

## **Public service broadcasting in Wales**

This is a personal response to Ofcom's phase 2 consultation as a part of their second Public Service Broadcasting Review.

### **Background**

I chaired the National Assembly for Wales' Broadcasting Committee which was established in March and reported in July 2008. During its investigation it took evidence from a broad range of witnesses covering the breadth of broadcasting in Wales and the UK and examined the key issues facing broadcasters, regulators and governments.

### **The regulation of public service broadcasting in the UK**

The hard reality is that the regulatory regime created by the 2003 Communications Act has not protected the interests of citizens in Wales – or in Scotland or Northern Ireland. The statutory framework created by that legislation has not helped to create a more diverse and broadly-based production industry or broadcast ecology. The process of centralisation (of production and of decision-making) has quickened over the this period and there appears to be little appreciation by either Ofcom or by the UK Government of the potential for damage that this centralisation has for the future integrity of the United Kingdom as a culturally diverse and plural community.

Ofcom was created with the founding philosophy of being a "light-touch" regulator, able to take speedy decisions and react to a fast-moving economic environment in the interests of the "citizen-consumer".

At a time when we have all learnt the lessons that less regulation does not always achieve the best public policy outcome I believe that it is time to revisit and review this approach and this philosophy.

Neither Channel Four nor ITV have increased either coverage of Wales or their portrayal of Wales. These failures have been overseen by an Ofcom that pleads a lack of power and authority but seems unwilling to either seek or exercise such powers. This failure of regulation has led to many people in Wales feeling that their lives, their cultural values and their history and aspirations are unrepresented and unvalued by the UK Government and other public bodies.

There is a danger that a clear cultural hierarchy in the UK that has little or no place for the experiences and aspirations of the Celtic countries (or in fact the whole of the non-metropolitan majority) will emerge unless action is taken. All too often a grey Anglo-American mishmash of reality shows and formulaic entertainment has replaced any ambitious and aspirational programming that will inform, educate or even entertain.

This review of public service broadcasting need to be far more fundamental than it has been to date. It needs to begin not with a series of models and managerial fixes but with a debate on objectives and a

vision for what sort of public service broadcasting ecology we wish to see in the future. The key starting point for me in this debate is that we need a public broadcasting environment which is rich and diverse and provides a stimulating and enriching experience for viewers and users.

The need for diversity throughout the UK and within the UK is critical and should be one of the building blocks of this approach. The process of devolution will be a continuing one with a continuing need for, particularly, news services which report and reflect the different decisions and debates that will affect different parts of the UK. The cultural experiences of the UK as whole should also be a part of the mainstream and not seen as simply quirky or amusing stories told by some rather patronising metropolitan voices.

### **The future of the BBC**

Ofcom describes the BBC as the cornerstone of UK PSB. I agree. However the BBC itself needs to move more quickly to recognise its responsibilities to the whole of the United Kingdom and to move both its centre of gravity and its corporate culture out of London to the rest of the UK where the majority of the population actually live.

The steps that have been announced by both the Trust and by BBC Management to better reflect the UK are to be welcomed. The change to a more transparent and more honest way of calculating and describing regional production is good. The new targets are good and the commitment to create a new broadcasting centre in Salford as well as moving further production units to Cardiff and elsewhere are also to be welcomed. The King Report on news demonstrated that the Trust is able to identify some crucial issues and we all hope that the Management will move quickly to ensure that there is swift action to achieve lasting change. At the same time the Trust's recent decision on local TV demonstrated that the Trust is willing to listen to, and reflect, the concerns of many people who believe that plurality must also mean the BBC and its editorial policy not dominating every aspect of broadcasting.

In terms of the performance of BBC Wales, it clearly works hard to represent and reflect the diversity of all our different communities. As a Member who represents a region stretching from Carmarthen Bay to Bardsey Island I am happy that each part of Wales is fairly represented across all BBC Wales services. However there are some significant issues for BBC Wales in terms of its access to the BBC1 network and its ability to reach the widest potential audience in terms of slots and places in the schedules. I believe that responsibility for the BBC1 and BBC2 schedules in Wales should move to the Controller of BBC Wales.

However if the BBC is to reflect the lives of license fee-payers and the diversity of the United Kingdom as a whole then it must change to be a very different broadcaster in the future. I believe that all its major channels should be based outside London and that regional production centres should be established throughout the UK to provide content for its

different services. There is no reason why, in today's world, should the BBC remain as such a centralised organisation.

## **ITV**

The future of any alternative provider of Wales-based programming to a broad Welsh audience is crucial if we are to have a real plurality in Welsh television broadcasting. This is essential in terms of all programming genres and not simply in terms of news and current affairs. The last decade has seen a continual decline in the amount of Welsh programming produced by ITV Wales. Ofcom appears to have played a role as a manager of this decline and not as a regulator insisting on the Channel 3 licensee fulfilling public service obligations.

In the short term – up to 2012 – I believe that ITV should retain its public service obligations at current agreed levels. The broadcaster clearly has some difficulties and problems to resolve in terms of its overall programming strategy and its future direction. However I believe that as the digital switchover process moves forward Ofcom should adopt a suitably robust approach with ITV's management and use all their powers and influence to ensure that current agreements are maintained and delivered by ITV.

For the future Michael Grade ruled out accepting any public subsidy whilst giving evidence to the National Assembly's Broadcasting Committee. I appreciate his position as the Executive Chairman of a business that is under some pressure and seeking to become more cost-efficient in terms of its internal operations. However the place of news in particular is so important to Welsh audiences that particular action should be taken to protect its position on ITV schedules.

### **A single licence for Wales**

It is probable that ITV will need to rationalise its regional network in England in order to maintain its services in Wales, Scotland and Northern Ireland. Whilst this will have some very difficult consequences for broadcasting in the English regions, my view is that on balance the requirement for plurality in those parts of the UK with distinct and different forms of government means that this, although unwelcome, is probably inevitable.

A new Channel Three licence for Wales alone will certainly help to create a new context for plurality in Wales in the future. This is something which should be created as early as possible.

## **S4C**

At the moment S4C continues to be a real success story of Welsh PSB in terms of its structural integrity, governance, reach and relationship with its audiences. There is no strong or convincing argument to either change fundamentally its remit or its structures. This was a matter that was considered by the National Assembly's Broadcasting Committee and was

rejected by the Committee. There are certainly issues about the accountability of S4C and these matters were considered by the Committee and recommendations made accordingly. But this does not affect its place or role as a broadcaster.

However S4C may also be able to offer additional value to Welsh audiences and to PSB in the English language. The structures, resources and assets of S4C could be used to provide broadcast facilities for any additional English-language service for Wales that may be considered in the future. Whilst the integrity of the Welsh language services should be protected, this would not, and should not, prevent the institution underpinning or providing core services to a future English language service or to any future Welsh PSB Fund if established.

### **Channel Four**

Channel Four has made a compelling argument for greater public support. It continues to provide a range of challenging PSB content which contributes greatly to the quality and diversity of content available for UK audiences.

However it poorly reflects the diversity of the United Kingdom. Its portrayal of Wales is poor, its record of production from Wales is poor and its coverage of Welsh life on the otherwise excellent Channel Four News is again poor.

In my view Channel Four has made a strong case for public support – however – any public support should be clearly linked to timetabled improvements in its coverage and portrayal of the UK nations.

### **Funding issues**

Whilst I believe that Ofcom has been far too lenient on ITV in terms of the demands that it places upon the broadcaster to produce and broadcast regional content, I recognise that the direction of travel and the trends in the broadcasting economy mean that it will be increasingly difficult for ITV to maintain its current model (or even its proposed model) of regional programming far into the future or even perhaps past 2012.

I have discussed earlier in this paper that I believe a new broadcast fund for Wales should be created to commission and to fund content from Wales and for Wales. This will replace that which is currently created by ITV and will help redress the potential imbalance that may exist if ITV is unable to fulfil its obligations in the future.

At the same time Channel Four, if it is to remain an essential element of the public service broadcasting environment, will also require an element of public support.

The clear obvious and most easily-accessible fund available to the public at present is the licence fee and that element of it which is currently being used to fund digital switchover. BBC witnesses to the National Assembly's

Broadcasting Committee last summer were particularly unconvincing in their arguments against using this funding for alternative PSB provision. They appeared to arguing that this £130m was the cornerstone of our Western Civilisation and without it the BBC would be unable to either fund existing services or new services. This evidence was not believable.

I believe that the monies available post-digital switchover should be used to fund additional PSB provision throughout the UK with a proportional amount being made available to an independent Welsh fund to provide programming in the English language.

### **A new PSB model for Wales**

For many of the reasons that have been set out in Ofcom's consultation documents and rehearsed elsewhere I believe that English language broadcasting in Wales is facing a very real crisis.

Existing structures and statutes have not protected the interests of Welsh citizens who require an English language service to serve their needs. At the same time the same UK-wide legislative and regulatory regimes have not served the needs of the whole of Wales by requiring the major UK networks to either produce programming in Wales or to portray Welsh life or appreciate Welsh cultural values.

For the immediate future it is essential that the production of programming in Wales and for Welsh audience is protected and enhanced. For this reason I support a concept that has been the subject of some debate in different quarters – to establish a public service funding commission for Wales.

The purpose of such a body would be to fund PSB content for use either in TV broadcasting, radio or online. This was something which the National Assembly's Broadcasting Committee considered over the summer and in principle supported. I believe that such a body should be an independent Welsh body (on similar lines to the S4C Authority) with direct lines of accountability to both Parliament and the National Assembly. This body would be funded by the licence fee and would be charged with creating a public service broadcasting strategy for Wales that oversaw the production of content and the commissioning of broadcasting slots where appropriate.

### **The place of Ofcom**

The communications legislation that established Ofcom saw the market as a provider of high quality content with Ofcom's role largely that of a regulator that enabled this market to provide public service outcomes.

Ofcom has failed to ensure that each one of the UK nations is adequately represented on our screens. Each one of the UK networks is, in different ways, metropolitan and London-centric. Whilst it is true that the BBC has the greatest commitment to changing the way in which it operates and thinks. It also has the great responsibility. And to date it has not got a good track record in delivering on its commitments.

Ofcom will argue that it does not have the regulatory tools to provide such an environment. But as I have already pointed out it has not sought those tools and none of its leading players have ever given the appearance wanting to have such powers.

If we are to change the future and to shape public service broadcasting the future then Ofcom must also change. It must as a priority have clear representation from Wales (and the other devolved territories) on its main board. At the same time its offices in those places need to be strengthened and additional powers granted to enable it to act as a far more robust player and regulator of the market.

Any further broadcasting legislation should focus Ofcom's role on underpinning the future vision of public service broadcasting throughout the whole of the United Kingdom.

### **Accountability**

It is clear that there is insufficient accountability of both broadcasters and regulators to the Welsh public.

The House of Commons Welsh Affairs Select Committee in 1999 reported on broadcasting. It made recommendations that the Welsh Assembly Government and the National Assembly itself could play a far more active role in creating new lines of accountability in UK broadcasting whilst recognising that broadcasting should continue to be a policy area reserved to Westminster. This was something that the National Assembly's Broadcasting Committee echoed in its report earlier in the year.

There is an urgent need to review and to revise the way in which appointments are made to broadcasting authorities and regulators. In line with the recommendations of the Welsh affairs Committee in 1999 and the Assembly's own Broadcasting Committee this year I believe that appointments to the boards should take place through a dedicated Assembly Committee and that broadcasters should also be expected to report regularly on their progress towards meeting agreed public policy outcomes to that committee.

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4<sup>th</sup> December 2008