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Dear Sir/Madam,

### **Task and Finish Group Inquiry into the Future of Media in Wales**

Thank you for inviting us to submit a contribution to the Communities, Equality and Local Government Committee's Task and Finish Group timely inquiry into the future of media in Wales.

The Carnegie UK Trust has a long-standing interest in the role of media in the UK and Ireland, and we have a particular interest in the relationship between the media and democracy. We are delighted to offer some views which we hope will be of use to you as you carry out this important inquiry.

In March 2010 the Trust published 'Making Good Society – The Final Report of the Commission of Inquiry into the Future of Civil Society in the UK and Ireland'. This report, a summary of which is enclosed with this submission, identified the diversification of media ownership and content as one of the key priority issues for action for policymakers and for civil society organisations over the next 15 years.

We are now working with Blair Jenkins OBE, who was appointed a Carnegie Fellow in February 2011, to investigate how better news services might be delivered in the UK in the digital age. As part of this process we have this year held seminars in Cardiff, Edinburgh and Dublin and listened to the views, ideas, and concerns of journalists, academics and members of the public. We will be publishing a report, written by Blair Jenkins, in early 2012 setting out our views on the key priorities for delivering better journalism in the digital age.

From our work in these areas we would like to offer some general comments about the future of media in the UK and Ireland, and some specific points about the future of media in Wales, which we hope will be of assistance to you in your inquiry.

### **Future of media in general**

We believe that the quality of our media has a direct influence upon our culture and our democracy. However, we are concerned about the pressures currently facing the media across the UK and Ireland, and about the impact of these pressures upon the ability of the

media to fulfil its critical role in a democracy – monitoring and scrutinising those in positions of power, holding decision-makers to account and informing the public.

In order to address the current challenges we believe that there are a number of key priorities and issues that warrant further consideration and attention by policymakers:

- How can existing, high quality news media services be protected?
- How can public trust and confidence in the media be restored?
- How can higher ethical and editorial standards be promoted amongst news media organisations?
- How can more news journalism which serves the public interest be encouraged, supported, funded and delivered?
- How can we ensure that all citizens have access to the technology that they need – such as high speed broadband – to enable them to benefit from high quality news media in different forms?
- What roles should broadcast, print media and online platforms play in delivering different types of news media?
- What kind of regulatory frameworks do we need to facilitate the types of news journalism that we want?
- How can the role of civil society in supporting and providing high quality journalism be enhanced?

This final point about civil society is of particular interest to the Trust. Civil society can help to organise and empower different interest groups, and is an essential complement to and influence upon the more formal institutions of democracy. In our 2010 report, *Making Good Society*, we argued that civil society should play a greater role in shaping media content, running media organisations, and promoting essential values such as honesty and integrity in news media. Meanwhile, in October 2011 we published a new discussion paper, ‘Regulation of the Press – Nine Key Questions for Civil Society’, in which we encouraged civil society groups and organisations to engage in the current debates about a new regulatory framework for the press in the UK. A copy of this paper is enclosed with this submission for your reference.

Alongside a greater role for civil society there are a range of different levers which might be used to find the answers to some of the questions set out above. These include:

- public service and third sector initiatives to ensure that not all news services are commercially driven;
- new codes of conduct and sets of ethical standards for news media organisations;
- new funding models to diversify and sustain news sources;
- more technical and editorial innovation to exploit the different opportunities offered by different platforms; and
- more training and support for journalists.

These issues will be explored in more detail in our forthcoming report by Blair Jenkins. In the meantime, we encourage policymakers to consider what more they might do in these areas to enhance the quality and range of news media services available to citizens across the UK and Ireland.

## **Future of media in Wales**

As part of our work on the future of news in the digital age, we held a roundtable seminar with Welsh media stakeholders in Cardiff in June this year. Representatives from the Welsh Assembly Government, the BBC Trust, Ofcom, the Institute of Welsh Affairs, Church in Wales, the Institute of Directors, the Wales Employment and Skills Board, the Cardiff School of Journalism, Golwg, and the Muslim Council from Wales took part in the discussion.

The seminar, which was chaired by Carnegie Fellow Blair Jenkins, examined the current challenges facing journalism, news and local media in Wales, and explored key questions which participants suggested must be addressed in the future development of the media in Wales.

Our comments below highlight some of the issues that were raised at the seminar. It is important to note that these reflect individual points that were highlighted, and should not be read as reflecting the views of the meeting as a whole or any shared view amongst the attendees.

A full report on the seminar is available on the Carnegie UK Trust website.

### ***Major challenges facing the media in Wales***

The participants at our seminar discussed the main challenges currently facing the media industry in Wales:

#### *1. The structure of the Welsh media market*

There was a general agreement that there is a severe shortage of powerful, high quality media providers which adequately cover the whole of Wales. This was ascribed to the fragmentation of the printed press in Wales on a regional or local basis; the decline in print media circulation generally; the retrenchment of services delivered by ITV Wales; the new funding arrangements for S4C; and reductions in the budget of BBC Wales. It was argued that the absence of a strong, Wales-wide media can act as a significant barrier to nation-building in Wales.

Added to this lack of 'Wales-wide' provision it was also broadly agreed by the seminar participants that UK-wide providers hold a relatively strong position in the Welsh media market, with many people in Wales accessing the majority of their news and media content from these providers. This was highlighted as an issue of concern, as it was suggested that the coverage of Wales and Welsh issues by UK-wide providers is not always sufficient. It was remarked that devolution may have contributed to a decline in Welsh coverage in the UK-wide media, as UK providers may not see devolved issues as relevant to their wider audience.

Taking these issues together, some participants expressed the view that the structure of the Welsh media industry – with a shortage of strong Wales-wide providers and the dominant position of UK-level providers – has created a 'democratic deficit' in Wales. It was suggested that this 'democratic deficit' manifests itself in different ways, and can present significant challenges for:

- a) the media, in holding public institutions (both reserved and devolved) to account for their actions in Wales;
- b) Welsh citizens, in accessing sufficient information and analysis about the key issues and priorities in Wales; and
- c) Welsh policymakers, in engaging with people from across the country on a range of issues.

These challenges were seen to be particularly significant given the new law-making powers recently assumed by the National Assembly.

## *2. Welsh language media*

Some concerns were expressed at the seminar about the future funding arrangements for S4C – although we recognise that the seminar took place in June, and a number of developments have occurred since then. A general point made at the session was that spending on S4C and English-language services must continue to be properly differentiated under the new arrangements.

In addition to the points about S4C, it was argued that although the channel provides Welsh content at a national level, there is only limited Welsh language content available to citizens more locally. It was suggested, for example, that community and commercial local radio deliver very limited Welsh language content.

## *3. The challenges presented by globalisation*

A view was expressed at the seminar that the globalisation of media markets is putting significant pressures on local, regional and national media providers in Wales. With citizens now able to choose from broadcast and print media from across the world on a daily basis it is seen as inevitable that many will choose the services which most closely align to their needs and interests – and therefore local providers in Wales increasingly face major challenges in competing against media players from across the world.

## ***Key Questions for the Future Development of Welsh Media***

Having identified some of the challenges facing the media industry in Wales, participants at the Carnegie UK Trust seminar identified and discussed the major issues and questions which they thought should be considered in the future development of the media in Wales:

1. *What type of journalism do people in Wales need and want?*
  - There was a strong sense that high quality, investigative news media, which scrutinise public policy issues and inform the public, continue to have an extremely important role in supporting accountability and democracy. Public policy debates should be robustly assessed and scrutinised as they happen – not after the event.
  - There is a need however to ensure that this scrutiny and provision of information is presented in a way that appeals to people, and linked in to issues that are relevant in their everyday lives – and this can present significant challenges.

- It was also highlighted that it is important to differentiate between the investigative/accountability type of journalism which delivers a clear 'public good'; and journalism which has more of an entertainment focus, which while important does not arguably fulfil any wider public interest role.

## 2. *What role can new digital media channels fulfil in delivering this type of journalism?*

- It was noted that there is a good range of news comment and opinion available to Welsh citizens through digital sites, blogs and social media channels.
- However, it was seen as critical that commentary and opinion is not viewed as a substitute for high quality, investigative journalism. It remains unclear how digital media can be used to deliver a forum for proper, robust political debate, analysis and investigation which reaches significant local or Wales-wide audiences on a regular and consistent basis.
- It was suggested that journalists are likely to need training and support in using digital media to deliver these types of output – and that political leadership is required in order to make provision for this.
- Meanwhile, one view put forward was that social media appears to be most effective in bringing together people on a range of single issue topics, across spatial boundaries – but that this may have limited impact in Wales where the broader issue of a lack of a nation-wide media still needs to be addressed.

## 3. *Can broadcasting services and the printed press be sustained in Wales on a commercial basis in the future?*

- There was a recognition at the seminar that the emergence of new, free-to-access digital channels means that commercial support for the printed press, and public funding support for broadcasting are unlikely to ever return to their previous levels.
- It was suggested that there is a fairly limited pool of advertising revenue potentially available from the private sector to sustain Welsh media providers. There is therefore an over-reliance on advertising from the public sector – and there are significant restrictions upon the availability of this funding at present given the pressures on the public finances.
- As such, it was suggested that more explicit public funding may be required in order to support large-scale print media services in Wales in the future. However, this raised questions about whether such funding arrangements would compromise the independence of the media, and hinder its ability to scrutinise and criticise public policymakers.
- Another potential approach that was put forward was for small scale investment in a range of different models and projects – including those delivered by civil society, commercial organisations, public bodies and individuals – to identify approaches which could be successful in the future. It was argued that partnerships between different sectors (e.g. civil society and commercial) should also be explored to identify if these might support sustainable provision.

4. *What is the balance between the different roles of local, regional and national media in Wales?*

- It was argued that there is a strong sense of localism in Wales, and it was suggested that instead of focusing on the need to develop a 'top down' national Welsh media framework, the focus could be on 'building up' based on what already exists, and ensuring that local media are strong, effective and of a high quality.
- It was noted that the local media sector in Wales is quite strong, with many towns having a viable free, local newspaper. The local media can also be a useful training and development ground for new journalists.
- It was remarked however, that while it is beneficial for people to be well-informed about their local area there are also drawbacks of localism – which may reinforce rather than break down barriers between communities and which might reduce citizens' exposure to a wide range of opinions and views.
- It was suggested therefore that a healthy localism needs to be supported and contextualised by a national, Wales-wide perspective in order to ensure debates do not become parochial in nature.
- Meanwhile, questions were raised about the extent to which local media can regularly deliver the type of journalism which holds policymakers to account. Fair, professional high-quality journalism, which investigates and scrutinises the actions and decisions of policymakers and which presents a wide range of views, is hard work, time-consuming, and often requires significant resources. It was suggested that it may be difficult for small, local media providers to deliver this on a regular basis.
- Finally, it was also noted that audiences should not be categorised as either 'local', 'Welsh' or 'UK'. The picture is much more sophisticated and complex, with different viewpoints emerging on different issues and at different times.

I hope that you find these points helpful. If you wish to discuss any of the issues we have raised in further detail then please do not hesitate to contact either me, or my colleague Douglas White, Senior Policy Officer at the Trust.

Yours faithfully,



Chief Executive  
Carnegie UK Trust