



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](#)

22/06/2017

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

Peter Curtis	Rheolwr yr Orsaf, Bay TV Swansea Ltd. Station Manager, Bay TV Swansea Ltd.
Carwyn Evans	Newyddiadurwr Llawrydd, Bay TV Swansea Ltd. Freelance Journalist, Bay TV Swansea Ltd.
Phil Henfrey	Pennaeth Newyddion a Rhaglenni, ITV Cymru Wales Head of News and Programmes, ITV Cymru Wales
Zoe Thomas	Golygydd Cynnwys, ITV News Cymru Wales Content Editor, ITV News Cymru Wales

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

Lowri Harries	Dirprwy Clerc Deputy Clerk
Adam Vaughan	Clerc Clerk
Robin Wilkinson	Y Gwasanaeth Ymchwil Research Service

Dechreuodd y cyfarfod am 09:38.
The meeting began at 09:38.

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

[1] **Bethan Jenkins:** Rydym ni'n cychwyn y cyfarfod ffurfiol, ac eitem 1 yw cyflwyniad, ymddiheuriadau a dirprwyon. Croeso i'r Aelodau Cynulliad. Os bydd larwm tân, dylai pawb adael yr ystafell drwy'r allanfeydd tân penodol a dilyn cyfarwyddiadau'r tywyswyr a'r staff, ond 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. Peidiwch â chyffwrdd â'r botymau ar y microffonau gan y gall hyn amharu ar y system, a gofawch fod y golau coch ymlaen cyn dechrau siarad. A

Bethan Jenkins: We start the formal meeting, and item 1 is introductions, apologies and substitutions. Welcome to Assembly Members. In the event of a fire alarm, everyone should leave the room by the fire exits and follow the instructions from the ushers and staff, but a test is not expected today. Everyone should turn their mobile phones to silent. We operate bilingually, and headphones are available for simultaneous translation and to amplify sound for people who are hard of hearing. The simultaneous translation is available on channel 1, and sound amplification on channel 0. Don't touch any of the buttons on the microphones as this can disrupt the system, and please ensure that the red light is on before speaking. Has

oes gan unrhyw aelod rywbeth i'w any member anything to declare? We ddatgan? Na. Nid ydym ni wedi cael haven't received any apologies. unrhyw ymddiheuriadau.

09:39

Newyddiaduraeth Newyddion yng Nghymru: Sesiwn Dystiolaeth 5 News Journalism in Wales: Evidence Session 5

[2] **Bethan Jenkins:** Felly, rydym ni'n symud ymlaen yn awr at eitem 2 ar yr agenda, sef ein hymchwiliad i mewn i newyddiaduraeth newyddion yng Nghymru, a sesiwn dystiolaeth 5. Hoffwn i groesawu Peter Curtis, sef rheolwr yr orsaf Bay TV Swansea Ltd, a hefyd Carwyn Evans o Bay TV. Nid ydym ni wedi gallu ffeindio eich swydd-ddisgrifiad ar y we yn gyflym iawn, felly a hoffech chi ddweud wrthym ni ar y record ar ôl beth yw'ch disgrifiad a'r teitl? Rydym ni yn aros am Daniel Glyn. Nid ydym ni wedi derbyn ymddiheuriadau gan Made in Cardiff, ond nid ydym ni'n siŵr eto a fydd e'n gallu dod, felly diolch i chi.

Bethan Jenkins: So, we move on now to item 2 on the agenda, which is our inquiry into news journalism in Wales, and evidence session 5. I'd like to welcome Peter Curtis, the station manager of Bay TV Swansea Ltd, and also Carwyn Evans from Bay TV. We haven't been able to find your job description on the website quickly, so maybe you'd like to tell us on the record what your job description and title is. We are waiting for Daniel Glyn. We haven't received an apology from Made in Cardiff, but we're not sure whether he can attend this morning, so thank you to you both.

[3] Rydym ni'n mynd i fynd yn syth i'r cwestiynau, a bydd gan lot o Aelodau gwestiynau ar themâu gwahanol ynglŷn â theledu lleol. Y cwestiwn cyntaf sydd gen i yw: pan oeddech chi wedi cael eich sefydlu, roeddech chi'n dweud eich bod yn mynd i wneud lot o ymdrech i roi newyddion ar Bay TV, ac o leiaf tair awr o newyddion y dydd o'r cychwyn—dyna roedd Made in Cardiff yn ei ddweud—ac i gael lle amlwg. Roeddech chi wedi dweud y byddech

We're going to go straight into questions, and many Members will have questions on different themes, with regard to local television. The first question I have is: when you were established you said you were going to put a lot of effort into producing news on Bay TV, and at least three hours of news a day from the start—Made in Cardiff said this—and that news was going to have a clear place. You said you were going to put an emphasis on local news.

chi'n rhoi pwyslais mawr ar newyddion lleol. A allech chi ddisgrifio'r hyn rydych chi'n ei wneud? Faint o oriau ydych chi'n eu rhoi i mewn i newyddion lleol? Pa mor lleol yw'r newyddion hynny? Ac a oes gennych chi unrhyw gynlluniau i ehangu ar yr hyn rydych chi'n ei wneud o ran newyddion ar Bay TV?

Can you tell us what you do? How many hours do you give to local news? How local is the news? And do you have any plans to expand on what you're doing in terms of news on Bay TV?

[4] **Mr Curtis:** If I can answer this, basically, since we started, we've attempted to meet our commitment to the three hours of news a day. We got as far as two and a half hours of programmes that will be news or current affairs, when we started up. We do a lunchtime programme, which you, Chair, were the first person to appear on, and that's an hour in length. And then in the afternoon, at 6 o'clock, we have a quarter of an hour of English language news, and a quarter of an hour of Welsh language news. We then have another one-hour news programme, aimed at a younger audience: people from the age of 18 to 40.

[5] **Bethan Jenkins:** A oes unrhyw beth gyda chi i'w ychwanegu, Carwyn?

Bethan Jenkins: Do you have anything to add, Carwyn?

[6] **Mr Evans:** Beth fyddwn i'n ei ddweud, o ran—. Roeddech chi'n sôn am ba mor lleol yw'r newyddion, y ddau fwletin: rydym ni'n trio ei wneud e mor agos i Abertawe â phosib. Rydym ni'n edrych ar storïau yng Nghastell-nedd Port Talbot, a hefyd i'r gorllewin yng Nghaerfyrddin, achos rydym ni'n credu ei fod yn bwysig bod yr ardal yn cael cynrychiolaeth dda o newyddion bob dydd, mewn ffordd, o'r ardaloedd mwy lleol a phenodol hynny.

Mr Evans: What I would say—. You asked how local that news coverage is: well, the two bulletins are kept as close to Swansea as possible, in a way. We're looking at stories in Neath Port Talbot also, but also to the west towards Carmarthen, because I do think it is important that the area is represented well in terms of news on a daily basis from those specific local areas.

[7] **Bethan Jenkins:** Ni wnes i glywed a oes gennych chi gynlluniau i

Bethan Jenkins: I didn't hear whether you had plans to expand the news

ehangu ar yr oriau newyddion: a hours: do you intend to do that? And
 ydych chi'n bwriadu gwneud hynny? also, do you use other people to
 A hefyd, a ydych chi'n defnyddio pobl generate your news, or do you create
 eraill i gael eich newyddion, neu a your own content?
 ydych chi'n creu'r newyddion? A
 ydych chi'n creu'r cynnwys eich hun?

[8] **Mr Curtis:** Okay, yes—I probably didn't finish the answer to your first question. Reading the evidence presented to the committee, we noticed that ITV Wales, in their 10-year licence, have to produce five and a half hours a day of programming. We have to produce—. Sorry, it's five and a half hours a week of programming. We have to produce 17.5 hours of programming under our licence. We find this pretty hard to meet, and we've appealed to Ofcom to reduce our commitment to seven and a half hours a week. The reason for this is, firstly, the economic conditions where we're trading aren't such to give us a good enough advertising revenue to meet that commitment. And also, the money that we've receive as a start-up in broadcasting from the BBC reduces year on year, and other expenditure we expected to continue, mostly in the form of a programme called Digital Nation, which provided us with a monthly revenue of £4,000 a month, has ceased, which meant that we've had to lose two journalists in our first year, and so we've had to reduce our news output at the moment to an hour at lunchtime and half an hour at teatime.

[9] **Bethan Jenkins:** Felly, rydych **Bethan Jenkins:** So, you're saying that
 chi'n dweud eich bod chi'n gofyn i you're asking to reduce the number
 leihau'r oriau oherwydd y of hours because of the financial
 cyfyngiadau ariannol. Petasai yna restrictions. If those financial
 ddim cyfyngiadau ariannol, a fyddech constraints weren't there, would you
 chi eisiau naill ai aros fel rydych chi want to stay as you are or expand on
 neu ehangu ar hynny? Rydych chi'n that? You're saying that you have
 dweud eich bod chi wedi apelio am y appealed for financial reasons rather
 rhesymau ariannol yn hytrach na—. than—. With ITV, it would have been
 Yn ITV, rwy'n credu y byddai am for different reasons to you, because
 resymau gwahanol i chi, o ran yr of the hours and the contract and so
 oriau a'r contract gydag Ofcom. forth with Ofcom.

[10] **Mr Curtis:** Yes. We find that we're unable, as a company, to meet the commitment. We're doing our best to meet that commitment, but in the long run that won't be possible, so we've gone to Ofcom and appealed against the hours that we're broadcasting. We haven't had an answer yet.

[11] **Bethan Jenkins:** Thanks. Jeremy Miles wants to ask a question.

[12] **Jeremy Miles:** Can I just explore that a bit further? Because the reason that the stipulation exists in the ITV licence is because it's a public service broadcaster and there are implications that go with that. I don't believe it's the case that most broadcasters would have that stipulation. What was the rationale for there being a floor, if you like?

09:45

[13] **Mr Curtis:** Well, we said we could do that in the beginning. We thought that the commercial outlook in the Swansea bay region would provide advertising revenue and other revenues, like sponsorship, to enable us to do this. But, unfortunately, the people who originally put forward that proposal are now deceased. Of course, we lost our founder, Edward Townsend, right at the beginning of the process to set up the station. And, sadly, we lost Rhodri Morgan, the former First Minister, who was on our board as well—Rhodri was non-exec.

[14] **Jeremy Miles:** So, it's not an Ofcom-driven stipulation; it's one that you, essentially, described as being part of the licence, and they signed off on it, more or less. So, your expectation would be that they'd be flexible on that over time.

[15] **Mr Curtis:** Yes. They visited us last week on Wednesday—the fourteenth—and I think they were impressed with what they saw and the quality of our product. I think they understand the problems that we're having.

[16] **Jeremy Miles:** Okay, thanks.

[17] **Bethan Jenkins:** Y cwestiwn **Bethan Jenkins:** My final question is: olaf gen i yw: a ydych chi'n credu bod do you think that the decline in local dirywiad newyddiaduraeth lleol wedi news journalism in Wales has effeithio arnoch chi? A oes gennych impacted upon you? Do you have a chi farn ynglŷn â hynny, yn view on that, in general, also? gyffredinol, hefyd?

[18] **Mr Curtis:** Well, I think as far as traditional news gathering in Wales, the Titanic's hit the iceberg, and you're going to hear from a lot of people

like me who are going to tell you what a great job we're doing and rearranging the deckchairs, to be honest. It's not as it seems. If you had to have a model, if we didn't start from here, I would look to Scotland, where BBC Scotland is a vibrant channel. On top of that, the Government—the BBC has just given Scotland a second channel, which I find inexplicable. And there's STV, another vibrant channel. They control the local television stations as well in Scotland. What a good system that would be if that was in Wales as well. But it's obviously not Scotland, and that's not where we are. I'm very disappointed that the standards that were there when I started as a young journalist in the 1970s are not to be seen today. There is no competition in local newspapers; they're owned by Trinity Mirror. Even the most successful newspaper in Wales, the *South Wales Evening Post*, has now lost that title to the *Daily Post*, which is a Trinity product as well. I can't see that the television channels in Wales—and I'm not talking about Bay TV; I'm talking about the BBC and ITV—are sufficiently resourced to produce excellence in journalism. What they do is great, but they can't do it with the money they're getting. I'm saying that as a tv insider; I'm not privy to their finances, but television is an expensive business. You have to, sometimes, chuck the money at it to make it work properly. I cannot see that that's happening here. I think the BBC in Wales must be terribly under-resourced and should be producing much more.

[19] **Bethan Jenkins:** Diolch. **Bethan Jenkins:** Thank you. Carwyn. Carwyn.

[20] **Mr Evans:** Rydw i'n credu mai un peth, fel newyddiadurwr, yw ei bod hi'n anodd gweithio i'r cyfyngderau sydd ar gael. Mae newyddion lleol, rydw i'n credu, yn rhywbeth lle mae angen mwy o bwyslais arno fe, achos yn amlwg, nid yw pawb yng Nghymru am glywed am beth sy'n digwydd yng Nghaerdydd achos dim ond canran o bobl Cymru sy'n byw yna. Wedyn rydw i'n credu mae yna gyfle i deledu lleol weithio, ond mae angen yr amser a'r gefnogaeth arno fe i ffynnu i'r uchderau y mae'n gallu gwneud gydag amser.

Mr Evans: As a journalist, it's difficult to work within the restrictions currently in place. Local news is something that needs more emphasis because, clearly, not everyone in Wales wants to hear about what's happening in Cardiff, because there's only a percentage of the population of Wales living there. So, there is an opportunity for local tv to work, but I do think that it needs the time and the support to prosper and to reach the heights that it can achieve in time.

[21] **Bethan Jenkins:** Diolch. Mae **Bethan Jenkins:** Thank you. Dawn gan Dawn Bowden gwpwl o Bowden has some questions. gwestiynau.

[22] **Dawn Bowden:** Thank you, Chair. Can you tell me a little bit about the extent to which you distribute your news content through social media, and whether that presents any particular barriers for you?

[23] **Mr Curtis:** No barriers; totally opportunities. That's the big surprise that we've discovered since we started almost a year ago. As soon as Facebook started live streaming, it opened the door to a whole new world of television, and not just for us, but for every community in Wales. The entry level would be, 'Buy an iPhone 7', but if you had £100,000 to spend, you could be putting output in technical quality as well as any broadcaster. So, this means that, in terms of what used to be the *papurau bro*—because every community could have its own tv station broadcast on Facebook. And, obviously, there's the risk of defamation and all those sorts of things, but if this system could be controlled by Ofcom and be made to adhere to Ofcom standards, it's a great opportunity for the nation to talk to itself and for communities to get closer together.

[24] **Dawn Bowden:** Sorry, Carwyn, did you want to say something?

[25] **Mr Evans:** No—[*Inaudible.*]

[26] **Dawn Bowden:** Okay. That's fine. So, you're not actually broadcasting via social media at the moment, are you?

[27] **Mr Curtis:** Yes. Yes, we are.

[28] **Dawn Bowden:** Oh, you are doing. Okay.

[29] **Mr Curtis:** Yes. We started broadcasting on Facebook, as well as our digital terrestrial television, our transmitter, as soon as we could because, to be quite frank, the transmitter in Swansea, on Kilvey Hill, is a waste of time. We all know that Swansea is a city of seven hills and seven miles, and the sad fact is that, within 300m of the transmitter, people in St Thomas can't pick us up. The people in Oystermouth and Mumbles can't see us because they've got no view of the transmitter. The people in north Gower can't see us because they look to Carmel. In Oystermouth—obviously, people all have Sky, but in the old days they used to point towards the Mendip transmitter,

and that's the case. So, you really need, as a business model, to be on Sky. Now, unfortunately, we don't have the £120,000 a year, because we don't have the advertising revenue, to get on Sky. Our colleagues here from Made in Cardiff do, and so they're filling our space on Sky in Swansea. If you click on your Sky thing, you'll see Made in Cardiff, but that goes through the whole of Wales, and I think Ofcom agree with us that that's not really fair and that needs addressing.

[30] But we're broadcasting on the internet—it's on Facebook. It gives you the opportunity to actually know who your viewers are individually, and we know that our viewership is 50/50 male/female split. On Facebook we have, since we started, nearly 3 million individual viewers who watch Bay TV Swansea around the world. Now, we don't have a licence to broadcast around the world, but when we first clicked on the 'UK only' button it didn't work. So, we've now migrated to YouTube. We're talking about linear broadcasting—live broadcasting. We don't have the licence to do that. So, we broadcast now on YouTube, our live streaming, which has solved that problem, and then we take chunks of our broadcast and we put it back on Facebook, and we've had some remarkable results. Non-linear—just yesterday we put on a story about a school, which was in Coedffranc—

[31] **Mr Evans:** Coedffranc primary.

[32] **Mr Curtis:** Yes, who've had a book week. Now, this is not going to set the heather on fire, as they say in Swansea, but for the local community it's a huge thing. I think this morning we woke up—. We put it on at 04:46 last night and we woke up this morning to discover—what was it, 3,700?

[33] **Mr Evans:** Yes—[*Inaudible.*]

[34] **Mr Curtis:** Around 3,500 or 3,700 people have watched the broadcast, and it'll build up during the day. With linear broadcasting on Facebook, we had a—. I think it was 24 April. There was an incident in Swansea where there'd been a bomb hoax the day before, and they thought there was a suspect device in a bin outside the magistrates' court. Our studios are next door to the magistrates' court, so we quickly got online and started broadcasting. Within 10 minutes we had 2,000 people watching live on a local TV station. By the end of the day I think it was 9,700 people who'd watched that broadcast in catch-up, and 30,000 people had seen the news alert for Swansea. We know who they are; we know their demographics. It's a brilliant tool—Facebook Live.

[35] **Dawn Bowden:** So, do you see that as the future for—

[36] **Mr Curtis:** Not just the future for—

[37] **Dawn Bowden:** —your organisation?

[38] **Mr Curtis:** Well, I would have thought that—. I've been looking at the BBC's Facebook page today, and what they do is they direct people from Facebook to BBC online, the iPlayer, where you actually have to now sort of sign your life away to get on and admit that you do have a television licence. So, yes, I really do believe that online broadcasting is the future of all broadcasting. If it wasn't for Sky being there already, that's the route they would probably go. It would be broadband-driven. So, Wales has got a great disadvantage as we start because we don't have the sort of 4G capable broadband over the whole nation to give us a national TV channel of people doing their own television.

[39] **Dawn Bowden:** That's very interesting.

[40] **Bethan Jenkins:** Sorry, Dawn, can just Lee come in quickly?

[41] **Dawn Bowden:** Yes, sure.

[42] **Bethan Jenkins:** We'll come back to you. Is that all right?

[43] **Dawn Bowden:** It is, yes.

[44] **Lee Waters:** So, given that the entry barriers have been taken away and there's now a platform for you to broadcast on, then what's the point of your licence?

[45] **Mr Curtis:** Yes.

[46] **Lee Waters:** There's no point in licences.

[47] **Mr Curtis:** Well, given my life again, I wouldn't have done it this way, but I don't think anybody was aware that Facebook would start offering television free to the nation.

[48] **Lee Waters:** So, there's nothing to stop you just handing your licence

back and just carrying on on Facebook?

[49] **Mr Curtis:** I think there's a lot to stop us handing it back, because it's a valuable commodity.

[50] **Lee Waters:** How?

[51] **Mr Curtis:** In terms of anybody's future aspirations of providing a satellite-based station for the whole of Wales. If my colleague from Made in Cardiff was here, he might say, 'We would really like to buy or acquire Bay TV Swansea, because then we can continue with our Sky platform, which is the money.' Because, if you think about it, we've got firms like—what's the Llantrisant-based firm? Leekes of Llantrisant. They're in parts of England just across the border and they're also in Crosshands, which is in our area. So, if I were to go to Leekes and say, 'I would like you to advertise on our channel and it'll cost you £450 for 100 20-second adverts', which is a bargain to anybody, they would say to us, 'Well, why should I do that? We could advertise on Made in Cardiff and have them on the Sky platform and reach the whole of Wales for whatever their rate is.' So, that's my commercial disadvantage that I can't beat and break, but that wasn't apparent in the beginning. But had Facebook been there—and I'm not a director of the company—and had the director sat down at a table, knowing what we know now, he would've applied for the licence of Swansea.

[52] But first of all, the Kilvey Hill transmitter, even after the 700 kHz clearances, which will improve our coverage, is a pretty useless piece of kit. If we had Carmel as well, then that would make a better situation, but we'd also need to be on Wenvoe to get people in Pyle and Kenfig and all that sort of area to watch our channel. So, giving us the channel at the time when this legislation was mooted by the Department for Culture, Media and Sport, was a good idea, but this is a fast-moving age where nothing stands still in the super highway. And so, if we were starting from here, you're right.

[53] I was reading the Institute of Welsh Affairs's media review—was it two years ago now in 2015—and you can see how that has aged, and that's the time that we come from. We come from 2015 when you said that the Swansea and the Mold stations hadn't been taken up yet. Well, now they have—Mold is Made in North Wales and we're Bay TV Swansea. But as I put in my paper to the committee, in an ideal world now, we'd be Made in Wales and we could take the place of that—what you haven't got is the second BBC channel, as in Scotland. You haven't got that for Wales.

[54] **Bethan Jenkins:** Just to say back to you, though, the concept wasn't supposed to be a national concept of Made in Wales, it was supposed to be about filling that local gap, so wouldn't that take away from what the intention was?

[55] **Mr Curtis:** Yes, you're right, but if you look across the array of the 22 or 23 local tv stations in the UK, you've got London Live with more viewers than Sky Atlantic, where they take £0.5 million in advertising revenue a month and they're still losing money, you have places that are as flat as a pancake with one transmitter that can reach 2 or 3 million, and they're not making any money, and then you have Swansea, where they should never ever have put it out to franchise, because of the geographical positions, or they should've said, 'Okay, you can have two or three transmitters. Which ones would you like?' That's where we are now. But, yes, you're right. Give me my time again, and if I had Facebook broadcasting, I would be out there. Nobody would be broadcasting on the Swansea transmitter and we would be using Facebook to broadcast.

[56] **Bethan Jenkins:** Dawn.

[57] **Dawn Bowden:** Can I just take you back to news provision and the stuff you were talking about earlier, Carwyn? You talked about the need for local news, but I was just wondering whether you collaborate with the hyperlocal news providers for content and distribution.

[58] **Mr Evans:** Yes, the content we get, we get via local communication channels and people are now phoning Bay TV with stories, where, I think at the start, it was hard for us to find stories, but now stories are coming to us. We try and make it as local as possible. Obviously, if there are national events, we try and put a local spin on that and make it relevant to the people of Swansea, Llanelli or Neath, or wherever we can get a representative of the relative organisation to talk then.

10:00

[59] **Dawn Bowden:** So, people are coming to you with news, as well as you going out and finding it.

[60] **Mr Evans:** Yes.

[61] **Dawn Bowden:** Are you working with some of the hyperlocal organisations, as well?

[62] **Mr Curtis:** Just yesterday, on the lunchtime show, we introduced our viewers to Llanelli Online, which is Alun Evans and his team. These are professional, top-class journalists. They set up their own internet websites, transmitting in linear and in non-linear forms, and we co-operated with them for the general election campaign, of which we think our coverage was pretty well successful. Also, for the local government elections before that, it was the first time that every local council result in Swansea had been filmed live, so we're very proud of that.

[63] But, yes, I believe that hyperlocal newsgathering is another growth area that we're just going to see explode, and some method needs to be put together, so almost like a press association for Wales, where they can contribute into a centre hub and take it away again, free of charge. That would obviously need some support to set it up and keep it going, but it's exactly the sort of thing that the BBC, in their submission, are talking about with their news hub, which is quite restrictive to broadcasters like me, and their local democracy reporters. The problem with their move is, first of all, these hubs and reporters are going to produce multimedia copy, so they're going to produce vision—the only people who are restricted from using it are the local television stations. The irony is that these reporters could be based in a local television station, because there are 11 for the whole of Wales, which are going to allegedly increase the reporting of democracy in Wales. I noticed that Leighton Andrews suggested that you have your own reporter. I basically question what the BBC are doing. If it's going to cost them £9 million to do this, well, let's spend it on BBC Wales. Give them more money to produce more good news programmes.

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

[65] **Hannah Blythyn:** Thanks, Chair. If I can just take you back and build on what you said about this idea of local community channels via social media and Facebook, you touched on what the challenges would be, at the moment, in terms of the legal complications around it, fake news and the risks of defamation. If you'd be able to expand on that and how you could tackle that, but also what level of support would be needed to make that a reality.

[66] **Mr Curtis:** I would think that you should address that question to someone like Llanelli Online, because they're living it at the moment. But if

you ask me to speculate, I would say that if three or four or five local people got together and decided to do this, if there was a sort of guide produced, perhaps by the Assembly, to how to do it and the technology they would need—I think you're talking about the entry level being a few thousand pounds or less, and, as I said, if you want to be a professional broadcaster, £100,000 buys you a virtual BBC nowadays. Bay TV's equipment is probably valued at something like that. Then you need premises, that can be a hard bit, but you could use the local library, if you've still got one, to do it or a school—a primary school. Every community in Wales has a story to tell. Every community in Wales has its local storytellers, stars and would-be journalists. We just need to go out and harvest it.

[67] **Hannah Blythyn:** So, you think the hyperlocal news sites could be part of that network as well.

[68] **Mr Curtis:** Yes, exactly. That's exactly what it is.

[69] **Hannah Blythyn:** I think you also went further in your paper—you talked about investigating the possibility of a network of locally based not-for-profit community organisations.

[70] **Mr Curtis:** Yes, that would be them.

[71] **Bethan Jenkins:** That's the same thing.

[72] **Mr Curtis:** That's the thing, yes.

[73] **Bethan Jenkins:** Suzy.

[74] **Suzy Davies:** I just wanted to take you back to something you said right at the beginning, which is that the journalists that you're seeing coming through now aren't the same as the—or don't have the same qualities, if I can put it like that, as the journalists of your own era. It sounds a little bit mean, I don't know. [*Laughter.*] 'Era' sounds terrible, sorry. But there's an important question here, because if you're advocating the proliferation of do-it-yourself channels, one of the things we're investigating is whether there's been any change in the quality of journalism, and while it would be, of course, completely possible, for the reasons that you say, for everyone to have a go at this, we are still interested in quality journalism. I was going to ask you how many qualified journalists you have in Bay TV, but you might know more generally in the sector.

[75] **Mr Curtis:** Can I address my age first? [*Laughter.*]

[76] **Suzy Davies:** Well, I suspect we're not very far away from each other, so I'm getting myself on this as well.

[77] **Mr Curtis:** I don't believe that for a second. Basically, I'm not of the Jeremy Bowen era. I'm of his dad's, Gareth Bowen's. So, hands up, I admit it, and everything, when we look back, always looked better in our days. But, if I can give you an example, when I trained as a journalist—I started journalism at the age of 15, and I then became an indentured journalist with the Western Mail & Echo Ltd, part of the Thomson international organisation. Then, you had to do a three or four-year indenture, like an apprenticeship, and, in those years, you passed your shorthand, your administration—the Welsh Assembly didn't exist then, so local councils and how it all works—you did a law exam, and there were other modules as well. They weren't called modules in those days. Now, for £450 online, you can get the same qualification, and you have to learn shorthand somewhere along the way. I find that shocking, and if journalism—if that's the entry level of having a qualification, then there's something wrong in the state of Denmark.

[78] **Suzy Davies:** So, you're not seeing people coming through, say, Cardiff school of journalism, for example, as the main route.

[79] **Mr Curtis:** That's their route, I—

[80] **Suzy Davies:** It's not £450, surely.

[81] **Mr Curtis:** That was there in our day, but the people who were teaching then—and this is no criticism intended of anybody who's there at all now—they were people from my generation, who came up the hard way. I was trained as a journalist—and this sounds terrible—by George Phillips, who was the same guy who trained Michael Parkinson. He was here in Cardiff, teaching us in the local Thomson training centre, because the newspaper groups had their own training centres in those days, and so you had the best people training, and it wasn't an academic-based, it was a workplace-based—. In those days, there were coal mines, and there was no way a journalist was going to be sent out into the Rhondda valley to report on something unless he'd been in a mine. So, we were sent down the mines—

[82] **Suzy Davies:** Okay. I don't want to take—

[83] **Mr Curtis:** —for a shift just to see what the local people were enduring. There's nothing worse than someone sailing down from Oxford or Cambridge and having no idea what Wales was like and then going out and interviewing people.

[84] **Suzy Davies:** Okay. Thank you. As I say, I don't want to take any more time on this particular strand, but I am curious about this. Thank you, anyway.

[85] **Bethan Jenkins:** Thank you.

[86] **Hannah Blythyn:** Coming back on what Carwyn said earlier, the other side of the coin, really, to what Suzy just asked is that, if it looks like we're shifting towards this new way of getting the news out there of hyperlocal sites, using social media, how do we make sure of the other side, of making sure that we've got quality journalism, and also how it is a viable and sustainable career option for young people—how do we tie that in with how the news, the picture of how we consume our news, is changing?

[87] **Mr Curtis:** Okay. Well, Carwyn has just been through that system, because there is a big age gap. You might not have realised it, but there is. [*Laughter.*]

[88] **Dai Lloyd:** Is there? [*Laughter.*]

[89] **Mr Curtis:** So, if you can talk us through that; you came through that.

[90] **Mr Evans:** Yes, so I studied a postgraduate diploma in Nottingham Trent University in broadcast journalism, and I do think there is a need for that, because it teaches you, obviously, the law side of broadcasting, but also the whole news gathering and getting out there and dealing with difficult stories. As important as hyperlocal news is, there are some stories that I think you need to be guided in how to deal with them, because they're very sensitive and they're of a nature where I think—you can't just turn up with a camera and start interviewing a mother who's lost her child, or something like that. There are certain topics in news for which training is needed to ensure that you have the right empathy to deal with that situation.

[91] **Hannah Blythyn:** Just, sorry, one very, very quick—. Just on that, though, in terms of—. So, you think, you know, in terms of you'd like to see

postgraduate broadcast journalism, perhaps now if you're looking more to—and it might already be the case, but if you're looking more to how you have to set up these networks, and perhaps some of the skills are going to be different—. So, Peter, in your previous answer, you referred to needing guidance on how to do this. Should that be something that's taught as part of courses, in terms of journalism courses in the future, about how you'd get that guidance as part of a course, and how you could create these networks? It's almost a different set of skills you need to learn as well at the same time.

[92] **Mr Evans:** Yes, I think that could be something to be introduced into the course, because, obviously, these days, jobs are harder to find and sometimes you do need to take a chance, maybe, and try and set something up. So, if you've got experience of how to set something up and communicate with fellow journalists in a local community, I think it would be beneficial and it would also benefit the community and the community channel that follows on from that.

[93] **Bethan Jenkins:** Sorry, I don't want to take much time, but I think it was Ifan Morgan Jones who told us that he was disappointed that the younger generation weren't actually setting up these things on their own—that there was a massive gap in that sort of proactive start-up agenda. Is that something that you concur with or that you can see?

[94] **Mr Curtis:** I would hope that secondary schools in Wales would be looking at setting up their own TV channel, because they can.

[95] **Bethan Jenkins:** Okay. Carry on, then—Dai Lloyd.

[96] **Dai Lloyd:** Well, actually, Chair, my questions have been overtaken by the excellence of the replies, really, so I'm completely floored by the excellence of the presentation, but anyway—. One point, though, in terms of the reality of where we are in terms of news coverage in general about Wales, it doesn't actually prioritise things happening differently in Wales vis-à-vis, say, England. And I was wondering about your contribution towards that. Say, last year when junior doctors in England were on strike, junior doctors in Swansea also thought they were on strike, because that's where most of their news coverage came from. Now, that's obviously difficult to counter without an increased appreciation that things are different here in Wales. I was just wondering, looking forward, about your contribution to that.

[97] **Mr Curtis:** I think it comes back to Leighton Andrews's point that

you've got a responsibility to get the news out from here, and if it's not being covered properly or in enough depth then that's what this committee is looking at.

[98] **Bethan Jenkins:** Océ. Jeremy, **Bethan Jenkins:** Okay. Jeremy, cyllid. finance.

[99] **Jeremy Miles:** I've got some questions about finance and how that all works. What sort of budget do you operate to?

[100] **Mr Curtis:** I'm not a director of the company, and I'm not aware what—. I know in rough terms, but I honestly don't know what the figures are as to where we are at present.

[101] **Jeremy Miles:** What would your accounts show if I were to look at those?

[102] **Mr Curtis:** They're available—

[103] **Jeremy Miles:** A rough idea.

[104] **Mr Curtis:** —in Companies House. I must admit I've been so busy, I haven't had the time—

[105] **Jeremy Miles:** No, no, it's fine; we can find that. So, in terms of the financial support that you get as a company, as a broadcaster, do you have a sense of what that is in terms of—

[106] **Mr Curtis:** I know how much the effects that the BBC's lack of support that we're going to—. When we're set up, we're given three years of funding, and the idea is that in those three years we build our commercial model to a stage where we won't need the support of the BBC any longer. That isn't and never was a viable option, and now, as we go into year 2, I'm £6,000 a month down on where I was in year 1. I don't know the total amounts and what we're looking at in advertising revenue from mainstream advertising on the channel, but that's the well that we're looking down.

[107] **Jeremy Miles:** Okay, just to get this clear in my head: you've got a three-year commitment, so you're in year 2 of that. So, you've got—

[108] **Mr Curtis:** Well, we're just about to go into year 2.

[109] **Jeremy Miles:** Right. So, you've got visibility of funding for the next two years—

[110] **Mr Curtis:** Yes, but it decreases year on year.

[111] **Jeremy Miles:** —or someone has that. So, there is a decreasing commitment, is there?

[112] **Mr Curtis:** Yes, to wean you off the BBC support.

[113] **Jeremy Miles:** Sure. And you don't know the numbers in terms of headline numbers, but do you know what the reduction rate is? Does it halve over three years, or—?

[114] **Mr Curtis:** I think in year 1 the BBC gave us—. Is it £120,000, or was that—?

[115] **Mr Evans:** I thought it was £160,000 in the first year.

[116] **Mr Curtis:** It goes down by a percentage every year, so in year 3 it's £80,000.

[117] **Jeremy Miles:** Okay, so it goes from 100 per cent to 50 per cent, starting from about £160,000 roughly.

[118] **Mr Curtis:** I'm not sure if the £160,000 figure's right.

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

[120] **Bethan Jenkins:** Sorry, can I just ask: if you're not dealing with the finance, who is, then? The chairman?

[121] **Mr Curtis:** The directors and the chairman of the company, because the reason why—

[122] **Bethan Jenkins:** Can they give us the information?

[123] **Mr Curtis:** Sorry?

[124] **Bethan Jenkins:** Can they give us the information, as opposed to us—

[125] **Mr Curtis:** If you write to them, I'm sure they'll consider it, yes.

[126] **Bethan Jenkins:** —going to Companies House? Okay.

[127] **Mr Curtis:** The reason that Carwyn and I are here, rather than having the chairman of the company, is that it's about news gathering, this inquiry. If it was about local television in Wales—and there was an earlier inquiry that we missed out on, somehow—he would have been here then and been very able and willing to answer those questions.

10:15

[128] **Jeremy Miles:** That's fine. These are just questions about resilience, essentially, and the model. Okay. So, the intention was that, as you describe it, weaning you off the BBC money encouraged you to find commercial alternatives to that, and your experience has been, you're telling us, that that is not happening, and it was never likely to have happened under that model. Is that a fair summary?

[129] **Mr Curtis:** And I'm sure if my colleague from Made in Cardiff was here, they might tell you of a similar, if not identical, experience.

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

[131] **Mr Curtis:** And, also, many of the others of the local television channels that have started in the UK, and are now in year 3, have had to become part of one of the major consortiums, either 'That's' or 'Made in'.

[132] **Jeremy Miles:** Right. Because of financial vulnerability.

[133] **Mr Curtis:** Because, yes, you come to the end of the BBC money and you suddenly realise that you no longer have a viable business model.

[134] **Jeremy Miles:** Okay. So—

[135] **Mr Curtis:** I don't know the figures as regards Bay TV.

[136] **Jeremy Miles:** Sure. Okay. So, are you saying, in effect, that the commercial moneys that Bay TV is able to raise are negligible, effectively? Is that fair? I don't want to put words in your mouth. Is that fair?

[137] **Mr Curtis:** They were a surprise, the levels that we're getting.

[138] **Jeremy Miles:** Because they're so small?

[139] **Mr Curtis:** Because they're so small, yes.

[140] **Jeremy Miles:** Yes. Okay. Right. So, it's not sensible, presumably, to talk about the percentages of your income that derive—

[141] **Mr Curtis:** No. And I don't know those details anyway, but what I do know is that the total advertising availability in Wales is static or declining, and that you have your Trinity Mirror, which are jealously guarding their revenue, and you have Nation Radio and the others that are jealously guarding theirs. We could, quite easily, if there was a viable broadcast unit, go in there, and, as I said, for £450, you can get your 100 20-second adverts on Bay TV. But you've actually got to have measurement from the Broadcasters' Audience Research Board, and that is a very, very expensive thing indeed. And we're actually negotiating with them now, so we will come up with audience figures that you can then sell advertising based on.

[142] **Jeremy Miles:** Yes. Okay. But you've got your Facebook viewing figures—

[143] **Mr Curtis:** Oh, gosh, yes. Facebook, yes.

[144] **Jeremy Miles:** You've got concrete data there.

[145] **Mr Curtis:** Yes, we do.

[146] **Jeremy Miles:** So, you've got the financial support from the BBC. You've got some element of advertising revenue. Are there any other revenue sources, or is that, essentially, it?

[147] **Mr Curtis:** Yes, there are. There are, and it's a good question. Anybody who's watched Bay TV will notice that we broadcast five days a week, and at weekends, we turn into a film channel, called Talking Pictures, which shows movies, good movies, British movies, from the 1930s right until the year 2000. And they are very, very popular with our viewers. The reason we do that is because the people of Swansea, and, additionally, the people of Brighton, cannot get channel 81, for some reason, on their transmitters. So,

this Talking Pictures channel needs us to get their BARB figures for the whole of the UK, which they base their advertising rates on, so they pay us to show these films.

[148] **Jeremy Miles:** Okay. So, you have a slot share arrangement of some sort with them.

[149] **Mr Curtis:** Well, no, they pay us to show the films, so we actually switch over to their feed. As part of the legislation that set up local television, the Government also set up a mux, called Comux UK, based in Birmingham, and we send our signal to Birmingham and they send it back down. But that means that other signals, and, in this case, channel 81, can be broadcast on channel 8, which is a top 10 DTT channel.

[150] **Jeremy Miles:** I think the detail is fine. I just want to get a sense of the top line, really. So, is that a material contributor to your revenue, did you say?

[151] **Mr Curtis:** Yes. It's a vital part of our—

[152] **Jeremy Miles:** Okay. In rough percentage terms, would you—

[153] **Mr Curtis:** I don't know. I just know that that's the answer to the question. [*Laughter.*]

[154] **Jeremy Miles:** Okay. So, in terms of long-term sustainability, I think what is clear from what you're saying is that your fear is probably—again, I don't want to put words in your mouth—that, at the end of the BBC money, you're looking at a difficult situation.

[155] **Mr Curtis:** No, I'm not. I have no fear. I believe that the excellence of Bay TV and its people will attract investors, and that we will move on with investment from a third party.

[156] **Jeremy Miles:** So, why would your experience be different from those that have been consolidated into 'That's', and so on?

[157] **Mr Curtis:** Because we're in year 1, and we have at least another 12 months to prove our commercial model, to perhaps get, with Ofcom's help, onto Sky, or prevent other people taking our slot in our postcode area, and also to develop our commercial model. So, we're not chucking in the towel.

We're going out to fight for the people of Swansea.

[158] **Jeremy Miles:** What I'm trying to get a sense of is what the underlying considerations are. So, others have not succeeded in doing that for what reason, would you say?

[159] **Mr Curtis:** Because they started first and they didn't realise—. If you are starting a business in the commercial world, the first thing you do is appoint a sales team. In local television—wrong, because you will never pay for your sales team, when you're advertising in the first two years. What you do is you build the brand and then you go to the marketplace and say, 'Hey, you're paying x for advertising on The Wave, or other competing brands or in the newspapers; we will give you this and see how you get on and come back to us and tell us whether we've improved your business'. So, that's where we're going—taking our product to the market and then trying to sell it.

[160] **Jeremy Miles:** Okay, great. Thank you.

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

[162] **Lee Waters:** One of the things that we're trying to establish with this inquiry is whether there is a viable financial model for the provision of news. I think, as you've described to date, yours is not a viable financial model. Do you have a clear idea of what a viable financial model would look like?

[163] **Mr Curtis:** For our product or do you mean for any?—

[164] **Lee Waters:** For news in Wales generally, but drawing on your own experience.

[165] **Mr Curtis:** From my own experience, I was news editor of the *Western Mail* at a time when the circulation was growing—

[166] **Lee Waters:** Sorry, your experience of Bay TV Swansea, I mean. In current market conditions, can you see a way forward to there being a viable news model?

[167] **Mr Curtis:** On the news side of things, yes. If Ofcom allow us to broadcast seven and a half hours a week, we can continue with our present staff for the foreseeable future.

[168] **Lee Waters:** Yes, but that's not viable though, is it, because you don't make any money?

[169] **Mr Curtis:** It's viable until the BBC money runs out.

[170] **Lee Waters:** Right, but that's not viable, because that's a subsidy—that's going to stop. So, beyond that, do you foresee, in current market conditions, a viable news model emerging and what will it take for it to emerge?

[171] **Mr Curtis:** More investment from a third party to actually kick-start the brand being sold into the marketplace against the likes of News International or News UK or whatever it's called nowadays. Rupert Murdoch has the radio stations, Trinity Mirror have the newspapers, and here we are as, probably, the only independently owned broadcaster in Wales. It's tough, but we're not despondent: we won't be giving up and we will battle on because we've got very good people working for us—young people straight from university, and they're actually working in the degree subject that they studied. That's incredible in today's world.

[172] **Lee Waters:** In terms of other support that you get, as well as the direct subsidy from the BBC, do you have access to some of their content as well?

[173] **Mr Curtis:** No, they don't offer us programmes to show, no.

[174] **Lee Waters:** You don't have any access to any of their content.

[175] **Mr Curtis:** No, and, in fact, in their digital democracy reporter programme, we're actually precluded from using the vision. We can use the text.

[176] **Lee Waters:** Do you get any non-financial support from anybody at all?

[177] **Mr Curtis:** We get great help from people in the business and also our cousins in the other 22 stations. So, on our start-up, without their help, we wouldn't have got on the air, because they've given us free programmes and we get free programming from other people who love local television. Some of the programmes that we get offered and use are quite exceptional. We also produce our own programmes. We've produced music programmes and we produce a poetry show before the 6 o'clock news every night. There are

many other products that we've touched and, if they work, we carry on. But we get a lot of support and a lot of goodwill from the local community and also from our local MPs—all but one appear on the show quite regularly, and he's promised to join us soon, and, I hope Dai Lloyd, if I can address him directly, Chair, will come and be on Bay TV, because I think you're one of the few here, who's in our area, who hasn't been on.

[178] **Dai Lloyd:** I'm very shy. [*Laughter.*]

[179] **Mr Curtis:** Yes, you're very shy.

[180] **Bethan Jenkins:** Suzy.

[181] **Suzy Davies:** You mentioned earlier on that you're hoping that Ofcom will reduce the number of news hours and current affairs hours that you have to put out. You make an important claim that S4C is not the only Welsh language terrestrial channel in Wales. How much Welsh language news are you able to put out? You mentioned a quarter of an hour earlier on, but is that because it's difficult to find people to contribute or because it's just you and you haven't got time to do anything else?

[182] **Mr Evans:** It's probably a combination of both at the moment. One of the main barriers is that, for instance, on Swansea council, none of the cabinet speak Welsh, so, to get a Welsh representative from Swansea council is not always easy, but then—. For instance, this week, with Coedffranc Primary School, we made an English-language package and a completely different Welsh language package. So, we try and broadcast a full 15 minutes of Welsh every day, but obviously, sometimes, the top stories in the area for that day don't allow for that. But the hope is that we'll get to a point where every day is a full 15 minute Welsh language bulletin.

[183] **Suzy Davies:** So, you do back-to-back when you can, effectively.

[184] **Mr Evans:** We do back-to-back every day, but some of the interviews in the Welsh bulletin might be English language due to a lack of a Welsh speaker.

[185] **Suzy Davies:** That's my point, really—it's just that the individuals involved don't have the language skills to be able to contribute.

[186] **Mr Evans:** Yes.

[187] **Suzy Davies:** When I was asking earlier about journalists and how many journalists you have, has it been difficult to attract journalists with Welsh language skills or student journalists with Welsh language skills.

[188] **Mr Curtis:** Well, there aren't a lot around, and we have the best one here.

[189] **Suzy Davies:** Well, exactly, I'm feeling slightly sorry for you that you've got a lot standing on your own shoulders here. So, in order to expand Welsh language news output, how do you think it could be done, bearing in mind the resource implications you've already mentioned?

[190] **Mr Curtis:** Well, Welsh local government support, Government support in some way, to boost our use of the Welsh language could be good. In our licence, we've committed ourselves to do Welsh language programming, but, in Swansea, the language demographic is not the same as it is in Pontardawe, and, if we had a good transmitter or we were on Sky, we could reach our audience there. Because we have reports every week of people who hear about the channel from their friends, go to their television set in Pontardawe, where there's a big Welsh-speaking community, and they've been told about Carwyn's news bulletin in Welsh, and they can't get it.

[191] **Suzy Davies:** Okay.

[192] **Bethan Jenkins:** Can they can get it on Facebook?

[193] **Mr Curtis:** Do we put the Welsh language on Facebook?

[194] **Mr Evans:** Yes. We don't put full bulletins on it because what we found is that people tend to prefer to watch shorter clips. So, we put individual stories up and we put both Welsh and English language stories up then.

[195] **Mr Curtis:** As I said, that's the way forward, the generation—

[196] **Bethan Jenkins:** Do you put it on YouTube as well—the Welsh language news?

[197] **Mr Curtis:** Yes, they're live on YouTube in Welsh.

[198] **Bethan Jenkins:** So, they could watch it on YouTube.

[199] **Mr Curtis:** Yes.

[200] **Suzy Davies:** Just one last quick one on this, things like the local authorities and other public bodies like the health boards—there would be stories coming from there as well—do have the capacity to help you out with Welsh language speakers and certainly Welsh language material full stop. Are they proactively seeking you out on things like this?

[201] **Mr Curtis:** If I could just say, we don't have a very good relationship with our local health board, for some reason. We don't understand why. They don't recognise us as a viable news outlet. I don't think we've ever had an interview from the health board.

[202] **Mr Evans:** No, we've got a better relationship with the Hywel Dda health board, further west.

[203] **Suzy Davies:** That's interesting. But I meant just more generally really, any big organisation should be able to find a Welsh speaker in order to contribute. I know it's difficult for you because you're on your own, but they should be a little bit—I wasn't looking at you.

[204] **Mr Evans:** I think Swansea council is probably the only one where we haven't had a Welsh speaker. The fire service and the police are more than happy to give us bilingual speakers if they're available.

[205] **Suzy Davies:** That's what I was getting to. Okay, diolch. Thank you.

[206] **Mr Curtis:** I see the channel as open-access television. If a Welsh language group contacted us and said, 'We'd like to talk about this and that', and the same with any politician, they could walk through the door and get on television.

[207] **Suzy Davies:** Careful what you wish for there.

[208] **Bethan Jenkins:** Quickly now, we have two more questions. Neil Hamilton.

[209] **Neil Hamilton:** You mentioned quite rightly that there's a lack of plurality with the Welsh media carved up between Trinity Mirror on the one hand and the Murdoch empire on another. This point has been made by Ifan

Morgan Jones in his previous evidence to us in relation to Welsh language media as well. Do you agree with that and is there any way in which we can mitigate this? Given that there's a significant element of public subsidy in most Welsh language media in Wales, I wonder whether there's any way, unlike something that is purely commercial, we could nudge or shift the balance.

[210] **Mr Evans:** Sorry—

[211] **Mr Curtis:** You haven't read the report.

[212] **Mr Evans:** I haven't, I'm afraid.

[213] **Mr Curtis:** I think we're at a certain disadvantage there. Could you tell us a bit more about it?

10:30

[214] **Neil Hamilton:** Well, about what?

[215] **Mr Curtis:** The report.

[216] **Bethan Jenkins:** The evidence from Ifan Morgan Jones, you mean?

[217] **Neil Hamilton:** Yes, sorry, yes.

[218] **Bethan Jenkins:** It's evidence that he provided to the committee.

[219] **Neil Hamilton:** That was just one of our witnesses who came and, obviously, we're interested not just in the resilience of existing institutions, but also in encouraging greater plurality and greater choice.

[220] **Mr Curtis:** Well, I would refer to my earlier answer about hyperlocal stations. That's the way, or another way would be to look, if the Blaenplwyf transmitter was available to local television and the others in the main Welsh-speaking areas, and in north Wales, you could have a local television alternative to S4C, if that's the question that you're asking?

[221] **Neil Hamilton:** Yes, well, it was along those lines, about your ideas on how we can help greater plurality to develop.

[222] **Mr Curtis:** I read most of the evidence before the committee and it was the evidence from Dr Andy Williams which I felt the most relevant, in my opinion.

[223] **Bethan Jenkins:** Anything else?

[224] **Neil Hamilton:** Well, do you want the last question? We've also looked at Welsh language publications in written form too, and those which are supported by the Welsh Books Council and how we get a greater reach for these things. You mentioned earlier on a single news hub for Wales. I was wondering whether you think that this could also assist us in relation to printed publications as well.

[225] **Mr Curtis:** Well, the same as the day of the newspaper printed on paper has gone, I'm pretty sure the day of the printed book will go, and that's where you could have a Welsh Books Council hub, which was multimedia and talking books, and all those various things. Anything's possible if we can think of it.

[226] **Bethan Jenkins:** Okay, I'm going to bring it to an end because we have gone over substantially, because, obviously, we started late. I thank you for coming in today, and if you do have anything to add then please feel free to contact us at any time. Hopefully, we'll see some of the clips from the committee on Bay TV Swansea or on your Facebook page later on.

[227] Diolch yn fawr iawn am ddod Thank you very much for coming in
mewn a gobeithio y gwnawn ni and I hope we'll be in touch with you
gysylltu gyda chi yn y dyfodol ynglŷn in the future regarding this inquiry,
â'r ymchwiliad yma, wrth gwrs. of course. Thank you.
Diolch yn fawr.

[228] **Mr Curtis:** Thank you for having us.

[229] **Bethan Jenkins:** Pleasure. We'll take a short, short two-minute break.

*Gohiriwyd y cyfarfod rhwng 10:32 a 10:40.
The meeting adjourned between 10:32 a 10:40.*

Newyddiaduraeth Newyddion yng Nghymru: Sesiwn Dystiolaeth 6
News Journalism in Wales: Evidence Session 6

[230] **Bethan Jenkins:** Diolch a chroeso. Rŷm ni'n symud ymlaen at eitem 3, sef newyddiaduraeth newyddion yng Nghymru a sesiwn dystiolaeth 6. Croeso i Phil Henfrey, pennaeth newyddion a rhaglenni ITV Cymru Wales a Zoe Thomas, golygydd cynnwys ITV News Cymru—ITV News Cymru Wales; lot o ddisgrifiadau gwahanol. Diolch i chi am ddod mewn yma heddiw fel rhan o'r ymchwiliad yma. Fel rydych chi'n ei wybod o fod yma o'r blaen, bydd cwestiynau ar wahanol themâu gan Aelodau Cynulliad. Rwyf jest eisiau dechrau gyda'r cwestiwn ynghylch eich barn chi am ddirywiad cyffredinol newyddion yng Nghymru a sut mae hynny wedi effeithio arnoch chi. A ydych chi'n credu bod yna ddirywiad wedi bod yn hynny o beth a sut mae hynny wedi effeithio ar ITV Cymru Wales? [*Torri ar draws.*]

[231] **Bethan Jenkins:** I expect you to answer. [*Laughter.*]

[232] **Mr Henfrey:** What was the question?

[233] **Bethan Jenkins:** I was asking about the—. I did not realise that at all. What is it in English? The decline in Welsh media and whether you agreed that there had been a decline and whether you could tell us how that's affected ITV Cymru Wales.

[234] **Mr Henfrey:** Thank you very much for the opportunity to speak to you again. I completely understand that the backdrop for the question is around the decline in the Welsh media. I think probably, though, I'll start by, for the record, saying that what ITV Wales does, and what ITV Wales has done for

many decades, it continues to do. It continues to provide a national news service for Wales—a very successful, high-quality national news service for Wales. It's one that is available free to viewers. It's universally available. It provides effective competition to the BBC's news services in Wales and it does so at no direct cost to the taxpayer.

[235] As I say, we've been doing it for many decades, but it continues to be hugely relevant to a significant proportion of the audience in Wales as well. I think the last Ofcom survey said that 78 per cent of people in Wales trusted what ITV news does in Wales, which is a significant figure. As I've said to you before, the ratings for our flagship news programme, *Wales at Six*, have actually gone up every year since 2009.

[236] But, of course, the world isn't standing still—it's not—audience behaviours are not standing still, technology's not standing still, the political and economic climate in which we operate is not standing still, and ITV news has not been standing still within all of that. I think one of the reasons for our current success, if I could put it in those terms, is as much to do with the talents and the skills of our team, who've absolutely embraced the changes that have come across our industry in terms of technology. We've also changed our programming. I think that you will know, from having watched *Wales at Six* in recent years, that, by going to a single-presenter format, we've re-established its credentials as a national programme for Wales, as an authoritative programme for Wales—and the relationship with the audience—and the audience has responded to that. Of course, we embrace the benefits of the internet—for there are some benefits to the internet—in the sense that we can now reach new audiences via our mobile and our digital.

[237] So, yes, the wider news environment in Wales is going through significant change, but I think what I'm keen to do is to say, within that, what ITV Wales does is consistent with what ITV Wales, in the news context, has been doing for many decades and will continue to do for the duration of the licence.

10:45

[238] There are two aspects, I would argue, in terms of the impact of the wider context of the news industry. The first one is—as somebody who works in the news industry, then any decline in the number of journalists, in the plurality of coverage in Wales, is of a concern. And there are also some practicalities, too, in terms of what we do. If I could say, it's somewhat like a

food chain of news stories, and our focus in terms of what we do has not changed. We focus on the national institutions of Wales. We are a television news programme; there's only so many stories we can cover, and the amount of television news in 30 minutes you can put in is much the same as it was 20 years ago. But I think what is changing is the ability of news journalists across Wales to provide sufficient scrutiny of all these institutions of Wales wherever they may be. And I think that is probably of concern. And then a second aspect to that as well—we can go into much more detail on that one—is a question I ask myself, 'Where do the future journalists come from?' I started myself in local newspapers, and I worked my way, in a sense, through the industry and learnt a lot along the way, before I came into television. And, as those sources of other providers start to decline, a question I start to ask myself is, 'Well, where are the journalists of the future going to come from to keep the people of Wales informed?' So, that's probably my broad sort of answer: what ITV Wales does is fairly consistent with what it's always done in the news environment in Wales. Indeed, I think there's probably a case for saying it's doing it as well as it has ever done. But the practicalities of the relative decline, and changes that are going on in the industry, do have some practical impacts on what we do day to day.

[239] **Bethan Jenkins:** Zoe, a oes **Bethan Jenkins:** Zoe, do you have gennyich chi rywbeth i'w ychwanegu anything to add? neu—?

[240] **Ms Thomas:** Sorry—

[241] **Bethan Jenkins:** Zoe, a oes **Bethan Jenkins:** Zoe, do you have gennyich chi rywbeth i'w ychwanegu anything to add? neu—?

[242] **Ms Thomas:** I think—. Well, I agree with Phil. I think, on a practical level, my job most days is to look around and decide what stories we should be covering and I think, without doubt, when I started doing that job 12 years ago, there was a greater source of stories out there being generated a greater number of journalists, and that probably can only be a bad thing, that that isn't out there in the numbers, although the people that are out there are still doing a fantastic job. And I think—you know, that is a give-and-take relationship, I'm sure. We used to get stories from local newspapers, and, similarly, they saw stuff on our news, and they would pick up on that as well. So, I think that has declined, there's no doubt about that. I think the websites now that the local newspapers are providing are doing

their best to plug that gap. But I think, inevitably, the number of journalists out there has decreased and therefore the scrutiny of things at the local councils, et cetera, is still there, but it's perhaps not there in the same way that it was. And that was something that, really, national broadcasters never necessarily had the chance to do, as Phil said, in the finite airtime that we had. So, that's a very difficult gap to plug, unfortunately.

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

[244] **Neil Hamilton:** I was wondering whether you could give us your views on whether there are any distinctly Welsh aspects to this decline in news journalism. The Ofcom advisory committee has been particularly scathing about the position of Wales, saying we're much worse served than any of the nations—Scotland and northern Ireland, in particular. Outside the BBC we're served less comprehensively, they say, than any of them, and we have weaker print media and commercial radio services than they have as well. So, it's a pretty damning indictment of the situation. Is there anything we can do about this?

[245] **Mr Henfrey:** Is anything we can do? In that sense it's not a new phenomenon, but, if you start from a weak base, if that base then starts to get weaker, then the impacts perhaps are more keenly felt. I'm no expert on the newspaper industry, or indeed the economics of radio, but, ultimately, this is an issue of economics. Wales, relative to other parts of the UK, is a smaller economy. It has fewer people, fewer news consumers. So, that has an impact. I think that there's also an element too that says to what degree are people in Wales—how can I put this—not willing to consume, but how interested are they in purely Welsh content.

[246] I would argue—I have no research to back this up, but I would say that interest in purely Welsh affairs has gone up in the last 20 years. I think that the fact that ITV news is at six o'clock and before the UK news makes a lot more sense now than it did. I think it makes a lot more sense to viewers. I'm not saying that that's the principal reason why more people are watching now than might have been 10 years ago, but I think it's reflecting the constitutional changes that have happened, the relevance of Welsh news to people. I think people are recognising that. But does that then translate into people being willing to pay for it? That's the key question. The key question here is: to what degree will people pay for it, or to what degree is publicly available funding available to support it? I think what you're seeing in the Welsh market is that people aren't willing to pay for it, so, if people think it's

valuable then, I suppose, perhaps the only solution then is to make public money available to support it. But that's a matter for policy makers, not for me.

[247] **Neil Hamilton:** I take your point about the way in which the media has changed, and when and where are the journalists of the future going to come from, but at least one good feature of recent changes is that the cost of technology and the infrastructure of broadcasting has dramatically reduced. So, that should actually be an aid to increasing plurality and having a wider news coverage in Wales than was possible just a short time ago, given that one person with a camera can now do everything.

[248] **Mr Henfrey:** Yes, and I think that was the sort of theory that sits behind local television. We now have local television and 10 years ago we didn't have local television. I guess your question—I'm sure that came up in the evidence session before us—is: to what degree is that filling the gap that has been left by what was there? And, again, there's only so much funding that local television—and so much revenue—can draw in, and only a certain level of interest by the consumer. It has a finite level that it can fulfil. In terms of new technologies, yes, if you embrace them, yes, if you're a progressive organisation and you take on board those changes, then, yes, you can take advantage of those to better serve viewers. I would argue that that is what we have done. We are making our money go further, which is enabling us to better serve viewers than perhaps we might've been able to do 10 years ago. But, again, there's only so far you can take that, and I would probably argue that we are incredibly efficient. Is there room for more efficiencies? Probably not.

[249] **Neil Hamilton:** I think that this leads on to other questions that other people will answer.

[250] **Bethan Jenkins:** Diolch. Suzy has a supplementary.

[251] **Suzy Davies:** Yes. It's very much related to this. There is a lack of plurality in Wales, full stop, but there's an assumption that there's a BBC voice and that there's an ITV voice, when, actually, both of those major broadcasters could have different versions of that voice. On the online platforms, does ITV go actively seeking new ways to get news out to different audiences—online, now, not on the main television?

[252] **Mr Henfrey:** I think the important thing to say around digital is that

digital, like all commercial players, has to earn its place. How do you earn money from digital? Usually you earn money by the volume of clicks that you get, and that can lead to a certain form of story coverage. That can lead to a certain form of journalism, and I think what we have looked to do is to balance that reach that we can achieve with reputation. So, for example, we know that, frankly, coverage of this institution is not going to get many clicks on our website, but I think, when you look at our digital news service, you'll see quite detailed coverage of politics. You'll see detailed coverage of other things that are, frankly, probably not that interesting to a digital audience.

[253] **Suzy Davies:** What I actually meant is—because everything is on your ITV website, I get that, but do you use other forms of social media, like Facebook and Twitter, to guide individuals into different directions?

[254] **Mr Henfrey:** I was coming to that. I think the point I'm trying to make is that what we're not doing is purely pursuing an editorial agenda that says, 'We want to reach as many people as possible'. What we are saying is that we feel that this content is important, so we make it available for people to consume it. We take the same approach with using new platforms, such as social media. One of the things that we did with creating the website was—. That's a platform that we can control, but I think one of the things that, absolutely, we're seeing in the industry is that there are new platforms emerging all the time, and how do you get your content onto those platforms?

[255] So, you will have seen, during the election, the interview that Robert Peston did with Theresa May using Facebook Live. Now, that's a really interesting way of engaging an audience who want to ask questions. The theatre of television has a format called 'Ask the leaders', you know: a big studio, you've got to bring in an audience, it's got to be balanced and so on and so forth. It's quite a large, cumbersome thing to do, but very effective in television terms. But now, on social media, there's this new format that exists—Facebook Live. You can use it in that way that people can ask directly the questions to their politicians. Personally, I think that's very exciting, and we are always constantly looking within what we do to try and exploit that further. We're looking currently internally about how we can rebalance and recalibrate some of our newsroom resources to put more resources into the digital from what we've got, because that's clearly something that is enabling us to reach, potentially, new audiences for our content. It's something we're very alert to.

[256] The flipside to all of that, of course, is that if it's a platform you don't control, and you put considerable investment into it, if somebody decides to change an algorithm or to change their business strategy, you have no control around that, and then all of a sudden, potentially, that could be gone, and so what you're trying to do is you're, in effect, trying to ride three horses: there's clearly an audience still, and will be for some time to come, for what we do in terms of television; we want to maintain a platform that we do control, that remains relevant to people despite changing audiences; and we want to try and make sure that our content is reaching people via other platforms. Actually, for a commercial company, that's quite a challenge, but I think we're doing quite well with that. Again, I put it in the context of: in the digital space, we were nowhere 10 years ago. Now, I think we have a very credible offer, both across what we do in mobile, and in terms of what we're trying to do in terms of Facebook and other social media.

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

[258] **Bethan Jenkins:** Zoe, I'm just conscious—do you have anything to add to that?

[259] **Ms Thomas:** Just, I think, the fact that it's a case of knowing the audience, isn't it? Different social media attract different audience profiles, effectively, and you try and tailor the stories that you're putting out on the different media, and you try and do them in a different way. Some of them lend themselves more to video, some of them lend themselves more to text, and you know what people respond to. I think that's something that we try and concentrate on, whilst, at the same time, also trying to balance that fact with actually maintaining things within our own website that we can control and that we have autonomy over, really.

[260] **Bethan Jenkins:** Lee also has a supplementary.

[261] **Lee Waters:** Can I just follow up your point on platforms? You say in your written evidence that in order to continue to give ITV a fair chance of making a reasonable return on its investment, the policy focus should be on the economic balance between public service broadcasters and platforms. Could you elaborate on that?

[262] **Mr Henfrey:** Well, I think that Ofcom has got a statistic that is really quite interesting; I think something close to 50 per cent of digital consumption is of the PSB's website, and I think that's highly significant.

Again, I'd probably come back to this element of what I regard as trust. There's lots of content out there. It's relatively easy to find it, but to what degree can you trust it? And we are trusted, as I've said, and I think the principal thing that we are doing at the moment is putting our brand on these platforms, so that our content, which we know that people trust and that people should trust, is starting to emerge in people's platforms, in their timelines. But we are constantly having to ride two horses, if that makes sense. We are obligated to the television—we are. And there's a great life within that—there is. But at the same time, we can see the potential that digital provides us. And I suppose, probably, what we're saying in that is that, potentially, we need to keep recalibrating, as these change, and just be alert to the fact that we need to continue to look at this not as a fixed model, but as a dynamic model. Audience consumption is changing. There is real potential, in the future, for trusted, impartial news to reach people digitally. Fifty per cent of that consumption seems to come from the public service broadcasters. That's of great value, we would argue, plus the television. What we're saying to policy makers is to be alert to that value and, in your own deliberations, as you consider the wider market, just bear that in mind in terms of where you might put support or not.

11:00

[263] **Lee Waters:** So, what do you think the policy focus should be?

[264] **Mr Henfrey:** It shouldn't all be on the television, it shouldn't all be on the digital. I completely understand why this is—. To my mind, sometimes, I do question to what degree people really understand the value of what the television continues to bring and for how long it will continue to do so. I think, particularly in a Welsh context, it's something like 50 per cent of the population who are over 50. That audience who, again, we know doesn't consume digital media as much as the under 35s—you know, they are an important section of the audience, and they are well served under television, and should continue to be so for many years to come, I would argue, whilst at the same time, yes, audience behaviours are changing. There are great opportunities with digital. And, as public service broadcasters, we're alert to that and we're looking to create ways for our content to migrate onto digital. In terms of the policy focus, I suppose my plea would be, 'Don't overly concentrate on the digital; don't forget the tv, and, actually look at the way that the tv can translate into the digital space.'

[265] **Lee Waters:** So, you're suggesting that there should be a similar public

service broadcasting burden, if you like, on other platforms, just as there is on the television?

[266] **Mr Henfrey:** No. I'm probably more saying that it's enabling the public service broadcasters to continue to adapt—that the burden may potentially hold them back from adapting.

[267] **Lee Waters:** Indeed; I understand that. But where then would the public service broadcasting come from?

[268] **Mr Henfrey:** I'm not saying it's an either/or. Again, that's probably my point: if the whole policy focus is on about the future and digital, then perhaps the focus is moving away from the public service broadcasting where, I think, it probably should stay, because the public service broadcasters are actually doing good work in the digital space as well.

[269] **Lee Waters:** So, it's a plea for further deregulation.

[270] **Mr Henfrey:** Not necessarily. I think, again, it's about not seeing it as a fixed system; that there is clearly change happening, and being alert to, being able to recalibrate that—. What is it that is valued? You know, if we were having this discussion, say, 15 years ago, and we were talking about, say, the electronic programme guide—you know, 'How valuable is that to sustain public service broadcasting?'—people might not have thought it very valuable, and I think that that's the sort of elements—. You know, there's clearly a finite shelf life for how valuable the EPG might be. But, you know, 50 per cent of consumption of digital news is from public service broadcasters. Does that have a value to sustain public service broadcasting?

[271] **Lee Waters:** I understand the changing landscape, and I understand, you know, your strategic dilemmas. What I'm not clear on is you saying, 'A key policy focus should be the balance between the platforms and the PSBs.' I'm just not clear what you think should be done differently to enable public service broadcasting to flourish in this more fluid environment.

[272] **Mr Henfrey:** I think, probably, all we're saying there is, 'Please don't take your eye off the public service broadcasting ball while trying to think about the digital space'.

[273] **Lee Waters:** Okay, thank you.

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

[275] **Hannah Blythyn:** Thank you, Chair. Turning to support for news journalism in Wales, I think you said about the decline of traditional news journalism probably having an impact on ITV Cymru Wales as well. So, I wonder if you could expand on what action you've been able to take to mitigate that and any support for news journalism outside ITV Wales Cymru itself. I know it's in your evidence—you talk about the placement you offer the next generation and the work you're doing with Eastern High School, about the Business Class initiative.

[276] **Ms Thomas:** Well, we started the Business Class initiative, for example, in September last year. So, this is the first year of a three-year relationship with them. Really, that's about supporting the teachers and the pupils and their aspirations for learning and things. For example, the year 7s are coming in over the next couple of weeks to talk to us about news and how it's consumed, and fake news and how it's put together. Hopefully, we will learn something from them as well, as very young consumers, of how they want to see it in the future, which may enable us to change in that ever-changing landscape that we've been talking about, really. But, with any luck, that sort of also shows a whole generation of youngsters what is going on in Wales, that there are journalism and technical roles as well that they can aspire to, that they can actually physically belong in their city. I think a lot of people still seem surprised. They're actually, 'Is this going on here in Wales?' So, we've been doing stuff with them; we've been doing stuff with their GCSE students to help them with literacy and speech—you know, giving speeches—ahead of their GCSE exams and everything. So, hopefully, that's also giving them some ambitions for the future in terms of what they might do, and hopefully, in time, as that relationship develops, we're hoping to bring more placements on in that.

[277] But that's just part of what we do. We do the Breaking into News initiative, where a young aspiring journalist comes to get to work and be mentored by one of our journalists. They then produce a news package, which goes out on air, about a subject that they've researched and done. That's led, in the last couple of years, to us giving a contract to one of the Breaking Into News journalists that came to us. So, we try to do a number of things. We're trying to do more—you know, going out to visit schools and to careers fairs—to try and show what we do and that it's a viable option, and that there are other ways in, potentially, than maybe the traditional ones of going to university and then doing postgraduates, all of which obviously

costs a great deal of money. It isn't the only way in, but it has been, traditionally, the preferred route, really.

[278] **Mr Henfrey:** As Zoe says, what we're trying to do is to increase the number of pathways into the business. We recently started, a couple of years ago, some apprenticeships, which worked very successfully, but they'd been mostly in the technical area. So, we looked to see if we could do an apprenticeship in journalism. Now, in England, there is something called the junior journalist apprenticeship, which, in effect, places people within newsrooms, and they come out of it with a journalistic qualification. There's no such apprenticeship in Wales. There's a broader kind of apprenticeship where you choose modules, but what you don't come out of that with is a journalistic qualification. So, we're going to look to try and create something ourselves, but that almost feels like a bit of an unnecessary barrier, in some ways. If Government policy is to go down the route of more apprenticeships to increase pathways into industries such as ours, it would be great if there was something that they're doing in England that could be replicated in Wales. It would certainly make my job a little bit easier.

[279] **Bethan Jenkins:** Jeremy.

[280] **Jeremy Miles:** Have you been calling for that kind of framework to be put in place?

[281] **Mr Henfrey:** I just have.

[282] **Jeremy Miles:** Great.

[283] **Mr Henfrey:** Because it's literally one of those—. We've only become aware of it in the last couple of months as colleagues in England have been considering what options are available to them, and when we've been looking at what options are available to us.

[284] **Lee Waters:** Can I just follow up on that? You said earlier that you were worried about where the next generation of journalists was going to come from, and you clearly think there's a role for Government in that too, but as you've just implied, you think there's a role for you as a private company as well to do your own schemes. So, can you just elaborate on what your thinking is and what you're doing to help maintain the skills base of the industry?

[285] **Mr Henfrey:** I don't think I can really add more to what Zoe and I have just said, really. I think, in terms of the initiatives that we're taking, we're trying to look into developing an apprenticeship, because I think that's an important route. We don't struggle to recruit postgraduates—we don't. There's good availability there. Cardiff School of Journalism is one of the best in the UK, so that's a great source of talent. But in order for our news service to continue to be relevant, it's got to be inclusive of all the parts of Wales and all the communities. So, that's one of the reasons why we're pursuing an apprenticeship. Within that, I've not got any additional funding within my budget for an apprenticeship budget. It's about, again, reorganising and reprioritising within what we do, because we feel that it's important. So, I think that's quite a significant initiative. And the outreach, too—we have moved to a new base here in Cardiff Bay, which is possibly one of the most diverse parts of Wales, and so, as Zoe has said, we're starting to reach out to the community now around our building to say, 'We are interested in you, and that we are interested in your'—

[286] **Lee Waters:** Is that primarily about the journalism or are you investing in other craft training, too?

[287] **Mr Henfrey:** As I say, there are apprenticeships that exist within the craft. We've done that now, this would be the third year running that we've done that. And I'm very pleased to say as well that, in the main, the apprentices that we've taken on through the apprenticeship have gone on to secure work with us, which is terrific. Within that, now, I'd like to expand that into journalism, but we're finding that a little bit more problematic, if I can put it that way. But we'll get there. What I'm keen to do is to make sure that, however we do that apprenticeship—and we've had really good support from the providers in Wales to try and find a way around it—is that they end up with a qualification that's recognised in journalism. I think that's really important, because I won't necessarily be able to guarantee that they have a job, but what I hope to be able to do is to provide them with the experience and the qualification that they can take into the wider industry.

[288] **Lee Waters:** Okay, thank you.

[289] **Hannah Blythyn:** Moving to a slightly different topic, Zoe, in an earlier answer, talked about how, traditionally, you used to get quite a lot of stories from local newspapers, especially in terms of covering local democracy in councils, and now, as they've moved and the way we consume news has changed, and you've got the more hyperlocal sites covering that sort of

thing, does ITV Cymru Wales link up or do any work in terms of sharing content with any hyperlocal news providers?

[290] **Mr Henfrey:** No, we don't. Equally, in some ways, we never have. I think the point I was making around that, again, would be, having come from local newspapers, there is, in a sense, nothing new to hyperlocal. When I worked in local newspapers, there was what we would call community correspondents—people who used to write in about their part of the world—and we used to publish those within the newspaper and before we published, we'd always read them just to see, actually, whether there might be a bigger story. Sometimes, the community correspondent might find themselves on the front page of the paper. Again, as those newspapers decline—Wales has always had a really thriving weekly newspaper market, and that's clearly changing at the moment—the question is: where are those community correspondents and where are their platforms? Now, in some ways, the platforms still exist. I'm sure that, actually, Facebook itself has kind of replaced that, but I think what newspapers did was to bring an audience to that community news, and that, I think, is the biggest challenge of all. It's not necessarily whether the content is there, but whether the audience is there for that content. That's a larger question.

[291] In terms of what we do, again, could we provide a kind of platform for community news? Perhaps. We're constantly looking all the time at our strategy for digital, and that's currently going through review. But at the moment, it's not something we do.

[292] **Bethan Jenkins:** Okay, moving on, back to Lee Waters.

[293] **Lee Waters:** Yes, it's just on that point about what role you have to maintain the broader ecosystem both in skills and in the local news market. I guess, as a commercial broadcaster, you've traditionally tended to look to what you need to do and what is in your commercial interests to do, rather than having any formal obligation to go beyond that. Because, as you've described, the ecosystem you've survived in is fragmenting and falling away. You've already touched upon it, because you're now thinking about what you need to do to intervene in that marketplace yourselves, to help yourself in the longer term. So, just around that hyperlocal system—interesting what you just said about community news—can you just tell us a little bit more what you're thinking around that and what the options might be?

[294] **Mr Henfrey:** I suppose, when I ask myself the question: what is disappearing? As I say, it's probably not necessarily the content. It's more that kind of leadership that sits around that content. This is in no way a new kind of concept, but the role of the journalists themselves—the independent journalist—as a kind of curator, I think will continue to increase. I think, increasingly too, because a journalist themselves is no longer—our journalists are no longer limited to purely our platform. That's an interesting development, so it's Twitter et cetera. What our journalists can increasingly become is a guide to—'Have you seen—? Are you aware of—?' and so on and so forth, which is something, perhaps, 10 or 15 years ago, wasn't an option.

[295] I think, within our context—we're a national broadcaster, but we have a footprint right across Wales, and whenever a job comes up in Cardiff, I'm always asking myself the question, 'Does it have to be done in Cardiff?' Increasingly, the technological imperatives that sometimes sat behind jobs having to be the main centre are weakening as technology allows us to do more things. So, potentially—and this is all potential—you've got two things there where technology allows you to spread yourself out more across the nation and those individuals themselves can potentially provide more of a curating role for their own local hinterland—expertise, trusted et cetera.

[296] But beyond that, we are constrained commercially. We do things, ultimately, because they meet the terms of our license and we do those because that's a commercial contract. We would have to look very carefully at anything that we decided to do and any effort that we put into something that, in a sense, either detracts from that core purpose or, actually, is not going to make a commercial return. Ultimately, there are many interventions already in the market and the direction of travel, I suppose, is only going in one direction, that says if you want to sustain what currently exists, the question is: to what degree is the public's appetite there for public intervention and what ideas do the policy makers have for what form that public intervention should take?

[297] **Lee Waters:** And what is the role of the private sector in working alongside that?

[298] **Mr Henfrey:** Yes, but—

[299] **Lee Waters:** It's not just the responsibility of the state to do that, is it? If in the longer term you rely for your commercial business model on that

ecosystem to be there, you, as the private sector, have a role to sustain that too in the longer term, surely, in your own self-interest.

[300] **Mr Henfrey:** I suppose I'd probably argue: to what degree are we reliant upon that? It is a benefit to—does it ultimately prevent us from fulfilling our purposes? No, and we would probably look to find ways around it. I think if policy makers look continually to the private sector to fix the problem, the problem might not get fixed.

[301] **Lee Waters:** Thank you.

[302] **Bethan Jenkins:** Have you got anything else? That's fine. Okay, Suzy.

[303] **Suzy Davies:** I've just got a question before the other one that I wanted to ask you. Obviously, you've got these two satellite trucks and you have reporters in key places in Wales—I'm just looking at your evidence here. News stories don't conveniently spread themselves across Wales. So, those journalists who are in key locations, but actually aren't appearing daily, or even weekly, on your news bulletins, what are they doing? [*Laughter.*]

[304] **Mr Henfrey:** Good question. What are they doing?

[305] **Suzy Davies:** Perhaps I should ask: what else are they doing?

[306] **Ms Thomas:** I think the reality is that nobody is on every day, but they are on—

[307] **Suzy Davies:** Exactly. It's a genuine question.

[308] **Ms Thomas:** —quite regularly, and actually, the whole thing with technology has enabled that to change in the last five or six years, really, because then, brutally, we were reliant, quite often, on a satellite truck getting to them if we wanted to do something, especially if it happened late in the day. Now, we've got these LiveU packs, which are about this big and fit on the back of every camera. Every journalist who is based outside the Cardiff newsroom now has one, which means that, actually, 3G or 4G aside, if they can get those signals, they can send us material very quickly. So, sometimes, it may be that the Swansea correspondent isn't on on a particular day, but he may very well have provided material for somebody else—a case study for someone else. He may be providing a live shot for somebody else, because we have the ability to do that in a way that we didn't, even two or

three years ago, with only the two satellite trucks, with the live facility now. There are, I think, seven LiveUs in our newsroom generally. They're used by programmes and news, as well as the two satellite trucks, so, actually, we now have the ability to do an awful lot more and get to those places, and those people have the ability to get on air a lot quicker, either with themselves in the form of lives or in pictures or in stories or in clips with people, in a way that we just didn't have just a couple of years ago, really.

[309] **Suzy Davies:** Okay. It's helpful to know that, because obviously we've got situation now where the BBC has plans to send journalists into various newsrooms in order to help report on local democracy, which I'd like to think is local councils, but I'm not sure whether it's going to actually look like that in the end. Are you going to be interested? Or are you even allowed to tap into the product that they may give us in the end?

[310] **Mr Henfrey:** I'd be interested, but my understanding is that, unlike other ITV licensees, we wouldn't be allowed under the rules. I'm no expert on it, but as far as I understand the rules, ITV Wales shouldn't apply to be part of it. I think potentially licence holders in Scotland could. But I don't understand the rules and I didn't frame them.

[311] **Suzy Davies:** Okay. Well, that might be worth doing a little bit of work on, actually.

[312] **Bethan Jenkins:** We'll have a look into that, then.

[313] **Suzy Davies:** And how do you feel about the Leighton Andrews report, which came out yesterday, saying that actually we should be doing it for ourselves here in this building? So, you've got the BBC coming into newsrooms, you've got us lot doing it ourselves. What are the implications for you on that? Is this good news? Does it lift the load, or is it actually something that is holding a mirror up to you, perhaps, on what you might be able to do?

[314] **Mr Henfrey:** Gosh, what to say? I think, in all seriousness with the BBC point, if we could access that content from BBC journalists then what you absolutely could do is say that that is independently produced, that is impartial, and that meets the tests that I might want to have to put that on my news service. I think if what the Assembly is proposing could meet that test for impartiality—

[315] **Suzy Davies:** Oh, we'd want it to meet that test, don't worry.

[316] **Mr Henfrey:** But assess how it meets that test—it's a question of editorial control, and at the end of the day, how do you define propaganda? It's primarily a message that's intended to serve the interests of the messenger.

[317] **Suzy Davies:** I suppose what I'm really asking you is: because there is now new activity in Wales-wide news production, if you can put it that way, do you feel that you can take your foot off the pedal as an institution yourselves in sourcing stories? Maybe that's more for Zoe, actually.

[318] **Mr Henfrey:** With respect, I think it's probably a broader point. Ultimately, we're sitting here because, quite rightly and understandably, committee's concerned about the decline in news provision in Wales in general, and we're talking ultimately about a reduction of investment in that journalism, and at the moment there are a number of people paid for by the public who are paid to get the message out for this institution. Now, you could argue whether that money's being well spent already, and what's on the table is an opportunity to spend even more money to achieve the same end. What's not being proposed, I suppose, is somebody saying, 'Here's a contestable fund that would be completely arm's length, and we would have absolutely no say over what it was used for in that sort of wider sense, but we think it would contribute to the public good if, say, it looked to support investigations into things that are going wrong in Wales, or would look to—' and so on and so forth. Now, if you'd asked me a question about that, I'd be saying, 'I think that's a fantastic initiative that could really give a real boost to the sector in Wales. I think it would be welcomed by journalists and broadcasters and newspapers alike.' But we're not sitting here talking about that. We're not sitting here talking about spending public money on that. We're talking about spending public money on something that is primarily intended to serve the interests of the messenger, which is absolutely nothing short of propaganda.

[319] **Suzy Davies:** But hang on, this Assembly represents the people of Wales, doesn't it?

[320] **Mr Henfrey:** Yes, it does. Absolutely.

[321] **Suzy Davies:** And they want to know what's going on here, and nobody is giving that, perhaps, the attention it deserves. That would be my

view on it.

[322] **Mr Henfrey:** But there's an issue of trust. When a press officer puts out a press release, if I as a news organisation simply printed that press release—headline, body of text et cetera, et cetera—you would quite rightly say to me, 'Hold on a second, where's your editorial scrutiny of that? Where's the question that you asked there? Surely, the story is not the £10 million being spent there, but in the last paragraph the 650 jobs that are being lost to pay for it.'

[323] **Suzy Davies:** In fact, then, this is an opportunity for other broadcasters to pick up on information that could be coming out of here, and scrutinising it more closely.

[324] **Mr Henfrey:** Indeed, and that information is already available. This proceeding is televised, there is a public gallery—the material is already there and it is being provided that scrutiny, so why spend any more money on it?

[325] **Suzy Davies:** Well, perhaps we might argue that it's not getting enough scrutiny, so we're kind of doing it ourselves. Anyway, thank you, that's great. Thank you.

[326] **Bethan Jenkins:** Okay, thanks. I'm just going to try, if Members don't mind, to take one question on Welsh language news provision and then call it a day, because we are running substantially over. So, Dawn Bowden.

[327] **Dawn Bowden:** I'll keep mine very brief, Chair. I'm just picking up on your evidence about the programmes for S4C, but I wonder whether you find any particular challenges in your Welsh language programming.

[328] **Mr Henfrey:** Within the context of journalism, we continue to, I would argue, make a substantial contribution to Welsh language journalism through our current affairs programme—

[329] **Dawn Bowden:** The news content I'm particularly talking about here—

[330] **Mr Henfrey:** —*Y Byd ar Bedwar* and so on. Ultimately, pretty much all of Welsh language news content is publicly funded. We don't have any, in a sense, opportunities within that market. If you were to ask me, if S4C were to put out its news service to tender, would ITV Wales be interested in putting itself forward, then I think the answer would be 'yes'. If you're asking me if

the contract for digital news that's currently provided by Golwg360 were to go out to tender, would ITV Wales be interested in putting itself forward? I think the answer would be 'yes'. I think we could bring a lot to it. But neither of those two things, which are the primary sources of publicly funded Welsh language journalism—

[331] **Dawn Bowden:** So, the challenge is the limitations of access to—

[332] **Mr Henfrey:** The challenge is that there's no competition for those services, so as a commercial supplier, if you can't compete for it, there's no opportunity. The economics of Welsh language news journalism are a lot more challenging than English language. It requires public funding; it's not something that we can do commercially, and the publicly funded opportunities to do so are not available to other suppliers.

[333] **Dawn Bowden:** So, it's opportunity and finance.

[334] **Mr Henfrey:** Yes.

[335] **Bethan Jenkins:** Thank you for your evidence. If there is anything else on Welsh language journalism you feel that would be necessary for us to consider, please do send that in because we haven't had the chance to scrutinise it in absolute detail. Thank you very much for coming in today, and we'll make sure we keep you abreast of what we're doing in relation to this particular investigation. Thanks once again. Diolch yn fawr iawn.

[336] **Mr Henfrey:** Thank you.

11:28

Papur i'w Nodi

Paper to Note

[337] **Bethan Jenkins:** Rydym yn **Bethan Jenkins:** We now move on to symud ymlaen at eitem 4: papur i'w nodi. Mae gen i bapur 4.1, llythyr gan Gadeirydd y Pwyllgor Cyllid at y Cadeirydd: craffu ar y gyllideb ddrafft. Mae Cadeirydd y Pwyllgor Cyllid wedi gofyn am drafodaeth ynghylch y newidiadau a nodir yn y

Bethan Jenkins: We now move on to item 4: paper to note. I have a letter, 4.1, from the Chair of the Finance Committee to the Chair: scrutiny of the draft budget. The Chair of the Finance Committee has asked for a discussion on the changes noted in the letter in the Chairs' forum. He

llythyr yn fforwm nesaf y Cadeiryddion. Yn benodol, mae e am drafod sut y bydd gwaith craffu'r pwyllgor yn gweithio'n ymarferol, sut y gall y Pwyllgor Cyllid gadw rôl oruchwylio, sut y gallwn ni weithio gyda'n gilydd i ymgysylltu cymaint â phosibl â'r cyhoedd, a diwallu unrhyw anghenion hyfforddi a datblygu ar gyfer pwyllgorau. A oes unrhyw farn benodol gyda chi ar gyfer ymateb i'r llythyr hwnnw gan y Cadeirydd? Roeddwn eisiau ei roi ar yr agenda rhag ofn bod yna sylwadau gyda chi. Na. Océ, iawn.

11:29

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 cyfarfod yn unol â Rheol Sefydlog 17.42(vi).

exclude the public from the remainder of the meeting in accordance with Standing Order 17.42(vi).

Cynigiwyd y cynnig.

Motion moved.

[338] **Bethan Jenkins:** Fe wnawn ni symud ymlaen, felly, at eitem 5: cynnig o dan Reol Sefydlog 17.42 i benderfynu gwahardd y cyhoedd o'r sesiwn. A ydy pawb yn hapus gyda hynny? Grêt.

Bethan Jenkins: We'll move on, therefore, to item 5: a motion under Standing Order 17.42 to exclude the public from the rest of the session. All content? Great.

22/06/2017

Daeth rhan gyhoeddus y cyfarfod i ben am 11:29.
The public part of the meeting ended at 11:29.