they're talking about wider issues and disseminating that information.

[223] **Bethan Jenkins:** Dawn Bowden.

[224] **Dawn Bowden:** Thank you, Chair. Can I ask you, on current provision around news and current affairs, are you happy with the quality of the news

and current affairs programmes that you get through the BBC?

[225] **Mr Iwan:** Yes. As I mentioned, this is a dialogue that we have often about the editorial brief, then the provision. So, we have the news programmes themselves. What we find is that the audience is changing and they're not sitting and watching throughout the day, but they know that the bulletins are there. For example, with Grenfell Tower, on the day that happened our youth news programme, *Ffeil*, at 5 o'clock had huge spike in response because they knew it was there. That day they wanted that information and they turned to it. The way that they cover stories is remarkable. The big tragic events of this year have been covered in depth. They have reporters on location within hours and are finding contributors to speak, and then previous to that, the incidents in Paris and the refugee crisis, again. We've had programmes out on location, and that shows the benefits of working with a news provider such as the BBC.

[226] **Dawn Bowden:** What's the proportion of news and current affairs programmes that you get through BBC and ITV then? What's the relative proportion?

[227] **Mr Iwan:** The BBC provide all our news programmes.

[228] **Dawn Bowden:** Right.

[229] **Mr Iwan:** And then there's a portion then that—. The BBC also provide current affairs and also documentary films and that depends, then, on the subject. It might be an extreme weather event such as the heavy snowstorms of 2013. And ITV, then, they have the current affairs flagship programme *Y Byd ar Bedwar*, and also provision within that budget to make the special documentary films as well.

[230] **Dawn Bowden:** So, do you think the news and current affairs market is sufficiently competitive in the Welsh language?

[231] **Mr Iwan:** It is, because, again, going back to my—. I'm not a commissioning editor as such, but I see myself as an editor because we have the BBC, we have ITV, but also the independent sector, and these are staffed very often by people who have come through news and gone on to make documentary films. Between the three, and the independent sector is a crucial part of our news provision—. When I talk about 'news', I talk about disseminating, collecting information. So, I think we are fortunate for having

such a pool of talent to be able to collect stories across Wales. But it's constantly evolving, remember.

[232] **Dawn Bowden:** Sure, and from your point of view, it's good value for money—what you get from that.

[233] **Mr Iwan:** Yes.

[234] **Dawn Bowden:** Okay.

[235] **Mr Iwan:** And it's a very healthy relationship. We discuss often about the provision. We also have *Pawb a'i Farn*—a version of *Question Time*.

[236] **Dawn Bowden:** Okay, thank you. Thank you, Chair

[237] **Bethan Jenkins:** Hannah.

[238] **Hannah Blythyn:** Thanks, Chair. Looking forward to any potential new future models that address the challenges we face in the ever-evolving way that we consume our news and media, the committee received a suggestion that non-BBC Welsh language publications supported by the Welsh Books Council should be able to publish their content on a single news hub. Would that have any effect—negative or positive—on S4C?

[239] **Mr Iwan:** I'm not sure how to answer that question, to be honest, because what I see is there's a whole news-collecting environment, and whatever form that supports, then it will feed into the broadcast, which is what we're concerned with. What I see is there's a steady stream of young talented and trained journalists coming through, filmmakers then, through Wales, and they all get the information and experience from different sectors. So, whatever form, you know, what you've referred to, will be funded, I think it will eventually, in some way, support that network.

[240] **Hannah Blythyn:** It could create a new platform for that talent to come through, then.

[241] **Mr Iwan:** Yes.

[242] **Bethan Jenkins:** Jest o ran y **Bethan Jenkins:** Just in terms of the cysyniad, rwy'n credu bod Suzy wedi concept, I think that Suzy Davies cyffwrdd arno fe yn gynharach, touched on it earlier, about this idea

yn glŷn â'r cysyniad yma gan y BBC o roi *pool* o newyddiadurwyr newydd i mewn i gyfryngau lleol, ac mae yna broses bidio, rydw i'n credu, yn digwydd, ac roedd Rhodri Talfan Davies yr wythnos diwethaf yma yn dweud bod yna botensial i bobl ddefnyddio'r broses honno i gael newyddiadurwyr yn fwy lleol, efallai. A ydy hynny'n rhywbeth rydych chi wedi bod yn trafod gyda'r BBC, ac os felly, a ydych chi'n mynd i fod yn 'iwtileiddio' y cysyniad yma? Beth yw eich barn chi yn glŷn â hynny? Oherwydd byddai rhai pobl yn meddwl efallai gallai hynny arwain at y cwmnïau eu hunain yn dirywio yn yr hyn y maen nhw'n ei wneud, oherwydd bod y BBC yn dod i mewn i lenwi gagendor newyddion yn y sector. Beth yw eich barn chi yn hynny o beth?

[243] **Mr Iwan:** Nid ydym ni wedi trafod hynny efo nhw, ond rydw i'n ymwybodol o'u cynlluniau nhw. Os ydy o'n gallu cyfrannu at newyddiaduraeth mewn rhyw ffordd, rydw i'n meddwl bod hynny ond yn beth iach, eto, i newyddiaduraeth yn gyffredinol. Ac nid ydw i'n meddwl y byddai'n cymryd lle beth sy'n digwydd o ran casglu newyddion, achos gall ond gyfrannu. Nid oes ganddyn nhw, hyd yn oedd, ddim mo'r adnoddau i fod yn gwneud mwy na hynny. Ac wedyn o'n hochr ni wedyn, beth rydw i'n gyson yn cadw golwg arni hi ydy'r ddarpariaeth leol. A ydy'r rhwydwaith yna o ohebwy'r allan yno'n casglu'r newyddion, ac a

of the BBC providing a pool of new news journalists into local media, and I think there's a bidding process ongoing, and Rhodri Talfan Davies told us last week that there's a potential for people to use that process to have more locally based news journalists. Is that something that you've been discussing with the BBC, and if so, are you going to be utilising this concept? What's your opinion about that? Because some people would think, well, perhaps it could lead to the companies themselves declining with regard to what they're doing, because the BBC is encroaching and filling the news gap in the sector. What's your opinion on that?

Mr Iwan: We've not discussed that with them, but I am aware of their plans. If it can contribute to journalism in any way, then I think that can only be healthy for journalism more widely. And I don't think it will replace what's happening in terms of news gathering. It can only contribute. Even they don't have the resources to be doing more than that. So, from our perspective, what I always keep a close eye on is local provision. Is that network of correspondents out there gathering news, and are we getting those stories reported? This is a conversation that we have often. Is the balance between the Welsh

ydym ni'n cael y straeon yna? Mae hon yn sgwrs rydym ni'n ei chael yn aml. A ydy'r cydbwysedd rhwng storis Cymraeg—Cymreig—yn ddigon efo'r mathau eraill o storis? Felly o ran y pwynt yna, bydd o'n beth iach os ydym yn gallu—neu os ydyn nhw'n gallu—cyfrannu a chefnogi hynny, ond ni allaf ei weld o byth yn cymryd lle y ddarpariaeth newyddion yna.

stories correct in terms of the other news output? So in terms of that point, it would be healthy if we could—or if they could—contribute and support that, but I can never see it replacing what's out there in the news provision that's already out there.

11:00

[244] **Bethan Jenkins:** A'r cwestiwn olaf sydd gen i yw: yn amlwg, rydym ni wedi clywed eto gan y BBC wythnos diwethaf fod yna gomisiynu newydd yn digwydd ar gyfer y *Wales Report*, bod yna ddiwedd nawr i *Week In Week Out* a bod hynny'n mynd i newid siâp a sgôp i *Wales Investigates*. A oes yna unrhyw drafodaethau wedi bod gyda chi ynglŷn â newid yr hyn rydych chi'n ei ddelifro gyda *Y Byd ar Bedwar* ac yn y blaen? A oes yna asesiad wedi bod o'r rhaglenni hynny i gyfiawnhau eu bod nhw'n parhau, neu a oes trafodaethau wedi bod i feddwl efallai y gallwch chi wneud mwy neu newid siâp yr hyn rydych chi'n ei gynnig? Jest er mwyn i ni ddeall beth sydd yn digwydd gyda chi yng nghyd-destun yr hyn sydd yn digwydd drwy gyfrwng yr iaith Saesneg.

Bethan Jenkins: And the final question that I have: we've heard from the BBC last week that there is a new commissioning round happening now for the *Wales Report*, *Week In Week Out* is coming to an end, and that that will change its shape and scope to *Wales Investigates*. Have you had any discussions about changing what you deliver with *Y Byd ar Bedwar* and so on? Has there been an assessment of those programmes to justify their continuation, or have you had discussions to think, well, perhaps you could do more or change the format or shape of what you're providing? Just so that we can understand what's happening on your side in the context of what's happening through the medium of English.

[245] **Mr Iwan:** Yn greiddiol, nid ydy'r ddarpariaeth ei hun ddim yn newid; rydym ni'n cyfleu newyddion a materion cyfoes. Mae'r ffyrdd rydym ni'n eu cyfleu nhw yn esblygu, achos

Mr Iwan: Well, at its heart, the provision isn't going to change; we convey news and current affairs. The form of that does evolve because that's the nature of broadcasting.

dyna ddiwydiant darlledu. Mae rhaglenni'n gallu newid—weithiau newid teitl, newid cyflwynydd, efallai newid yn gyfan gwbl fel rhai o'r enghreifftiau rydych chi wedi eu dweud—ac rydym ni wedi newid yn y blynyddoedd diwethaf ambell i raglen a chyfres hefyd, ond, yn y bôn, mae'r un ddarpariaeth yna achos mae'n rhaid i ni asesu trwy'r adeg a ydy'r rhaglen, a ydy'r ffurf yna yn cysylltu efo'r gynulleidfa, ydy o'n boblogaidd, ydy o'n denu'r gwylwyr? Achos os nad ydy o, mae'n rhaid meddwl am ffyrdd eraill o rannu'r wybodaeth. Felly rydym ni'n newid y ffurf o'i wneud o, ond yr un ddarpariaeth, yr un—os ydych chi eisiau—nifer o oriau, lefel o wybodaeth rydym ni'n ei wneud, ac yna mae hynny'n newid trwy'r adeg. Gallai fod yn rhywbeth eithaf cosmetig fel miwsig neu deitlau, ond gallai fod yn rhywbeth—ein bod ni'n cychwyn cyfres, efallai, o'r newydd. Ond mae o i gyd i'w wneud efo casglu'r wybodaeth a rhannu'r wybodaeth. Rydw i'n siŵr ei fod o beth mae'r gwylwyr eisiau. Felly, rydym ni yn asesu'n gyson bob un o'n rhaglenni ac yn gwneud penderfyniadau: a oes angen eu newid nhw neu eu dod â nhw i ben er mwyn cael rhywbeth arall yn eu lle? Nid oes dim byd yn dod i ben: mae'r rhaglenni'n newid, mae'r cyflwynwyr yn newid, ond mae'r ddarpariaeth yn aros yr un fath.

Programmes can change, titles can change, presenters can change, and there can be a wholesale change in terms of some of the examples that you've mentioned. We've made some changes in the past in terms of programmes and series, but, ultimately, the provision is the same because we have to consider whether the programme, the format actually appeals to an audience. Is it popular? Does it attract an audience? Because if it's not, it has to be reformatted. So, we do change the format, but the provision is the same in terms of the number of hours and the level of information that we provide, and then that does evolve, of course. It can be a cosmetic change, such as titles or music, but it could be that we would start a series from scratch. But it's all about gathering information and disseminating information, and ensuring that it's what our viewers want. So we do consistently assess all of our output and then make decisions as to whether they need to be adapted or whether they need to be wound up and replaced. Nothing actually comes to an end totally: the programmes change, and presenters change, but the provision is the same.

[246] **Bethan Jenkins:** Ocê. A oes unrhyw gwestiynau eraill gan Aelodau? Na. Ocê. Wel, diolch yn fawr

Bethan Jenkins: Thank you. Any other questions? No. Well, thank you very much for joining us today. I'm sure

iawn am ddod mewn yma heddiw. we will be sharing any additional
Mae'n siŵr y byddwn ni'n rhannu information about the inquiry with
unrhyw wybodaeth ychwanegol am yr you, but that you very much for
ymchwiliad gyda chi. Ond diolch yn joining us.
fawr iawn am ddod mewn atom.

[247] **Mr Iwan:** Diolch.

Mr Iwan: Thank you.

[248] **Bethan Jenkins:** Gwnawn ni gymryd seibiant o—wel, nid wyf yn
siŵr—jest seibiant, ar hyn o bryd.

Bethan Jenkins: We'll take a short break. I'm not sure how long—just a break for now.

*Gohiriwyd y cyfarfod rhwng 11:02 a 11:14.
The meeting adjourned between 11:02 and 11:14.*

Newyddiaduraeth Newyddion yng Nghymru—Sesiwn Dystiolaeth 8 News Journalism in Wales—Evidence Session 8

[249] **Bethan Jenkins:** Ocê. Rydym ni'n symud ymlaen yn awr at eitem 4—newyddiaduraeth newyddion yng Nghymru a sesiwn dystiolaeth 8. Croeso i John Toner, trefnydd cenedlaethol yr NUJ yng Nghymru a gweithiwr llawrydd; Nick Powell, aelod o gyngor gweithredol yr NUJ yng Nghymru a chadeirydd cangen ITV Wales; a Martin Shipton, aelod o gyngor gweithredol yr NUJ yng Nghymru a chadeirydd cangen Trinity Mirror yr NUJ. Croeso i chi'ch tri i mewn heddiw.

Bethan Jenkins: Okay. We move on to item 4—news journalism in Wales and evidence session No. 8. A warm welcome to John Toner, NUJ national organiser for Wales and a freelancer; Nick Powell, member of the NUJ's Welsh executive council and NUJ father of chapel of ITV Wales; and Martin Shipton, member of the NUJ's Welsh executive council and chair of the NUJ's Trinity Mirror group chapel. So, a warm welcome to you all here today.

[250] Rwy'n siŵr eich bod chi wedi bod yn gweld yr hyn yr ydym ni'n ei drafod ar y pwyllgor yma o ran newyddiaduraeth leol. Y cwestiwn cyntaf sydd gen i yma heddiw yw: rydych chi yn dweud bod argyfwng mewn darpariaeth newyddion yng Nghymru a bod y ddarpariaeth

I'm sure that you will have followed our discussions as a committee in terms of local journalism. The first question that I have today is: you state that there is a crisis in news provision in Wales and that Welsh news provision has been hit particularly hard by this trend. Can

newyddion yng Nghymru yn cael ei you expand on that? Is there a
tharo'n arbennig o galed gan y duedd distinctly Welsh element to that crisis
hon. A allwch chi esbonio a oes yna in journalism in Wales?
elfen unigryw i broblemau
newyddiaduraeth leol yma yng
Nghymru?

[251] Are you hearing me okay or—?

[252] **Mr Shipton:** I've got a bit of a problem with my translation equipment.
I'm just trying to sort it out. Let me have a look.

[253] **Bethan Jenkins:** We'll send somebody to help you.

[254] **Bethan Jenkins:** Popeth yn **Bethan Jenkins:** Testing. Everything
iawn? okay?

[255] **Mr Shipton:** Good. Let's have a look. No, it's not functioning.
[*Interruption.*] Yes, okay.

[256] **Bethan Jenkins:** A yw popeth **Bethan Jenkins:** Is everything now
yn iawn? A ydych chi'n gallu clywed? working? Can you hear?

[257] **Mr Shipton:** It is. Yes, that's fine. Thank you very much.

[258] **Bethan Jenkins:** Grêt, diolch. **Bethan Jenkins:** Excellent, thank you
Jest yn dweud, felly—rydych chi'n very much. I was just saying,
dweud, fel corff, fod yna argyfwng therefore—you, as the NUJ, said that
mewn darpariaeth newyddion yng there is a crisis in news provision in
Nghymru. A allech chi esbonio a Wales. Can you explain whether that
ydych chi'n credu bod yr argyfwng crisis is unique to Wales, or is it a
yma yn unigryw i Gymru, neu a ydyw broader issue? Or can you explain
e'n rhywbeth sydd yn fwy eang? Neu what you, as the NUJ, have said in
a allwch chi esbonio'r hyn yr ydych this context?
chi wedi'i ddweud, fel yr NUJ, yn
hynny o beth?

[259] **Mr Shipton:** Well, it's obviously a crisis that isn't confined to Wales. It's
a crisis that tends to be prevalent in the English-speaking world in particular,
and that is because perhaps they've been a bit smarter in some of the
European countries by not giving away their entire continent free of charge

on the internet. There are still, in countries like India, huge numbers of newspapers that are sold on a daily basis because they, as yet, haven't really gone down the digital route to any extent. So, it is a crisis that we, I think, are facing in the United Kingdom, together with the United States, in particular. One of the problems that we have in Wales is that the groups that are predominant—and, of course, there's just one group, really, which is predominant in Wales, which has embarked on a digital-first policy, and that has led to a situation where there is a mismatch between the investment that has gone into digital and the fact that still the great proportion of the revenue comes from print.

[260] That's something that they are grappling with, which they find extremely difficult to deal with because, at a time when print circulations are declining, they're hoping to get sufficient revenue from digital advertising to make up for the loss of sales, revenue and advertising revenue in print, but it's just not happening, and that has led to this downward spiral, if you like, where constantly there are job cuts, and that is making things more and more difficult. In local communities across Wales—and, of course, one that has been focused on very greatly is Port Talbot, in your particular patch, Chair—there has been an example of a community that has effectively been abandoned by news organisations to a very large extent. I know that Rachel Howells, who is going to be giving evidence after us, has done a lot of work on this, but I think that that is really quite a significant symbol of what's been happening in Wales.

[261] **Bethan Jenkins:** Diolch yn fawr **Bethan Jenkins:** Thank you very iawn. A oes gennych chi sylwadau, much. John Toner, do you have any John Toner? comments?

[262] **Mr Toner:** Yes. You're asking if it's a problem that's confined to Wales or is replicated elsewhere. It's a problem that's probably been magnified in Wales because of the concentration of ownership of local media that has been allowed to develop, probably since the second world war, where you have now five large conglomerates who own all the local, regional and national newspapers in the country. Of course, I accept that they are businesses, their motive is to make profit, but they're now only businesses. There was a time when local media were businesses, but not only businesses but they were also regarded as a service. So, when a business, which has only a profit motive, needs to make cuts, then the least profitable parts are the parts that are made redundant, if you like. I think that's been magnified in Wales more than in other parts of the country.

[263] **Bethan Jenkins:** Nick.

[264] **Mr Powell:** Well, as far as ITV goes, I suppose I should make the point that, actually, whatever we feel about what's happened in Wales, the English regions have had an even rougher time of it. In Wales we still at least have one dedicated complete news programme and we have several other programmes, most of which are journalistic efforts of various descriptions as well. So, if you are to come on to the issue of what if Ofcom can get ITV to do a bit more, I suspect that there are many people who would think that the English regions will be at the front of the queue if that were to come about.

[265] **Bethan Jenkins:** Okay. Diolch yn fawr. Dawn Bowden.

[266] **Dawn Bowden:** Thank you, Chair. I'm just wondering to what extent you think the growth of hyperlocal journalism has mitigated the potential decline of commercial press. Has it, or not?

[267] **Mr Shipton:** I think it's been very patchy actually. There are examples of hyperlocal journalism that have been successful, but the difficulty is getting a workable business model. Because, the *Port Talbot Magnet*, of course, was run by some journalists who had been made redundant from the *South Wales Evening Post*, and to a large extent it was a pro bono operation because they weren't making very much money out of it, so these hyperlocal operations tend to rely on the goodwill of the people who are working for them, and they can be extremely variable in terms of quality. I know that there is, for example, at Cardiff University, a centre for community journalism, which is trying to nurture skills amongst people who are going to be running these hyperlocal sites, and they are doing some good work. In fact, they came and spoke to the Welsh executive council at the NUJ recently and have been seeking our assistance. But they are very patchy and they are not really getting any revenues to speak of, and therefore they don't really impinge on the so-called mainstream media.

[268] **Dawn Bowden:** Mainstream press, yes. So, that really encapsulates the problem with it as well, then, doesn't it? It's not impacting on the mainstream press, so it's also not helping to maintain some of the local media like the *Port Talbot Magnet*. Is there anything else around hyperlocal or voluntary journalism that you want to say?

[269] **Mr Toner:** I think it's still too early to say what effect and mitigation

that they will have. It's very early days for these hyperlocals, it takes time to build up circulation and advertising support for a small publication. It may be that in time we will see that they have more of an effect, but it's still very early days for them.

[270] **Dawn Bowden:** Yes, and maybe its other organisations that need convincing in terms of the commercial benefit, potentially.

[271] **Mr Toner:** Yes.

[272] **Dawn Bowden:** Okay, that's fine.

[273] **Bethan Jenkins:** Hannah.

[274] **Hannah Blythyn:** On hyperlocal journalism still, I think you said a lot of it is pro bono, it's on a voluntary basis, and there are people who are qualified professional journalists doing it, but there also might be people who just want to have a go in their community as well. So, if we are going along that route now, how do we maintain professional standards? Because I know here people have raised concerns, perhaps, in terms of people not having the legal knowledge as well, with all the pitfalls that that could have. And also, adding to that, too, you'll know that getting into journalism is quite difficult anyway, and to sustain a career is difficult. So, how do we then build on this idea of the professional standards and actually making it an attractive and sustainable career option for young people now?

[275] **Mr Shipton:** Well, I mean, that's something that exercises us at the NUJ a great deal, and, of course, there was a time when people would perhaps go to university, then they might do the postgraduate journalism course at Cardiff University, which is something I did many years ago, for example. And I have always felt very privileged to have had that opportunity. One of my passions in the NUJ, really, is to try to create situations where the next generation can have a proper career path, which is why I sometimes get frustrated by the emphasis that is placed on hyperlocal journalism without there being any kind of career structure or opportunity for people to earn a living from it—you know, just to put the food on the table for their families. So, clearly, there is a need to develop people's skills. I think that's very important.

[276] I do think that the body that's attached to Cardiff University is doing a lot of good work in trying to nurture those skills, and I think there would be

the opportunity for more mentoring to take place, because you can find yourself, if you are seeking to do a proper job, getting into terrible legal trouble. I mean, I'm thinking, for example, of a woman who runs a blog in Carmarthenshire with whom you may well be acquainted. She has found herself in terrible trouble as a consequence of libel actions that have been brought against her, and she is now in a situation where she may find herself evicted from her house. So, clearly, people who get involved in journalism, at whatever level, and if it is a hyperlocal level, they could conceivably be just as likely to get into trouble with big organisations that may not like what they're writing about. And, of course, there are different kinds of hyperlocal coverage. You can get the very local, quite anodyne coverage of local events et cetera. But, sometimes, people are a little more adventurous and want to hold to account the big players in the community and people who are remote, who are making decisions that affect people in the community. And it's once you get to that level that you need to have some kind of back-up. Therefore, I think the Welsh Government, really, ought to give some consideration to what assistance it can offer, because having a vibrant media on a national level in Wales, but also at a local level and, ultimately, to use the term, hyperlocal level is extremely important, and the people who are going to participate need to be properly equipped in order to deal with the challenges that they may face.

[277] **Hannah Blythyn:** So, assistance in what way? Financial assistance?

[278] **Martin Shipton:** Or even having some kind of central organisation that can provide them with help when the need arises.

[279] **Mr Toner:** If I can just add to that, it's a very interesting question that you've just asked. We've got an emerging voluntary workforce that does not have the requisite skills to do the work that they're trying to do. And we have a very recently-made-redundant workforce that does have the skills and experience. Year by year, journalists in Wales are losing their jobs. Most recently, the subbing hub at Newport was closed down. Now, I met journalists there who had 20, 30 years' experience and were extremely good at their jobs. There surely should be some way to utilise those people's skills in helping them to train and mentor the new people who are coming into the industry and who need the skills that they have.

11:30

[280] **Bethan Jenkins:** Nick, did you want to add anything?

[281] **Mr Powell:** One thought, of course, is building on the work that NUJ Training Wales already does, which is in receipt of what is, ultimately, Welsh Government money, because it does offer, at very affordable rates, the chance for people to train in various skills that they need. As John surely knows, the biggest sector of our membership, the one that's growing all the time, is freelance members. Now, some journalists become freelancers because they think that's the way to prosper. A lot more, bluntly, are involuntarily becoming freelancers and doing their best to stay in the industry that way, and therefore obviously they're not getting the kind of support that traditionally people got from their employers. As I say, in a, I think, significant way, NUJ Training Wales has been helping with that.

[282] **Bethan Jenkins:** Rydw i jest **Bethan Jenkins:** I just want to ask, on the basis of what Hannah asked, oedd Hannah wedi ei ofyn, ynglŷn â what the Government could actually do. What would a department within beth fyddai'r Llywodraeth yn gallu ei do. Government look like if it's not going to provide funding for individual wneud. Beth fyddai adran o fewn y Government look like if it's not going to provide funding for individual Llywodraeth yn edrych fel os nad ydy projects? In an ideal world, what do hi'n mynd i roi arian ar gyfer you think that support would look credu, mewn byd delfrydol, y like if there were an opportunity for byddai'r gefnogaeth honno'n edrych us to recommend something to fel petasai yna siawns inni argymhell Government? rhywbeth i'r Llywodraeth yn hynny o beth?

[283] **Mr Shipton:** I'm not necessarily saying that they shouldn't provide direct funding. I've seen this week, for example, that the Welsh-language newspaper *Y Cymro* is asking for funding—further funding. *Golwg*, of course, gets funding already, so I don't think that that should be ruled out. I think also that there could be scope for new ventures to receive grant funding as job creation operations in the same way as any other industry. But I do think that, because of the importance of journalism and news provision to our democracy, it would be worth the Welsh Government giving some thought to having some kind of central advisory body that may be in a position to offer assistance to organisations or to groups of people or community-based individuals who were thinking of setting up a new venture. It could be an extension, really, of the kind of business advice that already exists, but tailored to the needs of an organisation that was seeking to provide a news service.

[284] **Bethan Jenkins:** Diolch. Suzy Davies.

[285] **Suzy Davies:** Thank you. Actually, you've just answered my first question, there, so that was very helpful. You mentioned that the Welsh Government might have a role here in providing advice or grants, but you've also said—the NUJ, now—that:

[286] 'The Assembly should use its influence to see how Google and the like can be persuaded to aid start-up ventures in Wales.'

[287] Now, were you making a point there that Google already does this, it just doesn't happen to do it in Wales, or that Google doesn't do it all and it's about time they started?

[288] **Mr Toner:** To the best of my knowledge, Google doesn't do this at all, but we have worked with Google over the past couple of years. They have provided free training for literally hundreds of journalists on their own Google News Lab journalistic system. So, Google are very interested in engaging with journalists, providing journalists with training, and they have a not inconsiderable budget for doing this—you can imagine what kind of budget they might have. So, this might be something that Google is interested in.

[289] **Suzy Davies:** All right. So, this is something that Google is sort of doing, we just don't know about it particularly. Because my obvious question is: two of you here work for big private companies, why aren't your companies doing this? Or are they?

[290] **Mr Toner:** I think you have to contrast Trinity Mirror's annual income with Google's annual income. There is quite a big difference.

[291] **Suzy Davies:** Its reach is also considerably different, so, if we're keeping this within Wales, or, I suppose, we could look a little further, the same principle is there: why Google? I'm glad that they're doing something, but I don't know enough about what they're doing, so perhaps you can fill us in a bit on that.

[292] **Mr Toner:** Google has a very bad reputation among journalists for reproducing journalistic material without making any payment for it. I believe that this was a public relations attempt, which we found useful and we're

happy to collaborate with it.

[293] **Suzy Davies:** Okay. Well, that's quite helpful, but my wider point on why Google, why not other private companies with great influence—

[294] **Mr Powell:** Well, ITV has got involved, in recent years, in apprenticeship schemes, in bursaries to go on the course at Cardiff University, that kind of thing. I suppose you could turn that question around and say, 'Why are they suddenly finding the money to do that when they've had a flat budget for all these years and generally shown other signs of financial strain?' The answer partly lies—or largely lies, actually—in the decline of local newspapers. Typically, people used to join HTV, as it was, in their 30s, having spent a decade working in local newspapers and building up their knowledge and training and skill that way. Now, the recruitment is typically of people in their 20s, who probably have got—well, certainly have got—a qualification, but haven't had much experience. And so, essentially, what you're seeing is money having to be spent on managing that process as it were, bringing the right people forward and trying to encourage a diverse range of recruits and so on.

[295] **Suzy Davies:** Can I ask very quickly on that? Sorry, Martin, I will come back to you. You may not know the answer to this, but, of the ITV apprenticeships across the whole of Britain, do those who go through the process tend to stay in the organisation? They may move within Britain, but, if it's trained by ITV, do they stay with ITV?

[296] **Mr Powell:** I can really only answer for the people who've come through ITV Wales in the last few years, and the answer is, 'for the most part, yes'.

[297] **Suzy Davies:** That's good to hear. Sorry, thank you.

[298] **Mr Shipton:** Just re-emphasising the point that John was making, Google and Facebook in particular are scooping up huge amounts of revenue on a worldwide basis from journalism, and they're not paying for it, and therefore recently they have been involved in something of a charm offensive, where they have been going out, reaching out and having these Google labs. They've had a couple of such sessions in Cardiff, actually. But, really, there is a need, I think, to look at the revenues that these two organisations get, and whether there would be any possibility—it would have to be on an international basis—of levying some kind of charge on them.

[299] **Suzy Davies:** So, effectively, they're stealing news at the moment.

[300] **Mr Shipton:** They are, yes.

[301] **Suzy Davies:** That's great, thank you.

[302] **Bethan Jenkins:** Jeremy Miles.

[303] **Jeremy Miles:** Thank you. We were just discussing local papers, and you helpfully drew out earlier the distinction between papers as being a business and papers as being a service. In the note from the NUJ, you talk about local papers being regarded as a community asset, being treated in some way as a community asset. Can you just elaborate on how that might look and what it might mean in terms of support or a different, changed status, if you like?

[304] **Mr Shipton:** Well, under the previous administration, when Eric Pickles was the Secretary of State for Communities and Local Government, there was an Act that was passed that had a provision for local community buildings to be safeguarded to a degree. So, if there was a building in a particular community that was regarded as providing a valuable service to the community, it wouldn't be possible for the owner of that building simply to shut it down overnight and say, 'That's the end of it'. There is a provision in the Act for there to be some kind of stay on the closure of it, to give local people the opportunity to raise funds in order to buy it for community use and for community ownership. So, the NUJ has argued over recent years that, in the same way as perhaps a local village hall is a community asset, so too is a local newspaper. In many cases, these newspapers have been around for a century and a half or more, and it seems unreasonable that somebody sitting in a remote office, possibly in London, possibly even further afield, sometimes in the United States, can suddenly make a decision, 'This newspaper isn't making enough money; we're going to shut it down,' and what they can do at the moment is just shut it down overnight. So, there would be no opportunity for anybody in the community to say, 'Hold on a minute. We would like the opportunity to be able to take this on board.' So, that's essentially the core of the proposal.

[305] **Jeremy Miles:** That's helpful. As it happens, I submitted a community assets Bill into the backbench Members' ballot. Not successfully, but—.

[306] **Mr Toner:** Can I say a bit more on that? If community newspapers are to survive or to appear and then survive, we're going to have to look at a different model of ownership. A shareholder's model has not worked. The reason the industry is in crisis is because newspapers became a vehicle for providing dividends to shareholders, and for no other purpose. We need not just a community service, but a community stake in the ownership of the newspapers. Obviously, that type of model is up for discussion, but I think that's got to be the basis of any successful attempt to revive and restore local newspapers as a service.

[307] **Jeremy Miles:** Okay.

[308] **Bethan Jenkins:** Sorry, did Lee want to come in particularly on this community asset point?

[309] **Lee Waters:** No, no. I can wait.

[310] **Bethan Jenkins:** You're okay.

[311] **Jeremy Miles:** I don't know if you saw the evidence that we had from Cardiff University in the previous session. They were talking about different ways of intervening, if you like, to support news journalism, including hyperlocal journalism. They were suggesting, for example, that hyperlocals should be entitled to publish statutory notices and get the revenue stream that comes with that, which is potentially significant. And also, I think your evidence contained this sort of proposal as well, a sort of start-up fund that would back the establishment of hyperlocal news outlets, if you like. Do you think those are likely to be effective at turning around what is a challenging situation?

[312] **Mr Shipton:** I think it would certainly help; any measure of this kind would help. It's obviously got to be, if you like, a package of assistance, and there isn't a single silver bullet, but a number of different initiatives, having as a backup perhaps some kind of central resource that offers advice and that these organisations can go to—because, clearly, they can start off with enthusiasm and then sometimes they can get into some difficulty, maybe because personnel have changed or whatever, and they really need, I think, to be nurtured and sustained so that they can become a continuing valued resource for local communities.

[313] **Jeremy Miles:** Yes. Cardiff University is developing a kind of network,

isn't it, for that purpose?

[314] **Mr Shipton:** It is, yes.

[315] **Jeremy Miles:** That may offer one potential route. It's something you might want to look at around that.

[316] **Mr Shipton:** Absolutely.

[317] **Jeremy Miles:** Okay.

[318] **Mr Shipton:** Yes.

[319] **Bethan Jenkins:** Lee.

[320] **Lee Waters:** I just wanted to put the alternative view that we've heard from the management of ITV and Media Wales. It's that, clearly, the commercial—these are commercial organisations—business model has been under considerable strain through technological disruption, and, whilst print sales have collapsed, online viewership, readership, is very, very healthy. The nature of the journalism is changing, but that's analytics led: it's responding to demand. Are we not in danger of simply trying to maintain gas lighters or their modern equivalent? The market is changing and consumers are responding.

[321] **Mr Shipton:** I think that the trouble with that analysis is that it makes assumptions about the audience that it's seeking to reach. The danger of it is that it's going to go for a kind of lowest common denominator approach, where, in order to get more views, we're going to be seeking out, in what could arguably be said to be quite a cynical fashion, the kind of things that people might be interested in in their lives, like McDonalds or Burger King or some other kind of food outlet, and I think that there is evidence that this kind of thing is going on where they are deliberately putting in time and effort in order to get clicks, and sometimes the danger with that is that you put so much emphasis on seeking just to get clicks that you forget the public interest value of journalism and quality journalism, which can itself, actually, also lead to clicks. One of the biggest stories this week—and I'm not boasting about this, I'm just saying that this happens to be the case—. One of the biggest stories in terms of clicks this week on Wales Online has been our revelation of the benefits that would have accrued, hopefully, to—so far as they were concerned—the family behind the Circuit of Wales project. So,

there is an appetite for serious journalism. Sometimes, I think that newspaper managers get it right and are happy to go down that route. The easy route, though, is to adopt a rather cynical policy of just trying to manipulate people by writing non-stories about food outlets.

11:45

[322] **Lee Waters:** Again, the counterargument is that Media Wales is not a public service broadcaster. It's a commercial operation trying to make money. The advantage that analytics offers is that we now know—and the editors now know—what people are interested in. So, they've told us it's definitely within their commercial interest to continue to provide serious political coverage because the ABCs need that to attract the advertisers, and their business needs that for the mix. So, is there not a danger that we become rather old-fashioned in trying to curate a sense of what the readers should read that they actually aren't interested in?

[323] **Mr Shipton:** On that particular point, I think there is a danger in disrespecting the experience and expertise of seasoned journalists who know what it is important that their readers should know about.

[324] **Lee Waters:** They may not want to read it.

[325] **Mr Shipton:** Hmm?

[326] **Lee Waters:** They may not want to read it.

[327] **Mr Shipton:** I think that if something is of sufficient significance, they will want to read it, and I think the problem is that, at the moment, we've got perhaps too many people in the profession who are taking an un-serious view of what journalism is about. It is not simply a commercial enterprise. It is, of course, a commercial enterprise, but there is also, within journalism—and there always has been within journalism—a mission to inform people about important matters in society.

[328] **Lee Waters:** And you've quoted an example of where that's been done, and it's been commercially successful this week.

[329] **Mr Shipton:** Exactly. So, that's good.

[330] **Lee Waters:** So, the model isn't broken, then.

[331] **Mr Shipton:** The model is broken because there is no correlation between clicks on the website and revenue. That's the problem that they face: that they are concentrating on getting more and more clicks. In order to achieve more and more clicks, they sometimes resort to emphasising, shall we say, lighter, more lifestyle-based material in order to get the clicks. But the difficulty that the industry is in is that the magnitude of those clicks—the quantum of those clicks—is not replicated in the quantum of revenue.

[332] **Lee Waters:** Okay. Can I move the questioning on?

[333] **Bethan Jenkins:** [*Inaudible.*—Neil Hamilton is going to come in first, and then you can come back.

[334] **Neil Hamilton:** I'd just like to follow on from that, actually, because if we're talking about public interest journalism, can you really justify the proposition that your big story of the week, you know, is journalistic sleuthing? That story must have come from inside the Welsh Government, who are spoon-feeding you something to deflect attention from the much bigger story that they didn't want uncovered, and on which no work has been done by journalists in Wales.

[335] **Mr Shipton:** Not even you, Neil, would expect me to reveal my sources.

[336] **Neil Hamilton:** Well, you don't have to because only about a handful of people had the document, the details of which you published, and we know who they are, and we know that they're all inside the Welsh Government. So, it's QED. But I don't object to you—

[337] **Bethan Jenkins:** We're not going to get into particular stories.

[338] **Neil Hamilton:** No, but it's to follow up the general point.

[339] **Bethan Jenkins:** Yes. That's fine.

[340] **Neil Hamilton:** Yes, I'm all in favour of journalistic sleuthing. I wish we actually saw more of it, but the problem with public funding, of course, is that he who pays the piper tends to call the tune. Yes, it would be great if we could go back to the old days that you and I, and we all, remember, in the 1960s and 1970s, but the economic model that sustained that is not going to return to us. So, I don't know what we can do, ultimately, because we can't

turn the clock back, much as UKIP would like it. But it's less clear how we can sustain careers. It's no good just training journalists for jobs that are never going to exist.

[341] **Mr Shipton:** Well, this is why it's important to have intervention of various kinds, which we've outlined in our case.

[342] **Mr Toner:** Can I just go back to Lee's last point? I do fully understand the argument that you're making, and you're making it very well. Yes, you might compare us to fifteenth-century monks sitting around, creating illustrated manuscripts and saying, 'Ah, this bloke Caxton, with his printing press, that's rubbish. That will never catch on'. [*Laughter.*] Okay, I understand that.

[343] **Lee Waters:** Having worked with Martin and Nick, monks wouldn't be the parallel I would immediately draw. [*Laughter.*]

[344] **Mr Toner:** I also think—Martin mentioned McDonald's. Okay, it's fortunate for McDonald's that there's no such thing as a digital hamburger, otherwise they'd be giving them away online. But, what we're arguing is that there is still a demand for print, simply not the print products that are currently being offered, which are under-resourced and, of course, are not providing the readers with the service that they were getting 10 or 20 years ago. Circulation has fallen, I would argue, because the product has worsened and people are not getting what they used to get from it. Let me give you one example that we haven't mentioned yet, which is the *Caerphilly Observer*. When that was being launched, it was being launched as a digital publication—as a website—but the local advertisers said, 'No, we don't want to advertise online, but if you launch a print version, then we'd be happy to give you advertising', and that's what happened. So, although in many ways your argument is a very powerful one, what I'm arguing is that there are still a place for print in our society, and I think local newspapers is one of those places. It's also unsurprising that the print titles that are still thriving have not changed their format. If you think of the successful publications in print: the *Financial Times*; *The Economist*. *Private Eye* put on 10 per cent circulation last year, and it now sells almost twice as many copies as *The Guardian*.

[345] **Lee Waters:** These are niche publications though, aren't they, and there is a market for niche.

[346] **Mr Toner:** Well, it's niche, but it's investigative journalism, isn't it? It's

what we would all like journalism to be about.

[347] **Lee Waters:** Sure.

[348] **Mr Toner:** And that's one of the reasons why people—

[349] **Lee Waters:** Sorry, can I just move us on, because I want to be persuaded by this idea, but one of the reasons we've held this inquiry, rather than just bemoan the state of the industry, is to try and see whether there is some kind of economic model that would allow this kind of journalism to thrive again in Wales. Now, the only answer that has been come up with so far is to try and raid the BBC's coffers to try and shore up journalism outside of London. You are concerned in your evidence that this will simply plug gaps that commercial organisation have created to maximise their profit. I'm interested in the example that you gave from 10 years ago in north Wales, where the BBC did set up the 'where I live' strand with producers and teams in both Bangor and Wrexham, but, under pressure from the commercial sector, were persuaded to scale those back. So, there are some grounds for cynicism, I guess, about the motivations of the private sector here, but is there a way, you think, of harnessing this funding that is being released from the BBC to achieve the objectives that you want to see?

[350] **Mr Toner:** There must be, but we haven't even thought about that yet. We'd have to come back to you on that one. It's not something we've even considered.

[351] **Lee Waters:** Okay. Thank you.

[352] **Bethan Jenkins:** Okay. Neil Hamilton.

[353] **Neil Hamilton:** I don't know whether you're able to help us in relation to Welsh language journalism in Wales, and what assessment you might have made of the health of Welsh language journalism vis-à-vis English language journalism. We've had evidence from Bangor University that Welsh language journalism's been going through a golden age in comparison with English language journalism, basically because of public funding—you've already referred to Golwg—and because the Welsh Government has this million Welsh speakers objective and, obviously, publications and tv programmes in Welsh are an essential part of achieving that objective. Are you able to give us your view as a union on the state of Welsh language journalism?

[354] **Mr Shipton:** Well, clearly there are Welsh language communities which, for many years, have valued their local publications. I think there's some irony in the fact that, while there is a lot of hand-wringing, if you like, about the prospect of subsidising English language publications, that doesn't seem to have entered people's consciousness so far as the subsidy of Welsh language publications is concerned, because it has been going on, and there haven't, so far as I'm aware, been any conflict-of-interest problems. It is quite easy to set up arm's-length funding operations to avoid the actuality or the perception that Government is somehow controlling these publications. So, I don't really think that would be an issue.

[355] Clearly, a few years ago, I know that there were quite a number of people who contributed to a fund in order to try to get a Welsh language daily newspaper going in Wales. It was going to be called *Y Byd*, I think. Quite a few people lost their money as a consequence, because the economics of it just didn't stack up. So, that would be extremely difficult, which is why, ultimately, *Golwg360* came along. That's a website that is funded via the Welsh Books Council, and there was a competition that took place, and I know that Trinity Mirror did make a bid at the time and lost out to *Golwg*. That's all very well, but it does show that it is possible to have public funding for journalism. So, I think that's the example that Welsh language journalism in Wales perhaps shows—that you can have public funding for journalism and it doesn't have to compromise the editorial integrity of it.

[356] **Neil Hamilton:** Have you got a view on that, Nick, at all?

[357] **Mr Powell:** Well, absolutely. We, clearly, as a commercial venture—. ITV Wales makes programmes for S4C and, clearly, the money that is buying those programmes is overwhelmingly public money. It's no secret that S4C's budgets have been squeezed very hard in recent years, and I would certainly praise my Welsh language colleagues for having kept standards so high despite those problems.

[358] **Neil Hamilton:** Obviously, the population that is potentially going to be served by Welsh language journalism is relatively small, whereas the English language is universal. Do you think that there are different solutions that are applicable to Welsh language journalism that won't apply, for practical reasons, probably, in relation to English language journalism? Is it easier, therefore, to provide for Welsh language publications or broadcasting output than to do what you want to do for the English language media? In other words, you can't really just extrapolate from what happens for Welsh

language journalism to taking the much, much bigger market that is potentially available for English language products.

[359] **Mr Shipton:** I don't think there are any hurdles in principle that couldn't be jumped. As I said, I think that the public funding of Welsh language journalism shows that it can be done without compromising editorial integrity, and, therefore, I don't see why it couldn't work also in English language communities.

[360] **Neil Hamilton:** John, do you have a view?

[361] **Mr Toner:** No, I agree with what Martin said.

[362] **Neil Hamilton:** Okay, great.

[363] **Bethan Jenkins:** Lee Waters.

[364] **Lee Waters:** Can I just jump in on that example, because there is a precedent in English language magazines that are funded via the Welsh Books Council? And a number of publications are funded. The trouble is nobody reads them. So, *Planet*, for example, gets, I think, something in the realms of £80,000 a year of public subsidy and they sell something around 200 copies. So, there is a judgment about to what extent should the state be trying to intervene to disrupt the market for something where there isn't much demand there, set against the need for plurality and choice to keep culture alive and vibrant.

[365] **Mr Shipton:** *Planet*, of course, is a niche cultural publication that isn't news focused. It has a lot of high-powered, intellectual critiques within its pages. [*Laughter.*]

[366] **Lee Waters:** When was the last time you read it?

[367] **Mr Shipton:** I get a free copy sent to me, so I do have the chance to—

[368] **Lee Waters:** Do you read it?

[369] **Mr Shipton:** Not from cover to cover, I have to confess. [*Laughter.*] But I think what we're talking about is more grass-roots journalism, for which I am certain that there remains an appetite.

[370] **Mr Powell:** It's perhaps just worth reminding the committee that *Planet* was revived with the aid of a Welsh Arts Council grant because the Welsh Arts Council lost its nerve, bluntly, about *Arcade*, which was a news magazine, not unlike *Golwg*, which just very slightly rattled a few cages, and that was enough for them to think, 'We shouldn't be subsidising this. Let's go back to *Planet*', which they had previously subsidised, and which doesn't cause the same sort of shivers down the spine.

[371] **Lee Waters:** So, what's the moral of that story? What do we draw out of that?

12:00

[372] **Mr Powell:** The moral of that story is that you've got to be—as has successfully been done with *Golwg*—you've got to learn to be arm's length and accept that sometimes that money you voted it is going to say something about you that you would rather had not been brought to public attention.

[373] **Bethan Jenkins:** Can I ask a question specifically for Martin? We're going to be getting Trinity Mirror from Wales in. We've struggled—well, we've been told that UK Trinity Mirror don't need to come in because the Welsh arm can answer the questions that we need. But I'm just wondering whether you would agree with that, because a lot of the decisions, as John Toner mentioned earlier, would be to do with the shareholders, would be to do with that UK decision. I've actually been told before that the Welsh arm can then only do what they can with the budgets that they've got. So, what would you say to that? Also, we touched on Port Talbot earlier, but we haven't touched on the *Evening Post* being subsumed into Media Wales. Do you think that that plurality is being diluted by that very action in and of itself?

[374] **Mr Shipton:** Trinity Mirror is actually quite a centralised organisation. In pay terms, for example, decisions are taken at the centre. I'm afraid sometimes we go through this farce of having meetings with local managers who then repeat to us what the offer is, but the offer has been dictated to them by their bosses in Canary Wharf. So the whole thing is a bit of a charade.

[375] While I personally have a lot of respect for the managers of Media Wales—I've worked with them for years and I know them; they are very well intentioned, there's no question about that—they have to operate within the

parameters that are set down for them on a policy basis, again, from Canary Wharf. So, Trinity Mirror will have said to you exactly the same as they say to us when we're asking for pay talks. They did in fact have a couple of years when we did have national pay discussions, but they've decided to revert to local pay discussions now, and you do go through the charade of just being offered what everybody else is being offered, and the local managers have no discretion. So, while obviously the local managers will have discretion over particular stories and over how stories should be presented, it all has to be done within the overall context of the guidelines that are laid down by Trinity Mirror.

[376] One thing that I have noticed, actually, since the *South Wales Evening Post* came into the stable is that, for example, more of the stories from the *South Wales Evening Post* are now appearing in the *Western Mail*, which in a strange kind of way gives more of a national feel to the *Western Mail*. Actually, also there are more stories from north Wales appearing in the *Western Mail* than used to be the case, and this is because there is a sort of copy-sharing arrangement that takes place where material that is written for one Trinity Mirror publication can be used by others, and—

[377] **Bethan Jenkins:** But isn't the problem there, then, that people would be buying the *Evening Post* and saying, 'Well, there might not be any point in my buying the *Evening Post* anymore because I can get the story in the *Western Mail*'?

[378] **Mr Shipton:** Indeed. That is the absolute problem. But of course this all stems from the economic difficulties that they have. Because the business model isn't working, they've been cutting back on the number of journalists they employ and this is the way that they're filling the papers.

[379] **Bethan Jenkins:** Any other comments?

[380] **Mr Toner:** I think that goes back to the earlier point I made about the concentration of media ownership. If Trinity Mirror hadn't be allowed to own everything we wouldn't be having this problem. That's not your fault, by the way.

[381] **Bethan Jenkins:** Thank you. I appreciate that. Other things are. Any other questions? Okay. Well, we'll be in touch, I'm sure, with any more information on this inquiry. If you have anything to add, then please do send it to us. But thank you for coming in. Diolch yn fawr iawn.

[382] Rydym ni'n mynd i gael We will take a five-minute break.
seibiant o bum munud. Diolch. Thank you.

Gohiriwyd y cyfarfod rhwng 12:04 ac 12:16.
The meeting adjourned between 12:04 and 12:16.

Newyddiaduraeth Newyddion yng Nghymru: Sesiwn Dystiolaeth 9

News Journalism in Wales: Evidence Session 9

[383] **Bethan Jenkins:** Rydym ni wedi **Bethan Jenkins:** We are now back in
mynd i sesiwn gyhoeddus nawr. public session.

[384] I don't know if you want to—

[385] **Dr Howells:** Na, mae'n iawn. **Dr Howells:** No, it's okay.

[386] **Bethan Jenkins:** Rydym yn **Bethan Jenkins:** We move to item 5,
symud at eitem 5, newyddiaduraeth news journalism in Wales: evidence
newyddion yng Nghymru: sesiwn session 9. Unfortunately, we have
dystiolaeth 9. Yn anffodus, rydym received late apologies from Thomas
wedi cael ymddiheuriadau hwyr gan Sinclair, editor of *Pembrokeshire*
Thomas Sinclair, golygydd y *Herald*, but I would like to welcome
Pembrokeshire Herald, ond croeso i Rachel Howells, editor of the *Port*
Rachel Howells, golygydd y *Port Talbot Magnet*.
Talbot Magnet.

[387] **Dr Howells:** Wel, cyn-olygydd, **Dr Howells:** Well, former editor,
really. *really*.

[388] **Bethan Jenkins:** Cyn-olygydd. **Bethan Jenkins:** Former editor. Well,
Wel, ie, yn anffodus. Diolch am ddod yes, unfortunately so. Thank you very
i mewn heddiw. Rwy'n siŵr eich bod much for joining us today. I'm sure
chi wedi gweld y trafodaethau you will have seen our previous
blaenorol. Y rheswm pam rydym ni'n discussions. The reason we're having
cynnal yr ymchwiliad yma yw trio this inquiry is to seek solutions to the
edrych am atebion i'r sefyllfa sydd situation that currently exists in
ohoni ar hyn o bryd o ran dirywiad y terms of the decline of journalism.
newyddion. A allwch chi jest esbonio Can you just explain to us briefly
i ni yn fras a ydych chi'n credu bod whether you think there is a crisis in
yna argyfwng o ran newyddiaduraeth terms of local journalism, and is

leol? A oes yna argyfwng sydd yn there a uniquely Welsh crisis, or is benodol ac yn unigryw i Gymru, neu this a broader issue in your view? a ydy hynny'n rhywbeth mwy eang yn eich barn chi?

[389] **Dr Howells:** I'm going to switch to English now, because all of the research was done in English and all the writing has been done in English.

[390] **Bethan Jenkins:** That's why I didn't know you spoke Welsh.

[391] **Dr Howells:** This is true. I hide it very well. Repeat the question to me again, please; I got distracted there.

[392] **Bethan Jenkins:** A ydych chi'n meddwl bod argyfwng mewn newyddion lleol, ac os ydych chi'n credu bod yna elfennau unigryw i Gymru, neu a yw'n rhywbeth sydd yn fwy eang na Chymru yn unig. **Bethan Jenkins:** It was just whether you thought there was a crisis in local news, and whether you think there are uniquely Welsh elements to that, or if it's something that is broader than just applying to Wales alone.

[393] **Dr Howells:** Yes, there is a crisis in local journalism, unfortunately, and it's been unfolding for decades. It's come about in lots of different ways and because of lots of different reasons, but I would say it's been accelerated by the advent of the internet, by digital media and by newspapers becoming excited about all of the opportunities that were offered by the internet but unfortunately came jumping in, perhaps without a clear model for getting revenue from digital. So, now we have an audience that's very used to and comfortable with receiving free news and not paying for it. It's expected, almost, that that should arrive on your phone or in your home somehow without any real understanding of how that's paid for, who provides it and with quite an animosity towards online advertising from the audience side as well—ad blockers, for example, which has made it very difficult for those newspapers to obtain the revenues. While they've done incredibly well, and successfully in lots of ways, at gaining audiences, and younger audiences, and they've done some very exciting things with multimedia, those audiences aren't necessarily garnering the digital revenue. Something that I found through the research—and you'll see it in my thesis, although it's not in this submission—was that Trinity Mirror, in gaining those digital audiences, increased by something like 30 million in its first—between a certain period. I can't remember the period; I think it is 2002 to 2009, something like that.

So, it went up by 30 million, and by anybody's standards, that's a huge increase, and well done them for gaining that digital audience, but meanwhile their print revenues went down by something like £270 million. So, for every £1 they gained online they lost £7.91. To stay in business, really, and to maintain profit levels—and I hope you've heard from others that the profit levels have been maintained at quite a high level for a lot of these large media companies—the owners have protected the bottom line by cutting staff. I've been able to see in Wales some 60 per cent to 90 per cent staff losses, just from looking at the annual reports of newspaper companies.

[394] If you look back, they were predicting that local newspapers would close and that would be the end of local newspapers. That was happening 10 years ago. People were sort of saying, 'This is the end'. But what's actually happened is we've got zombie newspapers where what's happened is all the cutting is happening behind the scenes. So, you've got titles that once had a full staff and editor, a photographer, three or four reporters—through the Valleys, the Celtic weeklies are a good example of this—a sub-editor overseeing all of that, a kind of a machine, and each one of them had a district office and served its community.

[395] What you now have is a converged newsroom in Cardiff with communities that feel quite remote from those journalists and perhaps the journalists are quite unaccountable to those communities. That's certainly what I found in Port Talbot, anyway. Did that answer your—? I didn't address your 'Is it different in Wales?' point. I think—

[396] **Bethan Jenkins:** Ofcom have said that we are served less well by other forms—commercial radio and such—anyway, so that's really what I was trying to ask.

[397] **Dr Howells:** Yes, and there's not one large, single newspaper that covers the whole of Wales either. Although the *Western Mail* says it's the newspaper of Wales, the penetration and the readership of that in north Wales—you know, the *Daily Post* is the favoured newspaper up there. So, there isn't really one single newspaper that I would say serves the whole of Wales. Traditionally, the weeklies have performed a lot better than the dailies in Wales, and they were more resilient for longer when the circulation declines began to hit.

[398] Is it different? It's different because already there was a structural weakness in Wales, so we were already a little bit behind the game. If you

look at it comparatively with Scotland, with the strength of the daily newspapers up there, in terms of the political debate that they have and calling people to account—you know, you have lots of different voices. It's a bit more homogenised in Wales, and ownership underpins that. It's more homogenised in ownership structures as well.

[399] **Bethan Jenkins:** Diolch yn fawr **Bethan Jenkins:** Thank you very iawn. Rydym yn symud ymlaen at much. We'll move on to questions gwestiynau nawr gan Hannah. from Hannah.

[400] **Hannah Blythyn:** Diolch, Chair. At the same time as we've seen this decline in the traditional commercial press in Wales, we've obviously seen this increase in hyperlocal journalism, volunteer journalism and online sites. To what extent do you think—I know there's obviously issues within that, but to what extent do you think that has mitigated that gap in that news deficit?

[401] **Dr Howells:** I think it's a good start. I don't think that it has the resources yet, or the skills underpinning it either. I worry that perhaps, in Port Talbot, for example, we missed the boat, in a way. One of the problems we had was recruiting volunteers with the skills needed, and freelancers with the skills we needed, because they'd sort of migrated into other industries, or into communications and PR. So, a lot of the journalists—and in my submission, you'll see that even the seven founding members of the board went off quite quickly when there weren't salaries involved. Of course, you've got to pay your bills at the end of the day, haven't you? Journalists aren't charities. This is a job, it's a profession.

[402] So, I think that's a problem in that the skills pool, the freelance pool, perhaps isn't there like it was, and that perhaps journalists are finding it easier to find other jobs, rather than put themselves on the line. It's a big commitment to start a hyperlocal. I can testify to this completely—it eats up your life, it takes over your life. It's a privilege to do it, but it's a huge commitment, and it's not always financially rewarding. In fact, it wasn't at all for me really. It was an experiment that we did with the *Port Talbot Magnet*, and it was an experiment, ultimately, that unfortunately failed.

[403] **Hannah Blythyn:** That actually leads me quite nicely to my next question—if you want to expand on what were the major challenges. I know, unfortunately, it's folded now, but if you could do it again, what are the learning points? What needs to be done differently to make it more sustainable, and perhaps what could we be recommending is the support

needed to make that possible?

[404] **Dr Howells:** I'm sure you've heard elsewhere that the *Magnet* did manage to gain £10,000 of funding, but we were quite far into the project by that point. But it did enable us—it sort of was a bridging grant really, to enable us to go into print, and going into print helped us no end. It increased our reach in the town. It got our name out there in a way that, even though we had been there for three years, wasn't out there in the same way before we started turning up on their doorsteps every month. The revenues, as well, that print allowed us to access were so different, once we went into print. That meant we could start paying people; although obviously the costs are higher, it also had that little chunk of being able to pay freelancers as well. Does that answer your question? I don't know if I have gone far enough.

[405] What were the challenges? Well, there are so many, really: that skills pool; that—. One of the big problems that we had was in recruiting an advertising sales person, and to try and get them with enough incentives to get out there and sell. We didn't find there was enough wealth or willingness, really, in the business community to support us. What lessons could we have learned? Perhaps, as a co-operative, I think we spread the load and spread the responsibility and the duties. But, once everybody drifted off and did other things, the co-operative model didn't really do us the favours that we would have liked it to have done, and I don't think that local people felt that they had that ownership of the co-operative either. But, I don't think that co-operatives are necessarily a bad way of going forward in the sector. I just don't think that it particularly worked for us.

[406] **Hannah Blythyn:** Linked to the revenue, in your paper, you say something about the fact that you had trouble accessing funds because they weren't set up in a way to serve what you were doing.

[407] **Dr Howells:** Yes. At the very beginning, when we first started out, hyperlocal didn't really exist. The word 'hyperlocal' didn't really exist, so we had to go to existing funds like the Big Lottery. They were really geared around capital grants like furnishing community halls or, you know, working with disadvantaged groups, basically. So, there was nothing, really, that served us. Carnegie was the first one really to catch up and say, 'Well, here's some dedicated money just for fostering local news.' As a community good, it is something that is necessary—to have an informed, represented community with access to scrutiny. So, to have that understanding in the grant-giving community took a few years, to be honest, before we were even

able to access it. And then, once we did, that money ran out, and then, of course, Port Talbot went into the economic slump that it did around the steel crisis, which finished off what was already quite precarious, really, and built on a lot of volunteer time.

[408] **Hannah Blythyn:** Okay, thanks.

[409] **Bethan Jenkins:** Suzy has an—.

[410] **Suzy Davies:** I just wanted to ask you: you mentioned earlier on the difficulty in recruiting people of sufficient professional standard to give any model the sort of sustainability it would need. Yet we heard earlier that Cardiff University has got a break-out group that is studying community journalism, and community news journalism. So, there are people with an interest in doing this and who are coming through the system, if you like. But, where are they going to go after? Are they choosing a pointless direction, in a sense?

[411] **Dr Howells:** I don't think they are because there are successful examples of hyperlocal around the place. Look at Caerphilly—that's a great one. Around London there are lots of successful ones; the *Brixton Bugle* is a great example. So, there are successful ones—I think *The Lincolnite* is another—where youngsters have come through universities with those skills and with that entrepreneurial mind-set, and all the digital know-how, and kind of wanting to almost play in the sandpit and develop new ways of doing it. *The Lincolnite* is a great example because it's gone into partnership with the traditional legacy media newspaper that is there, and they are bringing in a younger audience to that newspaper. So, they have worked out a really good partnership between the two. So, I don't think so at all. I think it's a burgeoning sector. I think that, in some ways, the problem that we had was a geographical one and a community-based one. But also, that community is almost in more need.

[412] If you look at Bristol, *The Bristol Cable* is a co-operative with 400 members, operated by skilled local people. There are graphic designers who are making these amazing infographics. They have got an alternative journalism style—so, they are going out and doing investigations. They are doing some really interesting stuff. They are in print. They are monthly. They have got this huge team. They send off teams of reporters to do each story every month. But, Bristol is a huge city with a bank of people who have passions and time on their hands to do this, and who want to support

something financially that they feel is answering a need that isn't being answered elsewhere. So, I don't ever see that being able to be replicated somewhere like Port Talbot. Something different needs to be done there, where—.

12:30

[413] I don't even see that advertising revenue is the answer in a place like that. However, look how much it's needed. There are constantly stories. Tata is based there, for example, and I know that there's a story breaking there at the moment about access to the beach behind the steelworks. So, constantly the people are in need, those campaigns, those activists are in need of a voice of a journalist, of an advocate, who can ask questions on their behalf and gain answers and have an audience big enough to broadcast those answers. That's not happening at the moment, and we need to make sure that it does. It's really important that it does.

[414] **Suzy Davies:** Thank you.

[415] **Bethan Jenkins:** Neil Hamilton.

[416] **Neil Hamilton:** I'd like to ask you a couple of questions that arise from the written evidence from Thomas Sinclair—

[417] **Dr Howells:** Oh, okay.

[418] **Neil Hamilton:** Well, they're general points. In particular, he's suggested that the Welsh Government should provide funding and training for local journalists and small local news organisations. I was wondering whether that's something that you are in favour of, and if so, how do you think this funding should be targeted?

[419] **Dr Howells:** Broadly, I am in favour of it. I think it's really important that it's arm's length and I think a dedicated fund that would do something similar to what Carnegie did for us, which is to bridge or to help somebody start up, is a great way forward. And it will encourage innovation in the sector, and hopefully start to fill some of these news black holes, because I think they're far more prevalent than we know, just based on the research that I've done because of this withdrawal of journalism. I think communities are going to have to step up here and fill this gap, so training is going to be essential for those people. Legal training is essential, and the *Herald* is a

great example of perhaps not having that knowledge and not having the resources to oversee people who don't have the training, which is what's happening. I'm sure you're aware that the *Herald's* been through the courts recently for naming a sexual assault victim—or identifying one, sorry. I think that just shines a light, really, on the fact that that training and that oversight is very difficult to come by in these small organisations.

[420] For the *Magnet*, where, equally, we didn't have access to enough trained people, what that did to us was make us more cautious. You don't want a sector that's too cautious and too boring, either. You need one that's rambunctious and standing up to those in authority. So, I do think a targeted fund would help. I think there are lots of other potential solutions or ways that Government could ease things. Let's be honest, the news industry is subsidised anyway through VAT, at the moment, but that's not really accessible to that lower echelon of start-up, because we weren't registered for VAT anyway. That made no difference to us, because our turnover wasn't big enough. So, there must be ways of easing or helping those smaller operations just to get them off the ground, to give them the capital to go into print, or create an app or whatever that might be that's suitable for their particular audience in their geographical location.

[421] **Neil Hamilton:** One of the financial mainstays of local news organisations traditionally has been advertising by public bodies, local authorities and so on. The other point I wanted to ask you, arising from Thomas Sinclair's written evidence, was changing the system of local authorities publishing statutory notices. He says in his evidence that—. I'll quote what he says. The commercial sensitivity of some local newspapers to local authority revenue influences their editorial decisions. He cites the example—I'm not asking you to comment on this particular instance—but he cites *The Carmarthen Journal* and the *South Wales Guardian* in his evidence to us, and without being specific, I wonder if you would agree that local authorities and others should use their facilities to assist community publications such as yours, and some of that advertising revenue should come to you rather than traditional news media.

[422] **Dr Howells:** I think absolutely it's something that we've been calling for for a long time, that the rule—it's not actually a rule, it's more of a convention—that you can advertise or you should advertise in the local newspaper—. But newspaper, in the dictionary, is defined as a weekly or daily, and so anything else—. So, I think Richard Gurner in Caerphilly and the *Caerphilly Observer* have been able to argue successfully that his fortnightly

newspaper is eligible. So, the local council there have changed their policy, and they do place some adverts with him. And that's, at the moment, being done local authority by local authority, by people who are just trying to push and open the door. We've not found things easy with our local council. There was a small department within the council who regularly advertised with us, but that was it. We didn't get anywhere with them, really, and there was almost a tone of derision in some of the e-mails that we had back, offering to meet them or whatever.

[423] I think there's almost an education that needs to happen around the virtues of community news and not-for-profit news and social enterprise and co-operatives in that sector, because it's not been—. It's not accredited at the moment, and I know the Centre for Community Journalism are taking great strides in moving that forward to gain accreditation, and perhaps that will be a bit of a kite mark for those organisations, but at the moment there's not enough awareness out there of what they are and what they can do. It took us seven years, really, to open those doors to some of those organisations, but yes, I think it would be hugely helpful to open that revenue stream up, to attend a process or whatever that might be, to relax the conventions around it would be hugely helpful.

[424] **Neil Hamilton:** And obviously, the other point that he makes in this respect is that it's ridiculous, in an age that is increasingly digital, that notices of that kind should be printed in print.

[425] **Dr Howells:** In print, yes. Potentially, that's something that I think will need to be looked at, yes. The problem local authorities will have there is in establishing audience, and that will freeze out the small players again, won't it? If you're going to go to WalesOnline and they can give you accredited figures for clicks, then the small players are not going to be able to compete with that.

[426] **Bethan Jenkins:** Okay. Dawn.

[427] **Dawn Bowden:** Thank you. On a similar theme, and still referring to Thomas Sinclair's evidence, what's your thought on local authorities producing their own magazines? A number do. I don't know whether they do in your area; certainly in mine, they do—

[428] **Dr Howells:** They did, yes.

[429] **Dawn Bowden:** —and using that vehicle as the place to place their advertisements. He's suggesting that should be banned, that we shouldn't have local authorities producing their own magazines and putting all their own adverts in there. I just wonder what your thoughts on that might be.

[430] **Dr Howells:** It's an argument I've heard rumble back and forth for a long time. I think it's very difficult for local authorities where there isn't a well-established local print paper that's getting out to a mass audience. What are they supposed to do to get their messages out there? But on the other hand, of course then what you're doing is taking away that independence and that scrutiny, potentially, and just providing a load of, basically, PR—potentially biased material. So, that's difficult for that audience, I would argue, who perhaps don't have access to the scrutiny that they need. I don't actually think it's helpful for the audience and I think they've become very cynical about the level of top-down control of the news, and I think they are calling—. Certainly in the focus groups that I did, they were calling for more transparency, and they're quite angry about the fact that people don't listen to them and their voices aren't heard, aren't being represented. So, I think there's a danger there. Whether you ban them, I think that's a difficult thing to—.

[431] **Dawn Bowden:** It's the difference between information and propaganda, I guess, isn't it?

[432] **Dr Howells:** Yes, absolutely, and that's an age-old argument, isn't it? One of the things to bear in mind, now, is that local councils and public institutions around the place are saying, 'Well, we've got no money to advertise and we've got no money to support this; we've got no money to give you funding,' and yet they do support enormous PR operations and marketing operations. So, there is money; it's just a question of how you allocate it and what you choose to spend it on, and I worry that there is a reluctance to spend on independence and scrutiny. Perhaps it's not wanted.

[433] **Dawn Bowden:** Sure, okay. Just moving on to evidence that we have from somebody else; I don't know if you know Dr Andy Williams from Cardiff University.

[434] **Dr Howells:** He was my supervisor on my PhD, so I know him well.

[435] **Dawn Bowden:** There we are then. So, he called on the UK Government to reassess the tax breaks for newspapers, but just hearing what you were

saying about your project with the *Port Talbot Magnet*, you weren't paying tax, were you? You certainly weren't paying VAT.

[436] **Dr Howells:** We weren't paying VAT.

[437] **Dawn Bowden:** So, I don't know whether that would have helped in your situation, but I don't know what your thoughts on that might have been.

[438] **Dr Howells:** No, but I mean, it would have been nice to be in a position to be able to enjoy that. I think there are lots of medium-sized independents and bigger companies as well who would benefit from that. Something else that really did come strongly out of my research is that it's not one thing to the exclusion of all others. Plurality and competition are really good for audiences because they give audiences more angles on stories. They encourage journalists to compete against each other and ask the questions—the tougher questions—that maybe it's easier to skate over when there's nobody else bothering or doing it. You know, they've got—. The journalists were telling me they've got to get an original front page—back in the days when there was competition, they had to make sure their content was original.

[439] **Dawn Bowden:** Yes, the scoop.

[440] **Dr Howells:** Yes, exactly, the scoop. So, that gave them motivation, got them out of the office and got them asking questions that, perhaps, their opposites on the other newspaper weren't asking. Where was I going with that? Yes, plurality and competition are so important. So, trying to give tax breaks or funding across all of the different echelons of media has got to be a good thing. We need to foster more and let a thousand flowers bloom, basically.

[441] **Dawn Bowden:** Just to be one tool in the box, basically.

[442] **Dr Howells:** Yes. You know, when I spoke to some of the journalists that I interviewed for the research about the fact—did they think that the *Post* had maintained what was proportionally quite a big staff on the Neath Port Talbot patch because the *Magnet* was there competing with them—they seemed to agree that that was probably the case.

[443] **Dawn Bowden:** That's interesting, yes.

[444] **Dr Howells:** So, it does make newspapers work harder when there's someone else working on their patch, which is why BBC local would have been probably a good thing. I know it was argued against because of competition, but I think, actually, in terms of editorial, those kinds of projects are good for local communities.

[445] **Dawn Bowden:** Yes, okay. All right, that's fine. Thank you. Thank you, Chair.

[446] **Bethan Jenkins:** Lee Waters.

[447] **Lee Waters:** First of all, thank you for the evidence you've submitted and the quality and the work you've put into it. It's very helpful for the committee. The section on your experience in the *Port Talbot Magnet* is a profoundly depressing read—

[448] **Dr Howells:** It is, isn't it? You didn't have to live it. [*Laughter.*]

[449] **Lee Waters:** No, I know, and I think you should be commended for the effort you put into trying to make it fly.

[450] **Dr Howells:** Thank you.

[451] **Lee Waters:** The lesson I draw from it is, apart from the changes affecting the whole industry, which, clearly, are a huge factor in your failure to make it work, but also the fact that you're working within a depressed local economic environment as well, which are both equally significant—

[452] **Dr Howells:** Yes.

[453] **Lee Waters:** So, in terms of practical things, I similarly accept the analysis of the second part of your evidence, which I find very persuasive, what's the practical level of intervention there would need to be to allow that business to become viable—what would that kind of annual subsidy be? Because it's no good doing just one-off training budgets or grants or—

[454] **Dr Howells:** No, I agree with you.

[455] **Lee Waters:** It needs to a sustainable revenue stream.

[456] **Dr Howells:** Have you seen the research by the Media Trust? Natalie

Fenton's team in London did it. It basically advocates the establishment of news hubs across communities in the UK. So, however they would be funded—Government funded, perhaps—they would have a local journalist based in that town, salaried, basically, going to every—similar to what's happening through the BBC at the moment now. But they would be independent, perhaps sharing that news and information with others. So, I think what I'm arguing for, in a very roundabout way, because I think the case they make is very solid in that report, is a salaried journalist in each community that requires it—it's that kind of commitment. But it would need to be done at arm's length, independent—.

[457] **Lee Waters:** But that wouldn't serve as a print model. You wouldn't be able to produce a newspaper based on that—

[458] **Dr Howells:** Not necessarily—you could. You could. At the moment, the BBC scheme would have the journalist going to the council meetings—and not necessarily the courts either—it's council meetings and health boards and public institutions rather than the courts as well. So, I don't know how far-reaching it will be, and I don't think that local—. From what I've heard, anyway, I don't see that, because of the PAYE implications and covering sick pay and all that—I don't think that many hyperlocals in Wales are going for that. I can see the bigger companies taking it on, and the smaller companies taking advantage of the copy that's produced. Whether those journalists are then going to be based—say, for example, there's one in Port Talbot—will they be based in the *Evening Post*, because the *Evening Post* may bid for it. Will they be based, therefore, in Swansea? And will that almost negate—? You know, yes, they'll go to the council meeting, but will they be accessible to local people? Will they be accountable? Will they—? They're not necessarily going to be there covering the campaigns or looking for other stories and giving the representation that you might need.

[459] **Lee Waters:** So, how would you mitigate that?

[460] **Dr Howells:** Well, for me, it's putting somebody in the middle of Port Talbot in an office and allowing them to do their job: get out of the office, report and submit that, either through something like the *Magnet*, where you'd have a co-operative of journalists, perhaps, who work—. You know, a Wales-wide co-operative, with each journalist—

[461] **Lee Waters:** What could be the platform that they publish on?

[462] **Dr Howells:** Well, they could publish on the *Magnet*, they could publish on Facebook, they could publish that copy if it's Government funded—that would be up to you, really, to set the terms. But that copy could be used in the same way as the BBC copy is, and be more publicly accessible. News works like that, doesn't it? It goes up in a funnel. So, the stories starts at the grass roots, but they get picked up by the wider media, and that gives them more authority and more voice in the debate, then.

12:45

[463] **Lee Waters:** Not unlike what you've suggested, in our broadcasting report we recommended a wire-type service that would address the areas of market failure, particularly around courts and councils. Do you have a view on that recommendation?

[464] **Dr Howells:** Yes, I think that could work, as I say, as long as it's funded in an independent way that's similar to the BBC, or something arm's length.

[465] **Lee Waters:** Were the *Magnet* still in existence when that sort of wire service was up and running, how would that have helped you to have made the *Magnet* viable?

[466] **Dr Howells:** Well, if we could have had a lot of our content produced and paid for by something like that—you know, having somebody in our team whose salary was underwritten—it would have just made life so much easier for us, because then—

[467] **Lee Waters:** But it still wouldn't have succeeded, though, based on the reading of your evidence—

[468] **Dr Howells:** Well, nobody was paid on the *Magnet*, really—for that last year, none of us were. If one salary had been covered, it would have made all the difference—it really would have—because then the advertising revenue that we were making could have gone to cover the other freelancers and the other people who were involved.

[469] **Lee Waters:** Right, okay. Thank you.

[470] **Bethan Jenkins:** I'm afraid, because we started late and because of time constraints, we have to end it now, but we have your comprehensive

evidence. And if there is anything else, I'm sure we'll be in touch, especially on some of the other news organisations that you mention and the hub concept. We will ask you for contacts there, if that's okay.

[471] **Dr Howells:** Sure. Yes, absolutely. No problem at all.

[472] **Bethan Jenkins:** But thanks for coming in nonetheless. Diolch yn fawr iawn.

[473] **Dr Howells:** Okay. Diolch. Thank you.

12:46

Papurau i'w Nodi **Papers to Note**

[474] **Bethan Jenkins:** Rydym ni'n symud ymlaen i eitem 6—papurau i'w nodi. Mae yna bapur 6.1—llythyr gan Adam Price AC ynghylch cynllun ieithoedd swyddogol Cynulliad Cenedlaethol Cymru. Yr unig sylw penodol y byddwn i eisiau gofyn i Aelodau'r Cynulliad yn ei gylch yw'r ffaith bod Adam Price wedi gofyn inni beidio â chyhoeddi'r asesiad o'r effaith ar gydraddoldeb, sydd yn atodiad i'r llythyr. A oes gan Aelodau'r Cynulliad farn ar hwn? A ydych chi eisiau peidio â'i gyhoeddi, neu a ydych chi eisiau iddo gael ei gyhoeddi?

Bethan Jenkins: We move on now to item 6—papers to note. We have paper 6.1—a letter from Adam Price AM regarding the National Assembly for Wales's official languages scheme. The only specific comment I would like to ask you about is that Adam Price has asked us not to publish the equality impact assessment, which is an annex to that letter. Do Assembly Members have any views on that? Would you want to not publish it, or would you like to see it published?

[475] **Jeremy Miles:** Wel, mae'n mynd i gael ei gyhoeddi maes o law, ond ddim ar hyn o bryd, onid e?

Jeremy Miles: Well, it will be published in due course, but not at the moment, I assume.

[476] **Bethan Jenkins:** Rwy'n credu mai dyna beth yw e. Rwy'n credu beth y maen nhw'n trio ei ddweud yw bod angen cysoni pob un o'r

Bethan Jenkins: I think that is the case. I think what they are endeavouring to say is that they need to ensure that all the equality impact

asesiadau o'r effaith ar assessments are made consistent
gydraddoldeb, sydd yn mynd i gael across the other sections within the
eu creu ar sectorau eraill o fewn y Assembly. But we're not—
Cynulliad. Ond nid ydym ni yn—

[477] **Jeremy Miles:** Efallai y gellid **Jeremy Miles:** Perhaps we could ask
gofyn beth yw'r bwriad o ran amseru what the intention is in terms of
cyn inni wneud penderfyniad. timing before we make a decision.

[478] **Bethan Jenkins:** Ie. So, cael **Bethan Jenkins:** Yes. So, to get the
bwriad yr amseru cyn ein bod ni'n intention of the timing before we
cyhoeddi. publish.

[479] **Suzy Davies:** Mae yna ddadl yr **Suzy Davies:** I think there's a debate
wythnos nesaf, *anyway*—ai'r wythnos on this next week, anyway, isn't
nesaf? there?

[480] **Bethan Jenkins:** Ai wythnos **Bethan Jenkins:** Is it next week?
nesaf mae'r—

[481] **Suzy Davies:** Mae yna ddadl **Suzy Davies:** There's a debate on
ddydd Mercher wythnos nesaf. Dyna Wednesday of next week, I believe.
pam efallai te, ie? That may be the reason.

[482] **Bethan Jenkins:** Ocê. Wel, **Bethan Jenkins:** Okay. Well, we may
gallwn ni, efallai, godi hynny yn ystod be able to raise that issue during the
y ddadl, neu ofyn am esboniad o'r debate or ask for an explanation of
amseriad, a wedyn— the timing, and then—

[483] **Jeremy Miles:** Mae'r llythyr yn **Jeremy Miles:** The letter says that the
dweud mai'r bwriad yw ei gyhoeddi intention is to publish in due course.
maes o law, felly mae hynny'n So, if there's an adequate reason, I'm
ddigonol, os oes rheswm teilwng. content with that.

[484] **Bethan Jenkins:** Ocê, iawn. **Bethan Jenkins:** Okay, fine. Thank
Diolch. you.

**Cynnig o dan Reol Sefydlog 17.42 i Benderfynu Gwahardd y Cyhoedd
o'r Cyfarfod**
**Motion under Standing Order 17.42 to Resolve to Exclude the Public
from the Meeting**

Cynnig:

Motion:

*bod y pwyllgor yn penderfynu that the committee resolves to
gwahardd y cyhoedd o weddill y exclude the public from the
cyfarfod yn unol â Rheol Sefydlog remainder of the meeting in
17.42.*

*accordance with Standing Order
17.42.*

Cynigiwyd y cynnig.

Motion moved.

[485] **Bethan Jenkins:** Symudwn ymlaen at eitem 7 a'r cynnig o dan Reol Sefydlog 17.42 i wahardd y cyhoedd o'r cyfarfod. A ydyw pobl yn hapus gyda hynny? Diolch.

Bethan Jenkins: Moving on to item 7 and a motion under Standing Order 17.42 to resolve to exclude the public from the meeting. Is everyone content? Thank you.

Derbyniwyd y cynnig.

Motion agreed.

Daeth rhan gyhoeddus y cyfarfod i ben am 11:48.

The public part of the meeting ended at 11:48.