

Minutes of the 87th meeting of
The Advisory Committee for Wales
held via Teams/ some in-person on 29 November 2022

Present

Hywel Wiliam	Chair
Robert Andrews	Member
Aled Eirug	Member
Tom Crick	Member
Angharad Evans	Member

In attendance

David Jones	Ofcom Board Member for Wales
Ruth McElroy	Content Board Member for Wales
Sian Phipps	Communications Consumer Panel Member, Wales
Eleanor Marks	Director, Ofcom Wales
Elinor Williams	Regulatory Affairs Principal, Wales, Ofcom
Meleri Evans	Regulatory Affairs Manager, Wales, Ofcom

Other Ofcom colleagues

Apologies

None

Agenda items	Action
1. Introduction The Chairman welcomed attendees to the 87 th meeting of the Advisory Committee for Wales. No apologies received.	
2. Declaration of Members' Interests – verbal None	
3. Minutes of the meeting held on 13 September 2022 and matters arising The minutes of the meeting held on 13 September 2022 were APPROVED unamended as a true account of the meeting. Matters arising were:- <ul style="list-style-type: none">Item 9: Likely consolidation of Alt Nets across the UK including Wales. Melanie Dawes in the AC Chairs meeting suggested that, if anything, this process could lead to greater resilience among the remaining operators. However, she noted the point regarding a lack of choice of operators in Wales. Michael Grade added that the poor choice in some of Wales' business parks was a significant opportunity for other operators to offer competition to BT's services.Item 10: In AC Chairs meeting with Ofcom's CEO and Chair, the ACs noted that members of ACS and ACNI are very concerned about the lack of an audience voice regarding the BBC's corporate governance and the services for Scotland and Northern Ireland.	

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<p>4. Chairman's Report – verbal</p> <ul style="list-style-type: none"> • New Member Training -ACW training seminar on 18 November went very well and everyone who attended suggested that it was very useful. Chair thanked the team in Cardiff, for their hard work in putting the schedule of presentations together. • Chair attended a meeting with the Chair and CEO along with the other AC Chairs. AC Chairs were interested in hearing from them about the areas where Ofcom most values advice from its ACs, their views on Ofcom's new prospective online harms powers vs public understanding/expectations and thoughts from new Chair on the challenges in the year ahead. • Online Harms Bill: Grade suggested that the current Online Harms Bill would not be the last and that the legislation was a first attempt at setting up regulation in this difficult area. He anticipated that the bill would become law next summer. • Media Bill: Grade assumed that the lack of noise regarding Channel 4 privatisation could mean that the issue has been buried but he could not be sure about this. • Social Tariffs: Concerns about a lack of awareness about these tariffs and that many low-income consumers were missing out. • Fibre roll-out: Although the roll out is progressing well following Ofcom's decision to allow greater margins on costs to encourage investment. But concerns about the impact of the cost-of-living crisis on consumer take-up. • The AC Chairs raised cost of living issues, broadcasting and PSTN switch-over/Voip. • Chair gave an overview of the lunch organised for ACW members with Lord Garde whilst he was on a visit to Wales the previous week. Lord Grade was keen to know more about the work of the Committee and hear views. During the meeting, Michael suggested that it would be helpful if the ACW produced a brief annual report, (as it happens ACS has already been producing a short report for the past few years). <p>Events attended</p> <ul style="list-style-type: none"> • RTS London Convention, 27 September: 'The Fight For Attention' had a comprehensive line-up of speakers which included Carolyn McCall, Chief Executive ITV, Tim Davie CBE, BBC Director General, Alex Mahon, Chief Executive Channel 4 and top billing for Michael Grade as Ofcom Chair, following his appointment on 1 May this year, in his first public speech since taking up the role. • Consumer Communications Panel Hub Meeting, 12 October: This quarterly forum, in which a range of stakeholders in Wales take-part, included a very useful presentation on Ofcom's the latest research regarding the affordability of communications services (based on data collected at a UK level). • WISP, 12 October: This quarterly catch-up meeting included a presentation by Gwenno, based in the Ofcom Wales Office, on a new set of research tenders (worth £50k each) being advertised by Ofcom covering older adults, mental health challenges and older children (10 - 14). • Media Cymru Launch, 18 October: I attended this event held at the National Museum. • CCP and AC Chairs Meeting, 19 October: This meeting focussed specifically on PSTN switch-off and discussed the CCP's latest quantitative research into the needs of landline telephony consumers and the needs of consumers in managing the switch-over to VOIP services. Given the emerging issues the CCP remains convinced that 	

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<p>there needs to be a wide-ranging communications campaign around this industry-led change.</p>	
<p>5. Update: Ofcom Content Board Member for Wales - verbal</p> <p>The Content Board Member for Wales provided an update at the meeting: -</p> <ul style="list-style-type: none"> • Content Board has been undergoing a review of the way it functions with the view to looking at ways of having wider, more thematic discussions and ensuring that discussion on nations specific issues are facilitated. • UK Indie Production Sector- TV value chain is being transformed by technology, investment and new entrants. Array of economic and labour force challenges facing the sector. (esp. given tariffs available from SVODs) - bringing pressure on companies especially the smaller indies that are often found in nations and regions. • PSBs very much remain the primary commissioners of UK indie content and the Terms of Trade provide an environment that helps safeguard their revenues through ownership of secondary rights. Questions to ask regarding the continued suitability of the term of trade and their capacity to support valuable UK indie sector. The Board discussed the challenges facing indies regarding rights ownership when negotiating with global SVODs. Noted also was the vital role played by UK tax credits in supporting a competitive indie sector that can attract inward investment. Currently tax credits are focussed on film and high-end TV production, there was some debate regarding how useful it might be if this were expanded, for example, to include children's or arts content. • BBC Operating Licence consultation – From a nations perspective issues of note included discussion of the route by which audiences in Scotland access Scottish content. iPlayer is becoming increasingly dominant as the route to access such content. Nations Board members shared some disquiet and concerns across the nations regarding changes to quotas whilst all Board members appreciate the need for modernization but also the reality of diminishing programme budgets given cuts to BBC funding. 	
<p>6. Report – Wales Recent Developments</p> <p>The update paper on Wales Recent Developments had been circulated to members in advance of the meeting. The member of the Wales team focussed on two points: -</p> <ul style="list-style-type: none"> • Lord Grade visit to Wales – outlined some of the points raised by stakeholders during the two days and noted the Chair's positivity and enthusiasm in meeting a wide range of stakeholders and of hearing first hand points of interest raised of particular relevance to Wales. • Initial determination from the Welsh Language Commissioner on her investigation into the manner in which Ofcom consulted on Small Scale DAB licencing. – outlined the Commissioner's determination to find Ofcom in breach of a range of Welsh language policy making standards. Members noted the reputational risk to Ofcom, especially in light of the likely media interest when the Commissioner's decision is published. In addition, it was noted that there is another live investigation in the hands of the Commissioner, relating to Ofcom's use of the Welsh Language and social media. It was agreed that carrying out a review of compliance with Ofcom's Welsh Language standards would be valuable. 	

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<p>7. Discussion: Space Spectrum Strategy</p> <p>The team introduced themselves to Committee Members and reminded them that that Ofcom's duty is to ensure the most efficient use of the radio spectrum. The last time that there had been a review of the space spectrum sector was in 2016 and since then there had been a number of changes in the sector including a different economic environment and increased capacity. On the satellite side, there have also been some developments. Satellites themselves are now smaller in size and have become more affordable. This means that there are more opportunities within the sector for new entrants and as a result, a need to put a strategy in place.</p> <p>The team explained that there were five parts to its strategy: communications around the UK; earth observations in terms of both climate and the weather; understanding space and access to it; satellite phone use; and satellite broadcasting.</p> <p>The team added it would be looking at Non-Geostationary Satellite Communications, including how they use spectrum and whether they could share spectrum without causing interference, and if they could use different spectrum bands. The team were keen to see whether further innovation could be developed in the sector, citing the ambitions of One Web and Space X, and new opportunities for the Internet of Things as examples.</p> <p>A Committee Member highlighted the work that Apple was doing that could enable emergency satellite calls from its handsets. In response to a question about new developments in the next 12 months, the team said that there was an awful lot of work going on the market, including in the space community in Wales.</p>	
<p>8. Update - Public Policy</p> <p>Committee Members were updated on a number of Parliamentary developments and policy areas including:</p> <ul style="list-style-type: none"> • The appointment of Rishi Sunak as the new Prime Minister by the Conservative Parliamentary Party, with new Ministers serving in his government • The Online Safety Bill was due to return to Parliament and its implementation was on track, noting that the 'legal but harmful' clause for adults had been withdrawn and replaced with a requirement on the platforms to set out clearly what they will do instead. Committee Members noted that this legislation had never been done before and that it was necessary to implement a new regime • Committee Members also raised the issue of age-verification, noting that there needed to be the right incentives in the Bill that would allow companies to invest in the right technologies. legislate in this area • A Committee Member raised the issue of a need for a telecoms consumer advocate for Wales and whether the Advisory Committee could play a role here. 	
<p>9. Update - Communications Consumer Panel Member for Wales</p> <p>The Communications Consumer Panel Member for Wales discussed the recent debate held on the Senedd's Climate Change, Environment, and Infrastructure Committee report into digital connectivity. She noted that the Minister for the Economy, Vaughan Gething MS, in his contribution had mentioned concerns around VOIP and Social Tariffs in particular. She further noted that the Minister is due to report on progress in these areas.</p>	

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<p>The Member mentioned that she had attended the Digital Exclusion Board with DCMS to discuss what more could be done on Social Tariffs, especially for those on low incomes.</p> <p>The Member raised the issue of postal deliveries in Rhondda Cynon Taf. According to local social media groups, it was being reported that Royal Mail workers had been told to prioritise parcel deliveries letters. In some cases, this was leading to people missing hospital appointments, meaning that this was impacting the most vulnerable in society. It was agreed to follow up on this issue.</p>	
<p>10. Presentation: Channel 4</p> <p>Gwawr Martha Lloyd, Drama Commissioner and Briony Robinson, Policy and Public Affairs gave an update on Channel 4's work in Wales, including:</p> <ul style="list-style-type: none"> • Channel 4 remains committed to its spend in Wales with a view to increasing its investment next year • Channel 4 was having more conversations with Welsh independent sector. The opening of the new Bottle Yard Studios in nearby Bristol was making it more attractive for production companies to work in the area. • Productions such as the back-to-back drama Y Golau / The Light in the Hall were a good example of collaboration between Channel 4, S4C, Duchess St and Triangl. Channel 4 were actively looking to do more co-productions with the independent sector and there were many already in development • Channel 4 highlighted the work that they were doing with Chwarel in North Wales working on projects such as Tŷ Am Ddim / Great House Giveaway and the Welsh language version of Gogglebox. • The emerging indie fund for new commissions was responsible for another coproduction, this time with Afanti, who are producing an operatic version of Caradog Pritchard's novel Un Nos Ola Leuad / One Moonlit Night. It will be broadcast in Welsh on Channel 4. • Channel 4 has established a Cardiff News Bureau based in the Senedd to tell the stories from across Wales. The team consists of three people, with Andy Davies the main journalist. • Channel 4 is committed to its training scheme and aims to work with others in the sector to launch a school's initiative in Wales next year. 	
<p>11. Update: Ofcom Board Member for Wales – verbal</p> <p>The Ofcom Board Member for Wales had sent his apologies but provided a note to the Chair in advance.</p>	
<p>12.. Consultation Responses:</p> <p><i>The following are publications considered by the committee: -</i></p> <ul style="list-style-type: none"> • Ofcom Annual Report on the BBC 2021-22 • Consultation: BBC's proposed changes to Operating Licence • Consultation: How Ofcom Regulates the BBC: consultation on changes to competition guidance • Statement: Materiality decision on changes to BBC iPlayer • Ofcom's future approach to mobile markets: initial conclusions 	

Agenda items	Action
<ul style="list-style-type: none"> Ofcom's Draft Plan of Work 2023-24 	
13. Consumer complaints update Contents noted	
14. Forthcoming Consultations & Publications Contents noted	
Any Other Business and future agenda items AOB – Future meeting dates confirmed as: 27 February 2023	

 Chair
 [remove for published minutes]

Date: _____