



**Cynulliad Cenedlaethol Cymru
The National Assembly for Wales**

**Y Pwyllgor Darlledu
The Broadcasting Committee**

**Dydd Llun, 2 Mehefin 2008
Monday, 2 June 2008**

Cynnwys
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Cofnodir y trafodion hyn yn yr iaith y llefarwyd hwy ynndi yn y pwyllgor. Yn ogystal,
cynhwysir cyfieithiad Saesneg o gyfraniadau yn y Gymraeg.

These proceedings are reported in the language in which they were spoken in the committee.
In addition, an English translation of Welsh speeches is included.

Aelodau'r pwyllgor yn bresennol
Committee members in attendance

Peter Black	Democratiaid Rhyddfrydol Cymru Welsh Liberal Democrats
Alun Davies	Llafur (Cadeirydd y Pwyllgor) Labour (Committee Chair)
Paul Davies	Ceidwadwyr Cymreig Welsh Conservatives

Eraill yn bresennol
Others in attendance

Cenwyn Edwards	Awdurdod S4C S4C Authority
Natasha Hale	Adran yr Economi a Thrafnidiaeth Department for the Economy and Transport
John Howells	Cyfarwyddwr Diwylliant, Adran dros Faterion Gwledig a Threftadaeth Director of Culture, Department for Rural Affairs and Heritage
Iona Jones	Prif Weithredwr, S4C Chief Executive, S4C
Professor Tom O'Malley	Prifysgol Aberystwyth Aberystwyth University
Rhodri Glyn Thomas	Aelod Cynulliad, Plaid Cymru (y Gweinidog dros Dreftadaeth) Assembly Member, The Party of Wales (the Minister for Heritage)

Swyddogion Gwasanaeth Seneddol y Cynulliad yn bresennol
Assembly Parliamentary Service officials in attendance

Sarah Bartlett	Dirprwy Glerc Deputy Clerk
Aled Eirug	Ymgynghorydd i'r pwyllgor Adviser to the committee
Chris Reading	Clerc Clerk

Dechreuodd y cyfarfod am 12.02 p.m.
The meeting began at 12.02 p.m.

Cyflwyniad, Ymddiheuriadau a Dirprwyon
Introduction, Apologies and Substitutions

[1] **Alun Davies:** Galwaf y cyfarfod hwn **Alun Davies:** I call this meeting of the
o'r Pwyllgor Darlledu i drefn. Broadcasting Committee to order.

Tystiolaeth ar gyfer Ymchwiliad y Pwyllgor: Llywodraeth Cynulliad Cymru
Evidence for Committee Inquiry: Welsh Assembly Government

[2] **Alun Davies:** Diolch am eich **Alun Davies:** Thank you for attendance this
presenoldeb y prynhawn yma, Weinidog. Yr afternoon, Minister. We are pleased to
ydym yn falch o'ch croesawu chi a'ch tîm, ac welcome you and your team, and we look
yr ydym yn edrych ymlaen at y drafodaeth forward to the discussion on broadcasting

am bolisi darlledu. Yr wyf yn ymwybodol hefyd eich bod wedi cytuno i ateb cwestiynau am strategaeth greadigol Llywodraeth y Cynulliad, ac yr ydym yn gwerthfawrogi hynny.

[3] Yr ydym fel pwyllgor wedi cael y cyfle i ddarllen eich papur. Fodd bynnag, hoffwn i chi wneud rhywfaint o sylwadau agoriadol, a chyflwyno'ch tîm i ni.

[4] **Y Gweinidog dros Dreftadaeth (Rhodri Glyn Thomas):** Diolch, Alun. Yr wyf yn falch o fod yma. Croesawaf sefydlu'r pwyllgor hwn yn fawr, a'r ffaith y byddwch yn ystyried y maes pwysig hwn, lle mae newidiadau yn digwydd yn gyflym iawn. Fel y gwyrddoch, yr wyf wedi penderfynu datblygu strategaeth yn y maes hwn ar gyfer y Llywodraeth. Er bod hwn yn faes na ddatganolwyd i raddau helaeth, mae'n bwysig bod gennym fel Llywodraeth strategaeth yn y maes hwn. Byddaf yn edrych yn ofalus ar drafodaethau'r pwyllgor, ac yn ystyried unrhyw gasgliadau neu argymhellion sydd gennych ar ddiwedd y broses, cyn penderfynu'n derfynol ar y strategaeth.

[5] Yr wyf hefyd wedi comisiynu darn sylweddol o waith gan y Sefydliad Materion Cymreig i sicrhau bod gennym yr holl wybodaeth am union gyflwr y sector hwn ar hyn o bryd. Cefais y cyfle dros y penwythnos i edrych yn gyflym ar ddrafft yr adroddiad hwnnw. Rhaid imi dderbyn y fersiwn derfynol yn gyntaf, ond yr wyf yn hapus i rannu'r gwaith hwnnw â chi fel pwyllgor, a byddwn yn trefnu eich bod yn cael gweld copi ohono cyn gynted â phosibl. Mae'n adroddiad sylweddol a thrylwyr, a bydd eisiau peth amser arnoch i fynd drwyddo. Dechreuais wneud hynny dros y penwythnos, ond ceir llawer o fanylion ynddo. Mae'n bwysig ei fod gennym, gan nad oeddwn yn teimlo bod yr wybodaeth honno ar gael ar y raddfa honno, a dyna pam y gofynnais amdano. Caiff yr adroddiad ei drafod mewn cyfarfodydd gydag Ofcom hefyd, felly bydd cyfle i chi gael golwg ar yr adroddiad bryd hynny hefyd.

[6] Yn olaf—ac nid wyf eisiau ailadrodd y papur yr wyf wedi ei osod ger eich bron—ddydd Iau diwethaf, cafwyd datganiad gan Gyngor Llyfrau Cymru yn sôn am lwyddiant

policy. I am also aware that you have agreed to answer questions on the Assembly Government's creativity strategy, which we appreciate.

As a committee, we have had an opportunity to read your paper. However, I would like you to make some opening remarks and to introduce your team to us.

The Minister for Heritage (Rhodri Glyn Thomas): Thank you, Alun. I am pleased to be here. I welcome the establishment of this committee, as well as the fact that you will be examining this important area, where changes are happening apace. As you will be aware, I have decided to develop a strategy in this area for the Government. Although this is a non-devolved area to a great extent, it is important that we as a Government have a strategy in place in this area. I will be looking carefully at the committee's deliberations, and will consider any conclusions or recommendations that you have at the end of the process, before deciding finally on the strategy.

I have also commissioned a significant piece of work from the Institute of Welsh Affairs to ensure that we have all the information to hand regarding the exact state of this sector at present. I had an opportunity over the weekend to take a quick look at a draft of that report. I will need to receive the final version first, but I would be happy to share that work with you as a committee, and we will arrange for you to see a copy of it as soon as possible. It is a substantial and thorough report, and you will need some time to go through it. I made a start on it over the weekend, but it goes into some detail. It is important that we have it, as I did not feel that that information was available on that scale, and that is why I commissioned it. The report will also be discussed in meetings with Ofcom, and therefore you will have an opportunity to read over that report at that time, as well.

Finally—and I do not want to repeat the contents of the paper that I presented—last Thursday, a statement was released by the Welsh Books Council regarding the fact that

Golwg yn ei gais i sefydlu gwasanaeth newyddion dyddiol cyfrwng Cymraeg. Yr wyf yn falch o gyhoeddi hynny eto yn y pwyllgor hwn, oherwydd bydd rhan helaeth o'r gwasanaeth hwnnw yn wasanaeth ar-lein ac yn aml lwyfan, ac felly yn ymwneud â thrafodaethau'r pwyllgor hwn. Mae'r posibiliadau o ran partneriaethau a mynediad i safleoedd a llwyfannau yn bwysig i sicrhau bod dinasyddion Cymru yn cael mynediad i newyddion, a hefyd yn gallu ymwneud â'r newyddion, o funud i funud—o eiliad i eiliad, mewn gwirionedd. Cytunaf yn llwyr â'r hyn a ddywedodd Dylan Iorwerth, sef bod y cyhoeddiad hwn yn hanesyddol i'r wasg brintiedig Gymraeg. Mae'n cynnig sylfaen gadarn y gallwn adeiladu arni at y dyfodol.

Golwg was successful in its bid to establish a daily news service through the medium of Welsh. I am pleased to announce that again in this committee, because a substantial part of that service will be in an online and multiplatform format, and so will relate to this committee's deliberations. The possibilities for creating partnerships and accessing locations and platforms are important to ensure that the citizens of Wales can access news, but can also get involved in that news on a minute-to-minute basis—or even on a second-by-second basis. I agree entirely with what Dylan Iorwerth said, namely that this is an historic announcement for the Welsh-medium printed press. It offers a firm foundation on which we can build for the future.

[7] Byddwn yn hapus i ateb unrhyw gwestiynau yr ydych am eu cynnig. Mae gennyf gymorth swyddogion dwy adran: John Howells o'r Adran Dreftadaeth a Natasha Hale o Adran yr Economi a Thrafnidiaeth. Yr wyf yn barod i dderbyn cwestiynau am y diwydiannau creadigol, ond nid oes gennyf wybodaeth fanwl nac arbenigol am y maes hwnnw. Os oes cwestiynau technegol, gobeithiaf y byddwch yn barod i dderbyn nodyn. Bydd nodyn technegol yn llawer mwy defnyddiol ar gyfer trafodaethau mewnol y pwyllgor, fwy na thebyg.

I would be happy to answer any questions that you may have. I have the assistance of officials from two departments: John Howells from the Department for Heritage and Natasha Hale from the Department for the Economy and Transport. I am prepared to take questions on the creative industries, although I have no detailed or expert knowledge in that area. If there are any technical questions, I hope that you will be prepared to accept a written note. A technical note would probably be much more useful for the committee's internal deliberations.

[8] **Alun Davies:** Diolch am hynny, Weinidog. Yr ydym yn gwerthfawrogi eich papur a'ch geiriau i ni heddiw. Yn eich papur, yr ydych yn trafod sawl maes polisi a sawl elfen o strategaeth y Llywodraeth, ond un peth sydd ar goll—er eich bod wedi sôn rhywfaint amdano heddiw—yw atebolrwydd yng Nghymru ac i Gymru. Ym mharagraff olaf yr adran, 'Y Cefndir', soniwch am ddiddordeb Llywodraeth y Cynulliad mewn darlledu gwasanaeth cyhoeddus, a dywedwch:

Alun Davies: Thank you for that, Minister. We appreciate your paper and what you have just said to us. In your paper, you discuss several policy areas and elements of the Government's strategy, but one thing that is missing—although we spoke a little about it today—is accountability in Wales and to Wales. In the final paragraph of the 'Background' section, you mention the Assembly Government's interest in public service broadcasting, and you say:

[9] 'It is only right that the Assembly Government should have an input into UK PSB policy development'.

'Teg yw meddwl yw y dylai Llywodraeth y Cynulliad gael cyfrannu at ddatblygu polisi darlledu'r DU'.

[10] Sut ydych yn gweld hynny'n digwydd?

How do you see that happening?

[11] **Rhodri Glyn Thomas:** Mae'n

Rhodri Glyn Thomas: It is important that

bwysig bod atebolrwydd i'w gael. Yr oeddwn yn edrych yn ddiweddar ar adroddiad Beecham 'Creu'r Cysylltiadau', a gwelais mai'r peth pwysig ynddo oedd bod dinasyddion yn cael gwneud sylwadau, a'u bod nhw a'u sylwadau yn cael eu cynrychioli'n llawn. Mae memorandwm cyddealltwriaeth rhyngom ni a'r Adran dros Ddiwylliant, y Cyfryngau a Chwaraeon yn San Steffan, ac yr wyf yn cael cyfarfodydd cyson gydag Andy Burnham, y Gweinidog. Mae wedi dweud wrthyf y byddai'n hapus, mewn egwyddor, o leiaf, i gynnig tystiolaeth i'r pwyllgor hwn pe bai'n ymarferol bosibl, ac felly gobeithiaf y bydd modd i chi wneud hynny pan fyddwch yn Llundain. Yr wyf yn cael cyfarfodydd gydag ef, ac mae cysylltiadau rhwng ein hadrannau o ran ein swyddogion a swyddogion DCMS.

12.10 p.m.

[12] Yr wyf hefyd yn cynnal cyfarfodydd cyson gydag Ofcom, fel y mae'r Dirprwy Brif Weinidog, ac, ar y cyfan, yr ydym yn cynnal y cyfarfodydd hynny ar y cyd. Yr wyf hefyd yn cael cyfarfodydd gyda darlledwyr yng Nghymru. Mae'n wir dweud bod y cyfarfodydd hynny ar sail gwirfoddol, ond maent yn digwydd yn gyson. Felly, ar bob lefel, mae cyfle i mi, fy adran a'r Dirprwy Brif Weinidog godi'r materion hyn gyda'r cyrff sy'n gyfrifol amdanynt.

[13] **Alun Davies:** Diolch. Mae hynny yn ateb y cwestiwn ynghylch sut yr ydych yn gweld Llywodraeth y Cynulliad yn cael mewnbwn i ddatblygu polisi ar lefel y Deyrnas Unedig, ond nid wyf yn credu ei fod yn ateb y cwestiwn ynghylch atebolrwydd yng Nghymru. Yr hyn yr ydych wedi sôn amdano yw cyfarfodydd preifat rhwng Gweinidogion—Andy Burnham a chi—a rhyngoch chi a'r darlledwyr, ond nid ydych wedi sôn am strwythur agored lle gall y cyhoedd weld atebolrwydd. A oes gennych unrhyw gynigion ar sut i ddatrys hynny?

[14] **Rhodri Glyn Thomas:** Ar hyn o bryd yng Nghymru, mae Ofcom, fel yng ngweddill y Deyrnas Unedig, yn cynnal ymgynghoriad gyda'r cyhoedd, ac felly mae cyfle i'r cyhoedd fynegi barn yn y ffordd honno. Credaf mai'r pwynt pwysig yma yw sut yr ydym, fel Llywodraeth, yn sicrhau ein

there is accountability. I was looking at the Beecham report, 'Making the Connections', recently, and I saw that the important thing in it is that citizens be permitted to have a say, and that they and their views be fully represented. A memorandum of understanding exists between us and the Department for Culture, Media and Sports in Westminster, and I have regular meetings with Andy Burnham, the Minister. He has told me that he would be happy, in principle, at least, to give evidence to this committee, so long as it is practical, and so I hope that you will be able to take evidence from him when you are in London. I have held meetings with him, and there are links between our departments through our officials and the officials at DCMS.

I also have regular meetings with Ofcom, as does the Deputy First Minister, and, on the whole, we hold those meetings jointly. I also hold meetings with the broadcasters in Wales. It is true to say that those meetings are held on a voluntary basis, but they take place regularly. So, at all levels, there is an opportunity for me, my department and the Deputy First Minister to raise these issues with the organisations that are responsible for them.

Alun Davies: Thank you. That answers the question as to how you see the Welsh Assembly Government having an input into policy development at a United Kingdom level, but I do not think that it answers the question about accountability in Wales. What you have talked about is private meetings between Ministers—Andy Burnham and you—and between you and the broadcasters, but you have not mentioned an open structure where the public can see that accountability. Do you have any proposals on how to solve that?

Rhodri Glyn Thomas: At present in Wales, Ofcom, as in the rest of the United Kingdom, is consulting with the public, so there is an opportunity for the public to express their opinions through that channel. I believe that the important point is how we, as a Government, ensure that we represent the

bod yn cynrychioli barn dinasyddion Cymru, ac yn sicrhau bod y farn honno'n cael ei chlywed yn y manau priodol. Fel rhan o'n strategaeth, byddwn yn edrych ar bob opsiwn ynghylch sut mae gwneud hynny. Yr wyf yn hapus iawn i edrych ar unrhyw opsiwn. Os oes gan y pwyllgor unrhyw gynigion neu argymhellion i'w gwneud ynglŷn â sut y gallwn gadarnhau'r elfen honno o atebolrwydd, byddwn yn hapus iawn i edrych arnynt ac i'w trafod gyda fy nghyd-Weinidogion.

views of the citizens of Wales and ensure that that opinion is heard in the right places. As part of our strategy, we look at all options as to how we can do that. I am happy to look at any options. If the committee has any proposals or recommendations to make as to how we can strengthen that element of accountability, I would be more than happy to look at them and to discuss them with my fellow Ministers.

[15] **Alun Davies:** Diolch yn fawr; yr ydym yn gwerthfawrogi hynny. Fodd bynnag, hoffwn fynd ychydig ymhellach ar hyn. Mae brawddeg olaf y paragraff hwn yn dweud:

Alun Davies: Thank you; we appreciate that. However, I would like to take this a little further. The final sentence of this paragraph states:

[16] 'We will also want to consider broader accountability mechanisms [to] give sufficient weight to UK aspects of policy making in this area'.

[17] Beth oedd gennych mewn golwg wrth ysgrifennu'r frawddeg honno?

What did you have in mind when you wrote that sentence?

[18] **Rhodri Glyn Thomas:** Y peth pwysig yw bod cysylltiadau amlwg ac effeithiol rhyngom ni a'r adran briodol yn San Steffan, a rhyngom ni a phawb sy'n weithredol yn y maes hwn. Y ffaith amdani yw nad yw'r rhan fwyaf o'r maes wedi ei ddatganoli, ac, yn yr ystyr hwnnw, mae'n rhaid inni greu'r cysylltiadau hynny—nid yw'r cysylltiadau hynny yn naturiol yn eu lle. Yr wyf yn cofio bod yn Gadeirydd Pwyllgor Diwylliant y Cynulliad, ac, ar yr adeg honno, yr oedd yr holl ddarlledwyr ac Ofcom yn adrodd yn ôl i'r pwyllgor yn gyson. Ar y pryd—yr wyf yn mynd yn ôl i'r cyfnod rhwng 2000 a 2003—yr oeddwn yn teimlo bod atebolrwydd llawn a bod trafodaethau yn digwydd. O ran fy rôl weinidogaethol, yr wyf yn gallu gweld cysylltiadau clir gyda Llywodraeth San Steffan, ac yr wyf yn credu bod y cysylltiadau yn y fan honno yn effeithiol, a'n cyfrifoldeb ni yw sicrhau ein bod yn manteisio'n llawn ar y cysylltiadau hynny.

Rhodri Glyn Thomas: The important thing is that there should be clear and effective links between us and the appropriate department in Westminster, and between us and those who are active in this field. The fact is that responsibility for most of this field has not been devolved and, in that sense, we have to create those links—they are not naturally in place. I remember being Chair of the Assembly's Culture Committee, and, at that time, the broadcasters and Ofcom reported back to the committee regularly. At the time—I am going back to the period between 2000 and 2003—I felt that there was full accountability and that discussions were held. In terms of my ministerial role, I can see clear links with the Westminster Government, and I think that the links are effective, and it is our responsibility to ensure that we take full advantage of those links.

[19] **Alun Davies:** A ydych yn credu y dylai unrhyw agwedd ar bolisi darlledu gael ei datganoli i'r Cynulliad ac i Lywodraeth y Cynulliad?

Alun Davies: Do you believe that any aspect of broadcasting policy should be devolved to the Assembly and to the Assembly Government?

[20] **Rhodri Glyn Thomas:** Nid oes gan

Rhodri Glyn Thomas: The Assembly

Lywodraeth y cynulliad unrhyw bolisi ar ddatganoli elfennau o ddarlledu yng Nghymru ac nid yw wedi cael ei drafod yn y Cabinet. Wrth reswm, ac yn unol â'm cefndir, yr wyf yn ddatganolwr, ac, oherwydd hynny, yr wyf yn croesawu unrhyw drafodaeth ynglŷn â datganoli pwerau ychwanegol i'r Cynulliad. Fodd bynnag, fy marn bersonol yw na ddylid datganoli elfennau o ddarlledu ar eu pen eu hunain, gan y byddai hynny'n niweidiol i ddarlledu yng Nghymru. Os nad ydym yn trafod datganoli darlledu yn ei gyfanrwydd, nid oes gennyf fawr o ddiddordeb mewn trafod trosglwyddo elfennau ohono o San Steffan i'r Cynulliad.

Government does not have any policy on devolving responsibility for elements of broadcasting in Wales and it has not been discussed in Cabinet. Of course, given my background, I am a devolutionist, and, because of that, I welcome any debate on the devolution of further powers to the Assembly. However, my personal view is that there should not be piecemeal devolution of elements of broadcasting, because that would be damaging to broadcasting in Wales. If we are not discussing the devolution of broadcasting as a whole, I do not have much interest in devolving responsibility for elements of it from Westminster to the Assembly.

[21] **Alun Davies:** Pam fyddai hynny'n ddinistriol?

Alun Davies: Why would that be damaging?

[22] **Rhodri Glyn Thomas:** Credaf y byddai'n creu sefyllfa o anghydwysedd gydag elfennau o ddarlledu dan reolaeth y Cynulliad ac elfennau eraill o dan reolaeth San Steffan. Felly, dyna'r ateb hir i'r cwestiwn. Yr ateb byr i'r cwestiwn yw nad wyf yn credu ein bod yn trafod datganoli darlledu i'r Cynulliad yn y tymor byr. Serch hynny, fel y dywedais ar y dechrau, dyma faes lle mae pethau'n symud ac yn newid yn gyflym iawn. Dyna pam y mae arnom angen y strategaeth, fel ein bod yn glir iawn ynglŷn â'r hyn sy'n digwydd a'r hyn mae angen i ni fel Llywodraeth ei wneud mewn ymateb i'r newidiadau a'r symudiadau hynny.

Rhodri Glyn Thomas: I believe that it would create a situation of imbalance where there would be elements of broadcasting devolved to the Assembly and other elements remaining under the control of Westminster. Therefore, that is the long answer to the question. The brief answer to the question is that I do not think that we are discussing the devolution of broadcasting to the Assembly in the short term. However, as I said at the outset, this is an area where things move and change very quickly. That is why we need the strategy, so that we can be very clear as to what is happening and what we as a Government need to do in response to those changes and actions.

[23] **Paul Davies:** Hoffwn ganolbwyntio'n fyr ar Ofcom. Cyfeiriasoch at y ddogfen a gyhoeddwyd gan Ofcom rai misoedd yn ôl bellach. Beth yw eich ymateb i'r ddogfen honno, a beth yw eich barn ar y pedwar opsiwn yn y ddogfen?

Paul Davies: I would like to focus briefly on Ofcom. You referred to the document published by Ofcom some months ago. What is your response to that document, and what is your opinion on the four options contained in the document?

[24] **Rhodri Glyn Thomas:** Yr wyf yn croesawu'r ymgynghoriad hwn gan Ofcom yn fawr iawn, ac yr wyf yn falch iawn o weld bod ymgynghoriad llawn yn digwydd yng Nghymru ar y materion hyn. Mae elfennau o'r drafodaeth yn eithriadol o bwysig i Gymru. Pe bawn i am nodi'r pethau pwysig yn fy marn i a ddylai ymddangos o'r ymgynghoriad hwn, lluosogrwydd fyddai'r peth cyntaf, a sut ydym yn diogelu ac yn hyrwyddo lluosogrwydd fel bod mwy nag un

Rhodri Glyn Thomas: I very much welcome this consultation by Ofcom, and I am very pleased to see that there is a full consultation taking place in Wales on these issues. There are elements of the discussion that are extremely important to Wales. If I were to note the important aspects that should, in my opinion, emerge from this consultation, plurality would be the first aspect, and how we safeguard and promote plurality so that there is more than one

cwmni yn weithredol o ran darlledu cyhoeddus yng Nghymru. Credaf fod sefyllfa Cymru yn fwy bregus na honno ym manau eraill y Deyrnas Unedig o ran hynny, a bod diogelu hynny'n eithriadol o bwysig. Yr ydym oll yn ymwybodol o sefyllfa arbennig y BBC yng Nghymru a grym y sefydliad hwnnw, ond credaf y byddai'r BBC hefyd yn croesawu'r ffaith bod ganddo gystadleuaeth yn y maes hwnnw; nid yw bod bron yn gyfan gwbl gyfrifol am ddarlledu cyhoeddus yng Nghymru yn dderbyniol.

company actively providing public service broadcasting in Wales. I think that the position in Wales is more fragile than that in other areas of the United Kingdom, and that safeguarding that is extremely important. We are all aware of the particular position of the BBC in Wales and the power of that organisation, but I think that the BBC would also welcome competition in that area; being almost entirely responsible for public service broadcasting in Wales is not acceptable.

[25] Yn ail, fel yr wyf wedi cyfeirio ato eisoes, yw pwysigrwydd creu sefyllfa lle bo modd i farn pobl a Llywodraeth Cymru gael ei chlywed a'i chydabod. Credaf hefyd ei bod yn bwysig i ni, yng Nghymru, geisio datblygu dulliau newydd o sicrhau bod deunyddiau rhaglenni o Gymru yn ymddangos ar y rhwydwaith Prydeinig a hyd yn oed yn fwy rhyngwladol na hynny.

Secondly, as I have already mentioned, is the importance of creating a situation whereby the opinions of the people and Government of Wales can be heard and recognised. I also believe that it is important that we, in Wales, strive to develop new methods of ensuring that programming material from Wales is seen on the British network and even on the wider international network.

[26] Felly, yr wyf yn gobeithio, o'r drafodaeth hon y bydd yr elfennau hynny'n dod i'r wyneb. Nid oes gennyf unrhyw fwriad ar hyn o bryd i fynegi barn ynglŷn â'r pedwar opsiwn. Serch hynny, ni fyddwn yn ffafrio opsiwn nad yw'n diogelu lluosogrwydd. Felly, mae'n rhaid i mi gyfaddef nad yw opsiwn 2 yn apelio llawer ataf ar hyn o bryd. Serch hynny, mae angen ystyried elfennau o'r opsiynau eraill ac yr wyf yn hapus iawn i edrych arnynt.

Therefore, I hope, from this discussion, that these elements will become apparent. I have no intention at present to express an opinion on the four options. However, I would not be in favour of an option that did not safeguard plurality. Therefore, I have to admit that option 2 does not particularly appeal to me at present. However, there are elements of the other options that need to be considered and I am more than happy to look at those.

[27] **Paul Davies:** Yr ydych wedi mynegi'ch barn ar opsiwn 2, felly a hoffech fynegi barn ar yr opsiynau eraill?

Paul Davies: You have expressed your opinion on option 2, so would you like to express an opinion on the other options?

[28] **Rhodri Glyn Thomas:** Mynegais farn ar opsiwn 2 gan ei fod, yng nghydestun Cymru, yn edrych yn benodol ar y BBC ac yn caniatáu i'r farchnad reoli'r sefyllfa yn gyfan gwbl. Credaf y byddai hynny'n creu sefyllfa lle byddai Cymru yn dioddef i raddau helaethach na rhanbarthau a gwledydd eraill y Deyrnas Unedig.

Rhodri Glyn Thomas: I only expressed an opinion on option 2 because, in a Welsh context, it looks specifically at the BBC and allows the market to take full control of the situation. I think that that would create a situation in which Wales would suffer to a greater extent than the other nations and regions of the United Kingdom.

[29] **Paul Davies:** Beth yw eich barn chi a Llywodraeth y Cynulliad am benodiadau i fwrdd Ofcom? A yw Cymru yn cael ei chynrychioli'n ddigonol?

Paul Davies: What is your opinion and the Assembly Government's opinion on appointments to the Ofcom board? Is Wales adequately represented?

[30] **Rhodri Glyn Thomas:** Mae'r sefyllfa ynglŷn â phenodiadau i'r bwrdd yn

Rhodri Glyn Thomas: The situation with regard to board appointments is one where

un lle nad oes rheidrwydd i gael cynrychiolydd uniongyrchol o Gymru. Byddwn yn dweud bod Cymru wedi cael ei gwasanaethu'n arbennig o dda ar y bwrdd a bod materion o Gymru wedi cael gwrandawriad yno. Yr hyn sy'n bwysig i ni, fel Llywodraeth, yw sicrhau bod dull yn bodoli i sicrhau bod barn dinasyddion Cymru yn cael gwrandawriad, parch a chydabyddiaeth ar fwrdd Ofcom. Ar hyn o bryd, nid oes gennyf ddim pendant i'w ddweud am yr union strwythur y byddem yn ei ffafrio. Yr wyf yn gweithio ar egwyddor Beecham ac yn edrych ar yr opsiynau o ran hynny.

there is no requirement to have direct Welsh representation. I would say that Wales has been served particularly well on the board and that Welsh issues have been given a hearing there. What is important for us, as a Government, is to ensure that there is a way of ensuring that the opinions of Wales's citizens are heard, respected and recognised on the board of Ofcom. Currently, I have nothing definite to say about the exact structure that we would favour. I am working to the Beecham principle and looking at the options in that regard.

12.20 p.m.

[31] **Paul Davies:** A ydych yn hapus gyda'r strwythur presennol?

Paul Davies: Are you happy with the present structure?

[32] **Rhodri Glyn Thomas:** Credaf fod Ofcom, ar ei newydd wedd, wedi gwasanaethu Cymru yn dda.

Rhodri Glyn Thomas: I believe that Ofcom, in its new guise, has served Wales well.

[33] **Paul Davies:** Bu ichi gyfeirio at luosogrwydd. Sut all lluosogrwydd gael ei sicrhau yng Nghymru yn y dyfodol?

Paul Davies: You referred to plurality. How can we ensure plurality in Wales in the future?

[34] **Rhodri Glyn Thomas:** O edrych ar y sefyllfa yma, mae'r cwestiwn mawr yn ymwneud â dyfodol ITV Cymru. Mae gwasanaeth ITV Cymru wedi crebachu dros y blynyddoedd. Mae'r datganiad diweddaraf ynglŷn ag ITV Cymru yn cynnig rhywfaint o ryddhad dros dro, ond mae'r pwysau'n dal i fodoli. Mae ITV Cymru yn gorff a chanddo gyfraniad pwysig i'w wneud i ddarlledu cyhoeddus. Yr ydym am weld Llywodraeth Cymru yn gwneud popeth o fewn ei gallu i ddiogelu cyfraniad ITV Cymru i ddarlledu cyhoeddus.

Rhodri Glyn Thomas: Looking at the situation here, the big question concerns the future of ITV Wales. ITV Wales's service has withered over the years. The latest statement on ITV Wales offers some temporary relief, but the pressures persist. ITV Wales is an organisation with an important contribution to make to public broadcasting. We want to see the Government of Wales doing everything in its power to safeguard the contribution of ITV Wales to public broadcasting.

[35] **Paul Davies:** A ydych eisiau gweld Llywodraeth y Cynulliad, a'r Llywodraeth Brydeinig efallai, yn ariannu ITV Cymru yn uniongyrchol?

Paul Davies: Do you wish to see the Government of Wales, and the British Government perhaps, providing direct funding for ITV Wales?

[36] **Rhodri Glyn Thomas:** Mae hynny'n un opsiwn mae Ofcom wedi'i gynnig. Mae'n rhy gynnar o lawer i fynegi barn am hynny. Mae'n opsiwn y gellid edrych arno. Nid yw darlledu'n faes a ddatganolwyd, felly, pe bai cyfraniad ariannol, byddai hwnnw'n dod o San Steffan.

Rhodri Glyn Thomas: That is one option that Ofcom has proposed. It is much too early to express an opinion about that. It is an option that could be considered. Broadcasting is not a devolved matter, so any financial contribution would come from Westminster.

[37] **Alun Davies:** A gaf ofyn ichi fynd tipyn ymhellach, Weinidog? Yr ydych yn dweud ei bod yn rhy gynnar, ond mae gennych ddau neu dri mis i ymateb i Ofcom, os ydych am gymryd rhan yn y broses ymgynghori. A ydych yn bwriadu gwneud hynny?

Alun Davies: May I invite you to go a little further, Minister? You say that it is too early, but you have two or three months to respond to Ofcom, if you wish to participate in the consultation process. Do you intend doing so?

[38] **Rhodri Glyn Thomas:** Mae cwestiwn mawr yn codi yn y cyd-destun hwnnw o ran y modd y dylem ymateb i sefyllfa o'r fath o ran ymgynghoriad cyhoeddus a gynhelir gan Ofcom. Bydd proses ddeuol yn digwydd yn awr. Gallwn gyflwyno sylwadau i'r ymgynghoriad, a bydd Ofcom yn dod atom â chasgliadau inni ymgynghori arnynt. Mae cyfle inni fynegi barn fel rhan o'r broses ymgynghori, ac mae modd inni fynegi barn hefyd yn ein cyfarfodydd gydag Ofcom ar ddiwedd y broses honno. Cyn diwedd y flwyddyn, yr wyf yn gobeithio gallu cyhoeddi strategaeth Llywodraeth Cymru yn y maes hwn. Felly, bydd gennym gyfle y pryd hynny hefyd i fynegi barn.

Rhodri Glyn Thomas: In that context, a major question arises with regard to the means by which we should respond to such a situation with regard to an Ofcom-run public consultation. There will now be a dual process. We can make representations to the consultation, and Ofcom will come to us with conclusions for us to consult on. We have an opportunity to express an opinion as part of the consultation process, and we are also able to express an opinion in our meetings with Ofcom at the end of that process. Before the end of the year, I hope to be in a position to publish the Government of Wales's strategy on this matter. Therefore, we will also have an opportunity at that time to express an opinion.

[39] Nid wyf am rithro i gasgliadau—arhosaf hyd nes ein bod wedi pwyso a mesur yn ofalus yr hyn sydd gennych chi fel pwyllgor i'w ddweud wrthyf. Ar hyn o bryd, nid wyf am fynegi barn am yr opsiynau hynny nac am ddulliau ariannu darlledwyr.

I do not wish to jump to any conclusions—I will wait until we have carefully appraised what you as a committee have to say to me. Currently, I do not wish to express an opinion on those options or on methods of funding broadcasters.

[40] **Peter Black:** Following on from the Chair's questions about accountability, several public sector broadcasters—the BBC, S4C, Channel 4—receive an element of public funding, as does Ofcom itself. Do you have a formal memorandum of understanding with any of those bodies similar to what Ofcom has with the Scottish Government?

[41] **Rhodri Glyn Thomas:** No, we do not.

[42] **Peter Black:** Would it be desirable that you should put together such a memorandum, given your view that any further devolution of powers in relation to broadcasting is a long-term ambition?

[43] **Rhodri Glyn Thomas:** Again, that is an issue that we need to look at. The fact that that structure is in place in Scotland does not necessarily mean that we would put a similar structure in place in Wales. However, we will look at the Scottish model to see how it is working. As I said earlier, my prime emphasis here is on the representations that we make on behalf of the citizens of Wales. It is very much the role of those citizens and their access to the system that are important. There must be an effective system that allows those representations to be made by Government on behalf of the people. On a voluntary basis, that has worked well over the past eight years, in my experience as Chair of the former culture committee and now as a Minister.

[44] **Peter Black:** Obviously, in many respects you would work through the Department for Culture, Media and Sport on those representations, and you have said already that you have been in meetings with the Minister and with Ofcom and various broadcasters. Do you have any formal memorandum of understanding with DCMS that sets out the boundaries that you work to in that respect?

[45] **Rhodri Glyn Thomas:** Yes. We have a memorandum of understanding with DCMS, and we have a concordat that allows us to have discussions. The Broadcasting Acts of 1990 and 1996, if I remember rightly, highlight the fact that those issues that are important to Wales—and certainly those that are important solely to Wales—must be discussed with relevant Ministers, and that is carried through in the Government of Wales Act 2006. So, there is a responsibility on DCMS to have those discussions with the First Minister, in the first place, but also with Ministers who have responsibilities in those areas.

[46] **Alun Davies:** Could we have a note of that structure, please?

[47] **Rhodri Glyn Thomas:** Yes, I will be happy to pass that on to you.

[48] **Peter Black:** I get the impression, in a sense, that the input of the Welsh Assembly Government and the National Assembly for Wales on broadcasting issues is very much on the margins. Yes, you have those meetings with Ministers, but with regard to Ofcom, for example, although you have said that the new-look Ofcom serves Wales well, some of the evidence that we have received in the course of our inquiry has given us cause to think that perhaps it does not serve Wales as well as it should. Often, the board makes decisions without understanding fully the Welsh context with regard to those decisions. A good example was given in relation to community radio, where the licences that were designed were completely inappropriate for Wales, because we do not have the same level of competition for those licences as you might get in inner-city Birmingham or London. The length of the licences is not appropriate for the Welsh context, either. Do you think that, given that and other examples, Ofcom and the UK Government could do with a more direct Welsh representation on these issues?

[49] **Rhodri Glyn Thomas:** As I said earlier, I am prepared to look at any options, and I will be interested to look at the conclusions of the committee, given the evidence that you have received about community radio and the licences. If this committee believes that there should be more formal representation of Wales on the board of Ofcom—which might be something that you would recommend—obviously, I would look at that, along with Welsh Assembly Government colleagues. My own experience, having chaired an Assembly committee that dealt directly with broadcasting, and from some 10 or 11 months in Government, is that the means that we have available to us to ensure we have opportunities to make representations to Ofcom have been effective. I take the point that you made about licences, and I look forward to seeing your conclusions on that. I will give it consideration at that point.

[50] **Peter Black:** That is one example, but the view has been expressed to us that the various panels that are set up to advise Ofcom sometimes find themselves frustrated in terms of their views being taken into account. There is no direct input to Ofcom's decision-making, and there is no dedicated Welsh representative on the Ofcom board to put decisions into context in terms of the devolution settlement, bilingualism, Wales's status as a nation, and the demands that that puts upon the broadcast media in Wales.

12.30 p.m.

[51] **Rhodri Glyn Thomas:** That is the very reason that I have stated that we need a comprehensive strategy for media and broadcasting in Wales. It would be fair to say that, in

the past, we have not had that kind of cohesive, structured approach to this sector, and in that sense it may have been a matter of looking at each item as it arose. The situation now is so fast-moving that we must have a clear strategy for what the Government of Wales wants to achieve. We must know how we want to address particular issues, and the issue of accountability, which Alun raised at the start of the meeting and which you are pursuing now, is obviously one that we will be giving consideration to.

[52] **Peter Black:** I accept that a strategy would be helpful. I am trying to establish whether, in the various meetings that take place between the Welsh Assembly Government, the UK Government and Ofcom, these issues are on the agenda, and are being discussed on an active basis. If that is not the case, what sort of issues are being discussed?

[53] **Rhodri Glyn Thomas:** To a large extent, the meetings that we have had recently have been about this particular consultation; it is important and has been brought forward by Ofcom because it realises that there is a need to look at these issues at this time. Therefore, we have been discussing those issues. On structures, we have accepted them as they are, at the moment. As I say, we are beginning to put together this strategy, and this committee will feed into that, as will the results of the Ofcom consultation. At that point, we will be in a position to state what kind of process we want for making representations, so that the Government of Wales can be effective in its communication with Ofcom.

[54] **Peter Black:** I am asking these questions because, when the current structure was set up, the then Minister was very strong in her belief that there should be Welsh representation on the Ofcom board, and I believe that she had the support of all parties in the Assembly on that. So, I am just concerned that that seems to have slipped off the agenda with regard to where the Welsh Assembly Government is going now.

[55] **Rhodri Glyn Thomas:** No, it certainly has not slipped off the agenda. Representation of the citizens of Wales is our prime responsibility; the question is how we do that most effectively, and I am waiting to gather all the evidence before I come to a final decision. I would have to put that particular issue to Cabinet and get the support of my fellow Ministers so that we have a Government view on this. However, this is the first time that we would have a Government view on a comprehensive strategy about this particular sector, so it is a very important issue on which we must tread carefully and ensure that we are making the right decisions.

[56] **Peter Black:** The other strand of evidence that has come to the committee relates to how Wales is portrayed in network productions and Wales's contribution to the network. Do you have a view on that?

[57] **Rhodri Glyn Thomas:** Yes, I have a view, and that view is that we are not getting sufficient coverage on the network at the moment. I do not think that you would be surprised by that view. Our share is about 0.8 per cent, which is worth about £23 million to Wales. If we were to increase that to 3 per cent, we would be looking at somewhere in the region of £66 million, if that was for networks across the board. If it was solely the BBC, you would be looking at something like £46 million. The population of Wales is about 5 per cent of the population of the UK, so if you went up to 5 per cent—and this is where my mental arithmetic lets me down—I think you would be talking of a figure somewhere in the region of £100 million. Paul would know this, but I would have thought that it would be somewhere in the region of £100 million, and that is what we have to aim for. There are encouraging signs—*Doctor Who* and *Torchwood* are encouraging in the sense that they have created an infrastructure in Wales such that no-one now can question the quality of production. What they do not do is portray Wales on the network, and we have to build on that infrastructure with programmes that actually portray Wales.

[58] We must ensure that those people who are commissioning programmes on network have an understanding of the important developments in Wales. I thought that Mark Thompson's statement in the press the other day was interesting. He was talking about creating a drama village in Wales, so that you could see the vast majority of drama productions coming to Wales, now that we have the infrastructure to be able to cope with that. So, it is very much a matter now for the BBC to tell us what that means. If it is talking about taking productions outside London, what does that mean in reality? What does it mean in terms of productions in Wales? You have a situation now where *Doctor Who* is going to produce only four programmes over the next year, and the future of *Torchwood* is not entirely clear, so what is going to follow on from those? We have created this infrastructure in Wales, and it might be a matter for the BBC, UK-wide, to tell us what will come to Wales as a result of that. What does this target of having 50 per cent of BBC productions outside London really mean in terms of what is happening in Wales?

[59] I am very glad that this business of just putting the badge of BBC Wales on productions has come to an end. *Life on Mars* went out as a BBC Wales production, although there was no input whatsoever from Wales to that programme. So, it is a matter of trying to ensure that those productions reach the network, that we get our fair percentage and that the productions reflect Wales. The same is true of ITV Wales. I noted with interest the comments that Michael Grade made about the lack of production applications from Wales. That is a two-way relationship. Producers in Wales would want to know that they would be taken seriously in terms of network productions. If you are a small production company in Wales, you are not going to waste time putting forward applications for network if you do not think that network is going to take up some of those options.

[60] Interestingly enough, *Gavin & Stacey* was offered to ITV but it could not find any space on the network to broadcast the programme. It probably regrets that a little now, given the tremendous success that the programme has had on BBC Three. It is now a matter of saying to the broadcasters—and Channel 4 is included in this—'Okay, if you are serious about regional productions, tell us what that means so that we can work with public broadcasting and independent companies in Wales and ensure that we come up with those ideas.' We are confident that we have the ideas and creativity in Wales and that the infrastructure is there to produce these programmes; all we need are clear signs from the network commissioners as to what exactly they are looking for.

[61] **Peter Black:** I certainly enjoyed watching Swansea's Brangwyn Hall and Alexander road library on *Doctor Who* on Saturday. Michael Grade made the point when he was talking to us—and Channel 4 made a similar point to an extent—that he was not getting many people coming to him from Wales with programme ideas that he could use. Channel 4 tends to leave it to S4C to deal with the independent producers in Wales. As a result, there are not many productions in Wales being produced specifically for Channel 4 and going out on the network there. So, in terms of the strategy that you are developing, will you be looking at how the Assembly Government can support those independent producers in making those pitches to network, and particularly to the ITV and Channel 4 networks that have not reflected, if you like, the strength of the independent producers in Wales in the same way as the BBC has.

12.40 p.m.

[62] **Rhodri Glyn Thomas:** The important thing is that there is clarity with regard to the process. I have had a slight interest in the independent television sector in Wales in the past, but from talking to producers in Wales, the clarity is not there; they are not clear about the process, or what the network is looking for. As I said, we have had several interesting statements, including that, by 2016, 50 per cent of productions on the network broadcast from London should come from outside London. What does that mean for Wales, and how does the BBC in Wales respond to that? How do independent producers in Wales respond to that? If

Michael Grade is saying that he is not getting the ideas, then please, Michael, tell us how we can put those ideas forward. We are confident that there are good ideas in Wales, and that we have good, qualified people who can ensure that those ideas can be developed and that quality productions can come out of Wales.

[63] **Alun Davies:** Yr wyf yn cytuno â'r pwyntiau yr ydych wedi eu gwneud. Pan ddaeth Michael Grade i'r pwyllgor, yr oedd yn agored iawn—dywedodd fod ei ddrws ar agor bob tro i syniadau newydd. Fodd bynnag, beth ydych chi fel Llywodraeth yn mynd i'w wneud i sicrhau bod y sector yn llwyddiannus? Yr wyf yn ymwybodol bod y grŵp sy'n cynghori'r Dirprwy Brif Weinidog a'r Gweinidog dros yr Economi a Thrafnidiaeth wedi adolygu'r strategaeth diwydiannau creadigol. A allwch drafod casgliadau'r grŵp gyda ni, a sut mae'r strategaeth yn cyfrannu at lwyddiant y sector yng Nghymru?

Alun Davies: I agree with the points that you have made. When Michael Grade came to committee, he was very open—he said that his door is always open to new ideas. However, what are you as a Government going to do to ensure that the sector is successful? I am aware that the group that is advising the Deputy First Minister and Minister for the Economy and Transport has reviewed the creative industries strategy. Could you discuss the conclusions of that group with us, and how that strategy is contributing to the success of the sector in Wales?

[64] **Rhodri Glyn Thomas:** Ni allaf drafod casgliadau'r grŵp gyda chi oherwydd nid yw'r Gweinidog wedi gwneud datganiad am y casgliadau hynny eto. Ni fuaswn yn dymuno i'r Dirprwy Brif Weinidog wneud datganiadau am faterion sy'n ymwneud â'm portffolio i hyd nes fy mod i, fel Gweinidog, wedi cael cyfle i wneud hynny, ac yr wyf am roi'r cyfle hwnnw i'r Dirprwy Brif Weinidog.

Rhodri Glyn Thomas: I cannot discuss the conclusions of the group because the Minister has yet to make a statement on those conclusions. I would not want the Deputy First Minister to make statements on issues to do with my portfolio until I, as a Minister, had had the chance to do so, and I wish to give the Deputy First Minister that opportunity.

[65] Fodd bynnag, yn gyffredinol, yr hyn y mae'r adolygiad yn ei ddangos yw y bu tuedd yn y gorffennol i geisio datblygu'r diwydiannau creadigol yng Nghymru heb bwyslais digonol, o bosibl, ar geisio gweld ble yn union yr oedd y diwydiannau hynny yn mynd, a beth yr oeddent yn gallu ei gyflawni. Yr ydym yn sylweddoli bellach, yn y sefyllfa newydd hon, nid yn unig bod yn rhaid i ni roi cymorth busnes i gwmnïau creadigol i gael eu creu, ond bod yn rhaid i ni edrych yn strategol hefyd ar y bylchau yn y farchnad, beth y gallant ei gyflawni, lle y gallant fod yn llwyddiannus, a beth y gallwn ni fel Llywodraeth ei wneud i gefnogi hynny.

However, generally speaking, what the review identifies is that there has been a tendency in the past to try to develop the creative industries in Wales without sufficient emphasis, possibly, on trying to see exactly where those industries were going, and what they could achieve. We now realise, in this new situation, that not only do we have to give business support to creative companies to be established, but that we also need to look strategically at the gaps in the market, what they can achieve, where they can succeed, and what we as a Government can do to support that.

[66] Felly, pan fydd y Dirprwy Brif Weinidog yn gwneud ei ddatganiad, buaswn yn disgwyl bod newid pwyslais yn datblygu o ran sut mae'r Llywodraeth yn meithrin diwydiannau creadigol yng Nghymru.

Therefore, I would expect that, when the Deputy First Minister makes his statement, a change of emphasis will develop in terms of how the Government nurtures the creative industries in Wales.

[67] **Alun Davies:** Yr wyf yn synnu na allwch drafod hyn ymhellach, oherwydd yr

Alun Davies: I am surprised that you cannot discuss this further, because it is mentioned

ydych yn sôn amdano yn eich papur—dyna pam yr wyf yn gofyn y cwestiwn. Mae'n dweud yn y papur bod angen newid y ffordd y mae'r strategaeth yn cael ei chyflawni a'i gweithredu. I fi, mae hynny'n golygu bod problemau wedi bod—nid ar lefel ddeallusol, ond yn y ffordd y mae'r polisi yn cael ei gweithredu ar hyn o bryd. A allwch esbonio beth yn union yw'r problemau gyda gweithredu'r polisi ar hyn o bryd?

[68] **Rhodri Glyn Thomas:** Dyna yr wyf newydd ei ddweud wrthyf yn fy ateb blaenorol. Mae newid yn digwydd yn y ffordd y mae'r Llywodraeth yn ceisio cefnogi'r diwydiannau creadigol yng Nghymru; yr ydym wedi gweld ein rôl yn y gorffennol—ac wedi bod yn llwyddiannus yn y rôl honno—yn sicrhau bod y cymorth busnes yn ei le, er mwyn datblygu a thyfu'r sector diwydiannau creadigol. Bellach, credwn fod angen strategaeth glir sy'n galluogi'r diwydiannau hynny nid yn unig i gael eu creu, ond i ddatblygu a darganfod eu ffordd ymlaen. Felly, bydd newid pwyslais, a fydd yn golygu, fe dybiwn, newid yn yr adnoddau a fydd ar gael i gefnogi'r diwydiannu hynny.

[69] Fodd bynnag, cewch y manylion hynny gan y Dirprwy Brif Weinidog yn fuan. Os ydych eisiau nodyn llawnach ar fanylion y trafodaethau, gallaf ofyn i'r Dirprwy Brif Weinidog a yw'n barod i rannu'r wybodaeth honno â chi ar hyn o bryd. Fodd bynnag, credaf y gallwch ddisgwyl datganiad ar hyn yn weddol fuan, gan bod yr adolygiad wedi ei gynnal. Pan gewch y manylion yn y datganiad hwnnw, yr wyf yn siŵr y bydd o gymorth i chi yn eich trafodaethau.

[70] **Alun Davies:** Diolch am hynny, Weinidog. Byddem yn gwerthfawrogi unrhyw beth a allech ei wneud i sicrhau ein bod yn cael y wybodaeth honno yn ystod yr wythnosau nesaf. Yr ydym yn gobeithio ysgrifennu'n hadroddiad cyn diwedd y mis, felly byddai'n hwyluso pethau pe baem yn gallu cael gwybodaeth gan y Dirprwy Brif Weinidog.

[71] **Ms Hale:** I wanted to pick up on the point about how we will be focusing more on a strategic role for the creative industries in the Department for the Economy and Transport than we may have done in the past. What came out of the ministerial advisory group review was that we had not been linking up the overall aims in terms of the creative industries and

in your paper—that is why I asked the question. The paper states that there is a need to change the way in which the strategy is delivered and implemented. To me, that means that problems have existed—not on an intellectual level, but in the way that the policy is implemented at present. Could you explain exactly what the problems are with the implementation of the policy at present?

Rhodri Glyn Thomas: That is what I have just told you in my previous response. There is change occurring in the way in which the Government is endeavouring to support the creative industries in Wales; we have seen our role in the past—and have been successful in that role—as ensuring that the business support is in place, in order to grow and develop the creative industry sector. We now believe that we need a clear strategy that enables those industries not only to be created, but to develop and to find their way forward. Therefore, there will be a shift in emphasis, which will mean, I would assume, a change in the resources that will be available to support those industries.

However, you will receive those details from the Deputy First Minister soon. If you would like a more detailed note on the details of those discussions, I can ask the Deputy First Minister whether he is willing to share that information with you at present. However, I believe that you can expect a statement on this quite soon, as the review has been conducted. Once you receive the details in that statement, I am sure that it will be of assistance to you in your discussions.

Alun Davies: Thank you for that, Minister. We would appreciate anything that you can do to ensure that we receive that information during the next few weeks. We hope to write our report before the end of the month, therefore it would facilitate matters if we could get information from the Deputy First Minister.

economic development in Wales as much as we perhaps should have done, bringing together what broadcasters are looking for and what broadcasters need with what the independent production companies in Wales need. We created the IP fund, which is a good example of how gap funding can be found for production companies that are looking to make network broadcast possible, but, in a way, it is not enough and we need more. When we talk about whether the production companies are not coming up with what commissioners want or whether commissioners are not commissioning enough, it is probably a bit of both, and what we need to do in the Department for the Economy and Transport is to help bridge those gaps and bring them closer together. When we are talking about a strategic approach, that is what we are talking about.

[72] **Alun Davies:** Thank you, that is helpful.

[73] **Rhodri Glyn Thomas:** Byddaf yn gwneud pwynt o ofyn i'r Dirprwy Brif Weinidog beth yn union y gall ryddhau i chi cyn diwedd y mis neu, os yw mewn sefyllfa i wneud, i wneud datganiad cyn diwedd y mis. Byddwn yn rhoi cymaint o wybodaeth ag sy'n bosibl i chi er mwyn i chi allu ei gynnwys yn eich adroddiad.

Rhodri Glyn Thomas: I will make a point of asking the Deputy First Minister exactly what he can release to you before the end of the month, or, if he is in a position to do so, to make a statement before the end of the month. We will provide you with as much information as possible, so that you can include it in your report.

[74] **Alun Davies:** Yr ydym yn gwerthfawrogi hynny. Yn eich papur, yr ydych yn trafod strategaeth gyfathrebu integredig. Yr wyf yn cymryd bod hynny'n digwydd ar ddau lefel: yn gyntaf, yma yng Nghymru rhwng adrannau'r Llywodraeth, ac wedyn rhwng y Llywodraeth yma a'r Llywodraeth yn San Steffan. Yr wyf yn ymwybodol bod Llywodraeth y Deyrnas Unedig wedi cyhoeddi dogfen o'r enw 'Creative Britain—New Talents for the New Economy'. Mae'n cynnwys un paragraff am Gymru. I fi, mae hynny'n golygu nad oes cydweithio digonol wedi bod rhwng y Llywodraeth yma a Llywodraeth San Steffan. A yw hynny'n iawn?

Alun Davies: We appreciate that. In your paper, you discuss the integrated communications strategy. I take it that that operates on two levels: first of all, here in Wales, between the Government departments, and then between the Government here and the Government in Westminster. I am aware that the United Kingdom Government has published a document called 'Creative Britain—New Talents for the New Economy'. It contains one paragraph about Wales. To me, that means that there has not been sufficient collaboration between the Government here and the Westminster Government. Is that correct?

[75] **Rhodri Glyn Thomas:** Mae'r adroddiad hwnnw yn enghraifft berffaith o pam mae angen strategaeth glir ynglŷn â barn y Llywodraeth am yr holl faes hwn. Yr ydym yn edrych yn awr ar ddatblygu strategaeth sy'n ymwneud â'm hadran i ac adran y Dirprwy Brif Weinidog. Mae hynny'n bwysig, oherwydd bod dau bwyslais hollol wahanol o ran darlledu—mae'r elfen ddiwylliannol yn amlwg yn gyfrifoldeb i fi ac mae'r elfen economaidd yn amlwg yn gyfrifoldeb y Dirprwy Brif Weinidog. Mae'n bwysig ein bod yn cydweithio'n agos wrth ddatblygu'r elfennau hynny, ond mae diddordeb gan Weinidogion eraill ac mae'n rhaid inni eu cynnwys nhw. Bydd y

Rhodri Glyn Thomas: That report was a perfect example of why we need a clear strategy regarding the Government's views about this whole area. We are currently looking to develop a strategy that relates to my department and to the Deputy First Minister's department. That is important, because there are two completely different emphases in terms of broadcasting—there is the cultural element, which is obviously my responsibility, and there is the economic element, which is obviously the Deputy First Minister's responsibility. It is vital that we collaborate closely in developing those elements, but other Ministers also have an interest and must be included. The strategy

strategaeth yn gwneud hynny.

will do that.

[76] O'm profiad cyfyngedig o 11 mis, mae'r cysylltiad gyda Llundain wedi bod yn ffrwythlon iawn i Gymru, ond, yn anffodus, mae weithiau diffyg ymwybyddiaeth o oblygiadau rhai datganiadau ac adroddiadau i Gymru. Byddwn i'n dadlau y dylai bod llawer mwy o ymwybyddiaeth o oblygiadau'r adroddiad arbennig hwnnw i Gymru, a dyna fydd y strategaeth yn arwain ato. Mae cyfrifoldeb arnom ni fel Llywodraeth i sicrhau bod DCMS yn ymwybodol pan ei fod yn llunio adroddiadau o'r math hwnnw bod angen ystyried yr hyn sy'n wahanol yng Nghymru i weddill y Deyrnas Unedig.

In my limited experience of 11 months, the connection with London has been a fruitful one for Wales, but, unfortunately, there is sometimes a lack of awareness of the implications of some statements and reports for Wales. I would argue that there should be much more awareness of the implications of that particular report for Wales, and that is where the strategy comes in. There is a responsibility for us as a Government to ensure that DCMS is aware, when it draws up such reports, that it must take into account what is different in Wales to the rest of United Kingdom.

[77] **Alun Davies:** Diolch am hynny, Weinidog. Dyna ble mae gennyf ryw faint o broblem gyda'r sesiwn hwn, achos eich bod wedi dweud yn glir ac yn bendant eich bod yn hapus gyda'r broses sy'n cael ei gweithredu a'r strwythur fel ag y mae ar hyn o bryd. Yr ydych wedi trafod y cyfarfodydd yr ydych wedi eu cael gyda darlledwyr ac Andy Burnham a dweud bod y strwythur atebolrwydd yn gweithio'n ddigonol, ac yr oeddech yn bositif iawn ynghylch sut y mae'n gweithio gydag Ofcom. Wedyn, yr ydym yn gweld pethau fel yr adroddiad hwn.

Alun Davies: Thank you for that, Minister. This is where I have something of a problem with this session, because you have said clearly and definitely that you are content with the processes and structures that are currently in place. You have discussed the meetings that you have had with broadcasters and Andy Burnham, and you have said that the accountability structure is working adequately, and you were very positive about how it works with Ofcom. Then, we see things such as this report.

12.50 p.m.

[78] Credaf fod yr Adran Diwylliant, y Cyfryngau a Chwaraeon yn un o'r adrannau gorau o ran ei pherthynas gydag adrannau yma yng Nghymru. Mae gennym y strategaeth hon, gyda'i chyllideb o £70 miliwn ar gyfer cryfhau'r sector creadigol, ond nid yw'r strwythur yn gweithio. Yr wyf yn gweld hynny, ond nid wyf yn gweld sut y gallwch ddweud eich bod yn fodlon gyda'r strwythur.

I think that the Department for Culture Media and Sport is one of the best departments in terms of its relationship with departments here in Wales. We have the strategy, with a budget of £70 million for strengthening the creative sector, but the structure is not working. I can see that, but I do not see how you can say that you are content with the structure.

[79] **Rhodri Glyn Thomas:** Yn sicr, nid wyf wedi mynegi bodlonrwydd ynglŷn â'r adroddiad hwn—

Rhodri Glyn Thomas: I have certainly not said that I am content with this report—

[80] **Alun Davies:** Ond y strwythur sydd wedi arwain at yr adroddiad—

Alun Davies: But the structure has led to the report—

[81] **Rhodri Glyn Thomas:** Yr hyn yr wyf wedi'i ddweud drwy gydol y sesiwn hwn yw bod y strwythur, ar y cyfan, wedi gwasanaethu Cymru yn dda, ac, o'm

Rhodri Glyn Thomas: What I have said throughout this session is that the structure, on the whole, has served Wales well, and, from my experiences as a committee Chair

profiadau fel Cadeirydd pwyllgor ac fel Gweinidog, yr wyf wedi gweld bod modd i weithio'n effeithiol o fewn y strwythur hwnnw. Cwestiwn gwahanol yw ai dyna'r strwythur mwyaf addas. Pe bai popeth yn berffaith, ni fyddai angen strategaeth gynhwysfawr newydd arnom, ac mae'r ffaith ein bod yn llunio strategaeth ynddo'i hun yn gydnabyddiaeth bod angen inni edrych ar bob elfen o'r berthynas honno a gweld sut y gellir ei chryfhau o safbwynt Cymru. Yr wyf am rannu â chi yr hen ddywediad Cymraeg, nid da lle gellir gwell.

[82] **Alun Davies:** Felly, ynghylch strwythur addas neu briodol, a hoffech rannu unrhyw beth gyda ni y bore yma ar sut fydddech yn hoffi ei weld?

[83] **Rhodri Glyn Thomas:** Ar hyn o bryd, yr ydym yn mynd drwy broses o werthuso sut y mae'r Adran Diwylliant, y Cyfryngau a Chwaraeon yn ymateb i flaenoriaethau Llywodraeth Cynulliad Cymru, er mwyn gweld a yw'r system yn gweithio'n effeithiol. Os nad yw hi, ai'r diffyg yw nad yw DCMS yn ddigon ymwybodol o'n blaenoriaethau, neu a yw'r diffygion yn bodoli o'n hochr ni am nad ydym yn gosod y blaenoriaethau hynny'n ddigon cryf ac eglur gerbron DCMS? Dyna'r math o brosesau yr ydym yn mynd drwyddynt yn awr wrth edrych ar y sefyllfa, ond nid wyf am roi'r argraff nad oes unrhyw fath o gysylltiad nad o wrandawriad. Mae angen edrych ar bopeth sydd wedi digwydd. Mae'n iawn i nodi dogfen sy'n annigonol, ond un ddogfen yw honno, ac, yn y gorffennol, mewn dogfennau eraill, mae safbwynt Cymru wedi cael ei gydnabod yn glir. Mae'r ddogfen hon yn rhybudd fod yn rhaid i ni fod yn wylidwrus a sicrhau bod systemau yn eu lle i sicrhau ein bod yn cynrychioli barn pobl Cymru mor effeithiol ag y gallwn, a bydd y strategaeth yn mynd i'r afael â hyn.

[84] **Alun Davies:** O ran y strategaeth integredig, a ydych yn meddwl bod y ffordd y mae'r Llywodraeth yng Nghymru wedi'i strwythuro yn helpu o gwbl, oherwydd, ar hyn o bryd, mae cyfrifoldeb ar gyfer band eang a datblygu'r sector gyda'r Dirprwy Brif Weinidog, ac wedyn mae gennych gyfrifoldeb am bolisi darlledu ac, yr wyf yn

and as a Minister, I have seen that there is a way to work effectively within that structure. Whether that is the most appropriate structure is a different question. If everything was perfect, we would not need another comprehensive new strategy, and the fact that we are drawing up a strategy is in itself an acknowledgement that we need to look at all elements of that relationship and see how it can be strengthened from Wales's perspective. I will share with you the old Welsh saying that there is always room for improvement.

Alun Davies: So, in terms of an appropriate or suitable structure, would you like to share anything with us this morning on how you would like it to be?

Rhodri Glyn Thomas: At present, we are going through a process of evaluating how DCMS responds to the Welsh Assembly Government's priorities, in order to see whether the system is working effectively. If it is not, is it that DCMS is not sufficiently aware of our priorities, or is it that we are not setting out those priorities strongly and clearly enough before DCMS? Those are the kinds of processes that we are going through at present in looking at the situation, but I do not want to give the impression that there is not any kind of connection or listening. You need to look at everything that has happened. It is right to note an inadequate document, but that is one document, and, in the past, in other documents, Wales's viewpoint has been clearly acknowledged. This document is a warning that we have to be watchful and ensure that systems are in place to ensure that we represent the views of the people of Wales as effectively as we can, and the strategy will get to grips with that.

Alun Davies: In terms of the integrated strategy, do you think that the way that the Government here in Wales is structured assists in any way, because, at present, the Deputy First Minister has responsibility for broadband and for developing the sector, and you have responsibility for broadcast policy and, I take it, broadcasting content and public

cymryd, am gynnwys darlledu a darlledu gwasanaeth cyhoeddus, ac yn y blaen. A fyddai'n well, efallai, ddod â hynny at ei gilydd a sefydlu comisiwn cyfathrebu fel sy'n yr Alban?

[85] **Rhodri Glyn Thomas:** Mae hynny yn un opsiwn, ond nid yw'r ffaith ei fod wedi'i sefydlu yn yr Alban yn golygu mai dyna'r ateb gorau i Gymru o reidrwydd. Bydd yn rhaid inni edrych ar hynny. Yr hyn sy'n bwysig o ran rhannu'r cyfrifoldebau yw bod y naill elfen a'r llall yn cael sylw dyledus, oherwydd mae'r arbenigedd o ran datblygu economaidd yn amlwg yn perthyn i adran y Dirprwy Brif Weinidog, ac mae'r arbenigedd o ran yr elfen gynnwys a diwylliant yn bodoli yn fy adran i.

[86] Deuthum ar draws sefyllfa debyg rai blynyddoedd yn ôl pan oeddwn yn Gadeirydd y Pwyllgor Diwylliant. Yr oeddwn yn awyddus iawn i weld y maes twristiaeth yn cael ei gynnwys o fewn y portffolio diwylliant. Mae wedi cymryd saith mlynedd i wireddu hynny. Credaf fod hynny yw'r penderfyniad cywir, a dylai fod wedi cael ei wneud bryd hynny.

[87] Y ddadl rymus yn erbyn oedd y dylai twristiaeth fod yn rhan o'r portffolio datblygu economaidd gan ei bod yn cyfrannu at yr economi. Y duedd yn yr adran honno oedd i dwristiaeth gael ei wasgu a'i roi ar ymylon y drafodaeth yn lle bod yn rhan ganolog ohoni. Petawn yn symud y cyfrifoldeb am y maes hwn yn llwyr i adran y Dirprwy Brif Weinidog neu i'm hadran i, byddai perygl i un elfen o'r gwaith a gyflawnir gan y Llywodraeth gael ei hanwybyddu gan nad oes arbenigedd. Er bod opsiwn i edrych ar hynny, byddai'n rhaid inni fod yn ofalus iawn wrth sicrhau bod yr adnoddau ar gael i gefnogi'r elfen honno. Hyd y gwelaf i, mae'r cysylltiadau rhwng fy adran i ac adran y Dirprwy Brif Weinidog yn gweithio'n effeithiol iawn, ac mae swyddogion yn trafod ac yn datblygu polisi ar y cyd. Mae'r papur a gawsoch heddiw wedi'i ddatblygu ar y cyd gan swyddogion. Hwyrach bod hynny'n adlewyrchu'r newid sy'n digwydd o fewn Llywodraeth Cymru: mae llai o weithio o fewn adrannau gyda Gweinidogion yn meddwl yn nhermau eu hadrannau hwy yn unig, ac mae llawer iawn mwy o weithio

service broadcasting, and so on. Would it not be better, perhaps, to bring that together and establish a communications commission like that in Scotland?

Rhodri Glyn Thomas: That is one option, but the fact that it has been established in Scotland does not necessarily mean that that is the best solution for Wales. We will have to look at that. What is important in terms of the sharing of responsibilities is that each element should be given due attention, because expertise in terms of economic development lies in the Deputy First Minister's department, whereas expertise in terms of culture and content lies in my department.

I came across a similar situation some years ago when I was Chair of the Culture Committee. I was eager to see tourism included within the culture portfolio. It has taken seven years to achieve that. I think that it is the right decision, and it should have been made at the time.

The powerful argument made against was that tourism should be part of the economic development portfolio, as it contributes to the economy. There was a tendency in that department for tourism to be squeezed and left on the periphery of the discussion rather than being a central part of it. If we moved responsibility for this whole area to the Deputy First Minister's department or to mine, the danger would be that one element of the work achieved by Government would be ignored due to a lack of expertise. Although we have the option of looking at that, we would have to be careful to ensure that the resources were available. To my mind, the links between my department and the Deputy First Minister's department work very effectively, and officials hold joint discussions and collaborate on developing policy. The paper that you received this morning was developed jointly by officials in both departments. Perhaps that is a reflection of the change happening within the Government of Wales: there is less silo working with Ministers thinking simply of their own departments, and there is far more

rhwng adrannau ac ar y cyd ag adrannau. collaborative working between departments.

[88] **Alun Davies:** Yr wyf yn falch iawn o glywed hynny, Weinidog. **Alun Davies:** I am very pleased to hear that, Minister.

[89] **Peter Black:** Many of the proposals in Ofcom have come about due to the impending digital switchover and the impact that it will have on the present economics of broadcasting in the UK. Do you have any concerns about the availability of digital services after digital switchover, such as the availability of Welsh-based services on DAB, DDT, DSAT, and the availability of Welsh services such as S4C2?

[90] **Rhodri Glyn Thomas:** Yes, I have concerns about the situation post switchover, and I have raised them with Ofcom. I have highlighted the fact that I also want to raise these issues with the Department for Culture, Media and Sport at some point. It worries me, because all services will not be available everywhere, and it seems to me that, at one point, Wales was well ahead of the game, but I am not sure whether that is true any longer. When you get a copy of the Institute of Welsh Affairs audit report, you will see that there is a fairly substantial section in that report that deals with coverage, what is available, what will be available, and the issues that we have to address in that regard. It is unacceptable that some people in Wales will get a poorer service than others in Wales, and we have to try to deal with those access issues.

[91] **Peter Black:** One issue that we face at present is the fact that a large minority of the country does not watch Welsh television and does not access Welsh media. That will improve to an extent after the digital switchover, but the access will still be a major issue for that take-up and the penetration of those services.

[92] **Rhodri Glyn Thomas:** We cannot force people who have the option to watch Welsh television but if that choice is driven by the quality of the provision available, we certainly have to address that. I heard reports on the radio about people staying at hotels during the Urdd eisteddfod last week and not being able to access Welsh television channels because they were tuned in to masts at the other side of the border. Clearly, with my tourism hat on, that worries me very much. If we are talking about cultural tourism, surely people attending the eisteddfod should be able to access coverage of the eisteddfod on S4C. That is an historical issue in Wales, as you well know, Peter. We need to address that, by encouraging people to switch to television coverage from Wales and ensuring that the standard of provision is right.

[93] With digital switchover on radio, there is a real issue in north Wales. Representations have been made to me about the difficulty that people may well face in north Wales in accessing Radio Cymru after digital switchover on radio. There is real issue with the availability of Radio Wales after digital switchover on radio. If we are talking about a radio service for the whole of Wales, it is totally unacceptable that certain parts of Wales may not be able to access it.

1.00 p.m.

[94] **Peter Black:** When digital is installed, should the provider be told that Welsh services should be the default setting? That is not always the case. If you live on the border or in certain parts of the north and you have digital television installed, you can sometimes find that the default setting will be the English channels as opposed to S4C, BBC Wales and so on. Is there anything that the Assembly Government can do to work with the providers in that respect?

[95] **Rhodri Glyn Thomas:** I am grateful for that suggestion. I am certainly prepared to

consider it. We will make some inquiries as to the exact situation. It would be perfectly natural for that to be the new status quo, if there were a possibility of putting a default setting that presumes in favour of receiving coverage from Wales.

[96] **Alun Davies:** Does the Welsh Assembly Government contribute either to the digital radio group, which is looking at the future of digital radio broadcasting, or the convergence task group, which is reviewing the future of broadband?

[97] **Rhodri Glyn Thomas:** We will have to get a detailed note to you on that, as I would not want to mislead you about the representation on those bodies. Perhaps John has greater knowledge about this matter.

[98] **Mr Howells:** We are not a member of either group. We are able to contribute through DCMS, if we feel that issues need to be addressed in those fora.

[99] **Rhodri Glyn Thomas:** Do you want a note on how exactly we take advantage of that ability to contribute? Would that be useful to you?

[100] **Alun Davies:** A note on the structure of representations and any representations that you have made would be helpful. I would not necessarily agree with your analysis of the implications of switchover for radio, but, if concerns exist, it is right that the Welsh Assembly Government have the opportunity and the means to make representations to the UK-wide bodies that deal with these issues.

[101] **Rhodri Glyn Thomas:** On Radio Cymru and Radio Wales, I am just saying that there is a danger of that happening in the digital switchover for radio. When you get the audit report from the IWA, you will see that it highlights the particular danger to the foreseeable coverage available after switchover.

[102] **Paul Davies:** Bu ichi gyfeirio at radio cymunedol. Sut ydych chi a'r Llywodraeth yn gweld radio cymunedol yn datblygu? A oes angen strategaeth ehangach i'r sector hwnnw?

Paul Davies: You referred to community radio. How do you and the Government see community radio developing? Does that sector require a more comprehensive strategy?

[103] **Rhodri Glyn Thomas:** Mae radio cymunedol yn hynod boblogaidd ar hyn o bryd. Casglwyd un o'r deisebau mwyaf a welwyd yng Nghymru pan ddaeth un orsaf radio cymunedol i ben, er dyna oedd hyd ei thrwydded. Nid mater o rywun yn dod â hi i ben ydoedd; dyna oedd hyd y cytundeb. Er hynny, yr oedd pobl yn gweld eisiau'r gwasanaeth hwnnw i'r fath raddau eu bod wedi ymateb a chasglu deiseb â miloedd o lofnodion, bron dros nos.

Rhodri Glyn Thomas: Community radio is incredibly popular at the moment. One of the largest petitions ever seen in Wales was gathered when one community radio station closed, even though it had reached the end of its licence agreement. It was not a matter of someone closing the station; it had reached the end of its fixed-term contract. However, people missed that service to such an extent that they responded by collecting a petition of thousands of signatures almost overnight.

[104] Mae'n amlwg bod llawer o weithgaredd yn mynd yn ei blaen ar hyn o bryd o ran radio cymunedol. Yr wyf yn gyson yn cael llythyron gan Aelodau etholedig, sy'n sôn am ddatblygiadau newydd yn eu hetholaethau ac yn gofyn pa gefnogaeth ariannol y gallaf ei rhoi. Mae swm wedi'i glustnodi ar gyfer hyn: £0.5 miliwn dros bum

It is clear that there is great deal of activity going on with regard to community radio at the moment. I regularly receive letters from elected Members who inform me of new developments in their constituencies and ask what financial support I can offer. A sum has been identified for this: £0.5 million over five years. That sounds like a lot of money, but it

mlynedd. Mae hwnnw'n swinio fel llawer, ond nid yw'n arian mawr pan fydd rhywun yn edrych ar y ddarpariaeth, y galw a'r diddordeb sy'n y maes hwn. Mae'n faes ac iddo gryn lawer i'w gyfrannu i fywyd cymunedol Cymru. Mae'n braf gweld pobl yn eu cymunedau yn manteisio ar y cyfle i fod yn rhan weithredol o hyn. Daw gwirfoddolwyr i wneud eu rhaglenni eu hunain ac i gofnodi eu barn, ac maent yn adlewyrchu dymuniadau eu cymunedau. Mae perygl gyda darlledu mai rhywbeth oddi uchod fydd, a'r peth gwych am radio cymunedol yw ei fod yn deillio o'r gymuned ac yn ei hadlewyrchu.

[105] **Paul Davies:** Cyfeiriodd Peter at broblemau trwyddedu radio cymunedol. A ydych o blaid datganoli cyfrifoldeb trwyddedu i Gymru?

[106] **Rhodri Glyn Thomas:** Fel y dywedais wrth Peter, byddwn yn hapus i edrych ar y dystiolaeth yr ydych wedi'i chael a'r problemau sy'n bod, i ganfod y ffordd mwyaf effeithiol o ddelio â hynny. Yr hyn nad wyf yn awyddus i'w wneud yw dod gerbron y pwyllgor a dweud y byddwn yn datganoli hyn a'r llall heb weithio drwy'r holl oblygiadau. Fodd bynnag, os oes ffordd ymlaen o ran y trwyddedu a rhywbeth y gallwn ei wneud yn well ac yn fwy effeithiol, a fyddai'n caniatáu i'r trwyddedau adlewyrchu anghenion y cymunedau hynny yn well, byddwn yn hapus i'w ystyried.

[107] **Paul Davies:** Mae fy nghwestiwn olaf am S4C. A ydych yn credu y dylai S4C barhau i ddarlledu trafodion y Cynulliad ar S4C2?

[108] **Rhodri Glyn Thomas:** Ydwyf, yn sicr ar hyn o bryd. Mae'n bwysig bod gan y cyhoedd fynediad at ein trafodaethau. Bydd pethau yn newid yn y maes hwn yn y dyfodol agos, a bydd pob math o lwyfannau ar gael i bobl wrando, sylwebu ac ymateb i drafodaethau. Fodd bynnag, ar hyn o bryd, mae dadl gref y dylai S4C barhau â'r modd y mae'n darlledu o'r Senedd.

[109] **Alun Davies:** Diolch yn fawr, Weinidog, i chi a'ch tîm. Yr wyf am ddod â'r sesiwn hon i ben yn awr. Diolch am eich parodrwydd i ddod yma i ateb cwestiynau a

is not a fortune when one looks at the provision, the demand and the interest in this area. It has a great deal to contribute to the life of Wales's communities. It is wonderful to see people in their communities taking advantage of the opportunity to play an active part in this. Volunteers come along to make their own programmes and to place their views on record, and they reflect the wishes of their communities. There is always a danger with broadcasting that it will come from above, and the great thing about community radio is that it springs up from the community and reflects that community.

Paul Davies: Peter referred to the problems of licensing community radio. Are you in favour of devolving licensing responsibility to Wales?

Rhodri Glyn Thomas: As I said to Peter, I would be happy to look at the evidence that you have received and at the problems that exist to find the most effective way of dealing with that. What I am not keen to do is come before this committee and state that we will arrange for this and that to be devolved to us without working through all the possible implications. However, if there is a way ahead with the licensing and something that we could do better and more effectively, which would allow those licences to reflect the needs of those communities better, I would be more than happy to consider it.

Paul Davies: My final question is about S4C. Do you believe that S4C should continue to broadcast Assembly proceedings on S4C2?

Rhodri Glyn Thomas: Yes, certainly at present. It is important that the public has access to our proceedings. Things will change in this area in the near future, and all manner of platforms will be available for people to listen, comment and respond to discussions. However, at present, there is a strong argument that S4C should continue with how it broadcasts from the Senedd.

Alun Davies: Thank you, Minister, to you and your team. I now wish to draw this session to a close. Thank you for your willingness to come here to answer questions

thrafod materion gyda ni y prynhawn yma. Yr ydym yn gwerthfawrogi hynny yn fawr. Fel y gwyrddoch, bydd trawsgrifiad ar gael o'r sesiwn hon i chi edrych drosto yr wythnos nesaf. Mae'r dystiolaeth yn sesiwn nesaf y pwyllgor yn dod gan S4C, ond, cyn hynny, cymerwn egwyl o ryw hanner awr. Byddwn yn ailymgynnull am 1.35 p.m..

[110] **Rhodri Glyn Thomas:** Os bydd unrhyw gwestiynau manwl yn codi ar ôl i chi gael cyfle i edrych ar y trawsgrifiad yr hoffech wybodaeth bellach arnynt, ceisiwn gael yr wybodaeth honno atoch chi.

[111] **Alun Davies:** Diolch yn fawr, Weinidog. Yr ydym yn gwerthfawrogi hynny.

and discuss issues with us this afternoon. We appreciate that very much. As you will know, a transcript of this session will be available for you to look over during the next week. The evidence for the committee's next session comes from S4C, but, before that, we will break for half an hour or so. We will reconvene at 1.35 p.m..

Rhodri Glyn Thomas: If any detailed questions arise after you have had an opportunity to look at the transcript on which you would like further information, we will try to get that information to you.

Alun Davies: Thank you, Minister. We appreciate that.

*Gohiriwyd y cyfarfod rhwng 1.07 p.m. a 1.39 p.m.
The meeting adjourned between 1.07 p.m. and 1.39 p.m.*

Tystiolaeth ar gyfer Ymchwiliad y Pwyllgor: S4C a Phrifysgol Aberystwyth Evidence for Committee Inquiry: S4C and Aberystwyth University

[112] **Alun Davies:** Hoffwn groesawu cynrychiolwyr S4C atom y prynhawn yma. Diolch am roi o'ch amser. Yr wyf yn deall fod John Walter Jones wedi bwriadu bod yma heddiw, ond ei fod yn methu â bod yma. Yr ydym yn deall hynny ac yr ydym, fel pwyllgor, yn anfon pob dymuniad da ato ef a'i deulu yn ystod y cyfnod hwn. Gobeithiaf y gallwch gyfathrebu hynny ato—byddwn yn gwerthfawrogi hynny.

[113] Diolch yn fawr am y papur yr ydych wedi ei anfon atom. Yr ydym i gyd wedi cael cyfle i'w ddarllen. Hoffwn ddechrau drwy ofyn i chi gyflwyno rhai o'r materion yr ydych yn eu codi yn y papur, a chyflwyno eich hunain a sut yr ydych yn bwriadu rhoi tystiolaeth y prynhawn yma.

1.40 p.m.

[114] **Mr Edwards:** Cenwyn Edwards wyf fi. Yr wyf yn aelod o awdurdod S4C ac yr wyf yma yn lle John Walter Jones, cadeirydd yr awdurdod. Gyda mi, mae Iona Jones, prif weithredwr S4C. Diolch ichi am ein gwahodd yma. Hoffwn amlinellu lle'r ydym ni yn S4C ar hyn o bryd, beth sy'n ein poeni a sut mae'r dyfodol yn edrych ar hyn o bryd.

Alun Davies: I would like to welcome representatives of S4C here this afternoon. Thank you for giving of your time. I understand that John Walter Jones was supposed to be here today, but that he cannot attend. We understand that and, as a committee, we send him and his family our best wishes during this time. I hope that you will be able to convey that message to him—I would appreciate that.

Thank you for the paper that you have submitted. We have all had an opportunity to read it. I would like to start by asking you to present some of the issues that you raise in your paper, to introduce yourselves and to tell us how you intend to present your evidence this afternoon.

Mr Edwards: I am Cenwyn Edwards. I am a member of the S4C authority and I am here in place of John Walter Jones, the chair of the authority. With me is Iona Jones, the chief executive of S4C. Thank you for inviting us. I would like to outline where we are in S4C at present, what our concerns are and how we see the future.

[115] Yn ystod y blynyddoedd diwethaf hyn, mae S4C wedi bod yn canolbwyntio ar ddarparu cynnwys o safon drwy ddefnyddio llwyfannau newydd i gyrraedd y gynulleidfa fwyaf posibl yng Nghymru a thu hwnt. Y gamp yw cadw gafael ar y gynulleidfa graidd tra'n ceisio denu cynulleidfaoedd newydd. Mae ein darpariaeth ar gyfer dysgwyr, gyda'r adnoddau cyffrous sydd ar gael ar-lein, yn enghraifft o hynny.

Over the last few years, S4C has focused on delivering quality content by using new platforms to reach the largest possible audience within Wales and beyond. The feat is to keep hold of the core audience while trying to attract new audiences. Our provision for learners, with the exciting, online resources that are available, is an example of that.

[116] Daeth llawer o newidiadau yn sgîl Deddf Cyfathrebiadau 2003. Bu'n rhaid i S4C newid a bu newid mawr ar yr ochr fasnachol. Cyfyngwyd ar allu masnachol is-gwmnïau S4C gan y Ddeddf. Eto, mae'n bwysig o hyd inni adnabod cyfleoedd masnachol er mwyn creu incwm ychwanegol i'n galluogi i ddiogelu cynnwys o safon i'r dyfodol.

There have been many changes in the wake of the Communications Act 2003. S4C had to change and there has been a big change on the commercial side. The Act restricted the commercial ability of S4C's subsidiary companies. Yet, it is still important for us to identify commercial opportunities to generate additional income to enable us to safeguard quality content for the future.

[117] O ganlyniad i'r Ddeddf hefyd, mae perthynas S4C â'r cyflenwyr wedi newid. Erbyn hyn, y cynhyrchwyr sy'n berchen ar y hawliau i'r rhaglenni y maent yn eu cynhyrchu, gydag S4C yn prynu cytundeb ar gyfer trwydded i ddarlledu'r rhaglenni hynny. Fodd bynnag, yn wahanol iawn i bob darlledwr gwasanaeth cyhoeddus arall, yr ydym wedi mynd gam ymhellach ac adaseinio hawliau catalog hanesyddol S4C i'r cynhyrchwyr, sy'n eu galluogi i fanteisio ar yr adnodd pwysig hwn i'r dyfodol. Dyna'n fras lle'r ydym wedi cyrraedd.

Also as a result of the Act, the relationship between S4C and the suppliers has changed. The programme suppliers now retain the rights to the programmes that they produce, with S4C buying a contract for a licence to broadcast those programmes. However, unlike every other public service broadcaster, we have gone a step further and reassigned the rights to S4C's back catalogue to the programme suppliers, enabling them to exploit this important resource for the future. That is briefly where we are.

[118] Gan edrych ymlaen i'r dyfodol agos, efallai fod cymylau ar y gorwel. Efallai eu bod yn wyn, yn ddu, neu'n llwyd. Ni wyddom, ond hoffwn rannu rhai o'r gofidion hyn gyda chi. Yr ydym yn sylweddoli pwysigrwydd sicrhau bod gwasanaethau S4C ar gael ar gynifer o lwyfannau â phosibl er mwyn ceisio cyrraedd y gynulleidfa ehangaf posibl. Fodd bynnag, rhaid inni wynebu'r realiti. Efallai na fydd modd i wasanaethau S4C fod ar bob llwyfan newydd sy'n datblygu yn y dyfodol, a hynny am resymau cost. Y mwyaf yr ydych yn ei wario ar lwyfannau darlledu, y lleiaf sydd gennych i'w wario ar gynnyrch o safon. Bydd yn rhaid, felly, inni wneud penderfyniadau anodd er mwyn sicrhau gwerth am arian yn y dyfodol.

Looking to the near future, there may be clouds on the horizon. They may be white, black or grey. We do not know, but I would like to share some of these concerns with you. We realise the importance of ensuring that S4C's services are available on as many platforms as possible in order to try to reach the widest possible audience. However, we must face reality. It may not be possible, for reasons of cost, for S4C's services to be on every new platform developing in the future. The more that you spend on broadcasting platforms, the less you have to spend on quality products. We will, therefore, have to take difficult decisions to secure value for money in the future.

[119] Ers dwy flynedd, yr ydym wedi bod For two years, we have provided S4C

yn darparu rhaglenni S4C ar alw ar y we ac, ers blwyddyn, yr ydym wedi bod yn gweddarlledu gwasanaeth S4C digidol. Fodd bynnag, wrth inni ymestyn ein darpariaeth ar-lein, mae pryder am safon a chyflymder gwasanaethau band eang addas mewn rhai ardaloedd yng Nghymru, yn enwedig rhai ardaloedd gwledig yn y gorllewin a'r gogledd. Fel un sy'n byw yn Llandeilo, yr wyf yn ymwybodol iawn o'r broblem hon, fel, yr wyf yn siŵr, y mae rhai ohonoch chi sydd â diddordeb yn y maes hwn.

[120] Datblygiad arall sydd ar ein gwarthaf yw cyflwyno gwasanaeth darlledu manylder uwch—*high definition*—ar lwyfan Freeview. Mae'n bwysig i S4C gael mynediad i'r capasiti hwn, ac yr ydym yn ystyried sut y gallwn ddod i fwel i ddarparu gwasanaeth o'r fath.

[121] Ymhen dwy flynedd, bydd y newid i ddigidol wedi digwydd. Ymhen blwyddyn, bydd trosglwyddydd Preseli yn diffodd y signal analog. Mae angen inni sicrhau y bydd gwasanaethau S4C ar gael i bawb yng Nghymru wrth i'r newid ddigwydd. Mae hynny'n golygu sicrhau bod gwasanaeth digidol S4C ar gael o bob trosglwyddydd yng Nghymru.

[122] Un mater nad yw wedi cael llawer o sylw hyd yn hyn yw'r ffaith bod dau beth yn digwydd ar yr un pryd: mae'r signal analog yn cael ei ddiffodd ac mae S4C yn symud plethiad hefyd. Mae'n bwysig fod y ddau beth hyn yn digwydd, ond mae'r amseru yn dyngedfennol—rhaid i'r ddau beth ddigwydd ar yr un pryd. Bydd yn rhaid i S4C symud plethiad cyn diffodd signal Preseli, neu bydd rhai ardaloedd sy'n derbyn signal o *relays* Preseli yn colli allan am gyfnod amhenodol.

[123] Fel yr ydych wedi sylweddoli mae'n debyg, mae'n gyfnod o chwyldro parhaus yn y byd darlledu a chyfathrebu. Mae'r gwahaniaeth rhwng sefyllfa S4C yn adolygiad cyntaf Ofcom a'r adolygiad presennol o ddarlledu yn dyst i'r ffaith ein bod wedi deall yr angen i newid, ac eisoes yn gwneud hynny. Yr wyf yn siŵr eich bod hefyd wedi clywed yr wythnos diwethaf ein bod wedi lansio cymal cyntaf ein darpariaeth ar gyfer plant a phobl ifanc, sef gwasanaeth

programmes on demand, online and we have been webcasting the S4C digital service for a year. However, as we extend our online provision, there is concern about the quality and speed of appropriate broadband services in some areas of Wales, particularly some rural areas in west and north Wales. As someone who lives in Llandeilo, I am most aware of this problem, as, I am sure, are some of you who have an interest in this field.

Another development for us is the provision of a high-definition service on the Freeview platform. It is important for S4C to have access to that capacity, and we are considering how we can deliver such a service.

In two years' time, the digital switchover will have happened. Within a year, the Preseli transmitter will switch off the analogue signal. We must ensure that S4C's service will be available to everybody in Wales as the change takes place. That means securing universal coverage for S4C's digital service from every transmitter in Wales.

One issue that has not received much attention to date is the fact that two things are happening simultaneously: the analogue signal is being switched off and S4C is moving multiplex. It is important for these two things to happen, but the timing is also crucial—these two things must happen simultaneously. S4C will have to move multiplex before the Preseli signal is switched off, or some areas that receive a signal from the Preseli relays will lose out for an indefinite period.

As you have probably realised, it is a period of continuous revolution in the world of broadcasting and communication. The difference between S4C's situation in Ofcom's first review and the current review of broadcasting testifies to the fact that we have understood the need to change, and have already done so. I am sure that you have also heard that we have launched the first phase of our provision for children and young people, namely the Cyw service. This is an important

Cyw. Mae hwn yn wasanaeth pwysig i ddiffinio rôl S4C i'r dyfodol. Cam cyntaf yn unig yw hwn i sefydlu sianel plant a phobl ifanc. Bydd yr ail gymal gyda phlant cynradd yn cael ei lansio ym mis Ionawr y flwyddyn nesaf a bydd y trydydd cymal i bobl ifanc yn cael ei lansio ar ddiwedd 2009 neu ar ddechrau 2010.

service in defining the role of S4C in the future. This is only the first step in establishing a channel for children and young people. The second phase for primary school children will be launched in January of next year and the third phase for young people will be launched at the end of 2009 or the beginning of 2010.

[124] Bydd gan hyn oblygiadau i'r cynnwys presennol sydd ar S4C2. Gwasanaeth golygyddol o drafodaethau'r Cynulliad sydd wedi bod ar S4C2 o'r cychwyn, a byddwch yn falch o glywed ein bod wedi sefydlu grŵp prosiect ar y cyd â'r BBC i ystyried sut y gallwn barhau â'r ddarpariaeth olygyddol o'r Cynulliad ar ein gwasanaethau. Mae'n siŵr bod gennych farn ar hynny, a bydd Iona a minnau yn falch i drafod hyn ac unrhyw bwnc arall gyda chi.

This will have implications for the current content on S4C2. S4C2 has provided an editorial service of the Assembly's deliberations from the beginning, and you will be pleased to hear that we have established a joint project group with the BBC to consider how we can continue with the editorial provision from the Assembly on our services. You will probably have a view on that, and Iona and I will be pleased to discuss that, and any other topic, with you.

[125] **Alun Davies:** Diolch yn fawr i chi, Mr Edwards. A allwch anfon nodyn atom ynglŷn â'r sefyllfa gyda signal Preseli? Er nad wyf am drafod y pwnc yn y pwyllgor heddiw, byddai o ddiddordeb i aelodau'r pwyllgor. Felly, byddai nodyn ysgrifenedig yn rhywbeth y gallem ei ystyried tra'n bod yn ysgrifennu'r adroddiad hwn.

Alun Davies: Thank you, Mr Edwards. Could you send us a note on the situation with regard to the Preseli signal? Although I do not wish to discuss the subject in committee today, it would be of interest to committee members. Therefore, a written note would be something that we could consider while we draft this report.

[126] **Mr Edwards:** Iawn, dim problem.

Mr Edwards: Okay, no problem.

[127] **Alun Davies:** Dechreuaf drwy ofyn i chi am ddogfen Ofcom ac adolygiad presennol Ofcom. Mae Ofcom wedi cynnig sawl opsiwn ar gyfer dyfodol darlledu cyhoeddus. Beth yw eich barn ar hynny?

Alun Davies: I will begin by asking you about the Ofcom document and Ofcom's current review. Ofcom has proposed several options for the future of public broadcasting. What is your view on that?

[128] **Mr Edwards:** Mae awdurdod S4C yn ystyried yr hyn y mae Ofcom wedi ei gyflwyno. Nid ydym wedi dod i farn derfynol ar hyn o bryd; mae'r broses yn parhau, a bydd yn rhaid inni grisialu ein syniadau erbyn canol y mis hwn. Felly, ar hyn o bryd, nid oes gennym farn fel awdurdod ar hyn. Yr ydym yn falch fod S4C yn greiddiol i'r pedwar dewis a bod Ofcom yn deall na fydd yr ymagwedd *one size fits all* yn briodol i'r sefyllfa yng ngwledydd Prydain, fel ag y mae ar hyn o bryd.

Mr Edwards: The S4C authority is considering Ofcom's proposals. We have not come to a final view at the moment; the process is continuing, and we will need to crystallise our thoughts by the middle of this month. Therefore, currently, we do not have a view on this as an authority. We are pleased that S4C is core to the four options and that Ofcom understands that a one-size-fits-all approach is inappropriate to the situation in Britain, as it currently stands.

[129] Byddem hefyd am nodi fod tŷn y cyfeiriadau at S4C yn y ddogfen hon yn gadarnhaol, ac yr ydym yn croesawu hynny. Fodd bynnag, fel y dywedais, nid oes

We would also wish to note that the references to S4C in this document are positive, which we welcome. However, as I said, we do not have a definite view on the

gennym farn bendant am y pedwar opsiwn ar hyn o bryd fel awdurdod.

four options as an authority at the moment.

[130] **Ms Jones:** Wedi dweud hynny, mae swyddogion wrthi'n brysur yn paratoi argymhellion i'r awdurdod, a'r farn ar hyn o bryd—sydd, fel yr esboniodd Cenwyn, i'w chymeradwyo gan yr awdurdod—yw mai modelau 3 a 4 yw'r modelau sy'n cynnig, yn fy marn i o leiaf, y ffordd orau ymlaen i'r dyfodol. Wedi dweud hynny, nid wyf o reidrwydd yn teimlo mai drwy edrych ar fuddiannau y sefydliad a elwir yn S4C y mae dod o hyd i'r ateb ar gyfer Cymru.

Ms Jones: Having said that, officials are busily preparing recommendations for the authority, and the view at the moment—which, as Cenwyn explained, has yet to be approved by the authority—is that models 3 and 4 are the models that offer, in my opinion at least, the best way forward for the future. Having said that, I do not necessarily feel that the solution for Wales can be found by looking at the interests of the institution called S4C.

[131] Un o'r pethau yr ydym yn ei wneud ar hyn o bryd yw nodi'r math o swyddogaethau y byddai angen eu diwallu o dan unrhyw fodel i'r dyfodol. Er enghraifft, mae awgrym y dylid sefydlu asiantaeth ariannu. Nid wyf yn siŵr ar ba sail y byddai'r asiantaeth ariannu yn gwobrwyo arian heb strategaeth gynnwys a fyddai'n diwallu anghenion y gynulleidfa ac yn diwallu anghenion busnes—y model comisiynu sy'n bodoli gan S4C, er enghraifft, a sut yr ydych wedyn yn sicrhau bod gennych lwyfannau dosbarthu a darlledu.

One thing that we are currently doing is identifying the types of functions that will need to be fulfilled under any model for the future. For example, there is a suggestion that a funding agency should be established. I am not certain on what basis the funding agency would award money without also having a content strategy that would fulfil the needs of the audience as well as the business needs—the commissioning model that S4C currently has, for example, and how you then ensure that you have platforms for distribution and broadcast.

1.50 p.m.

[132] Fel y dywedodd Cenwyn yn gynharach, yr ydym yn tueddu tanbrisiu rôl darlledwyr o ran dod â'r llwyfannau hyn at ei gilydd. Maent yn llwyfannau drud ac o'u rhannu'n ormodol yr ydych yn colli'r budd o fod yn gallu negodi telerau cystadleuol. Dyna'r math o drywydd—heb fynd i ormod o fanylder gan fod y gwaith yn dal i fynd yn ei flaen—yr ydym yn meddwl sy'n bwysig er mwyn dod o hyd i ateb Cymreig.

As Cenwyn said earlier, we tend to undervalue the role that broadcasters play in bringing these platforms together. They are expensive platforms and, by sharing them too widely, you lose the benefits of being able to negotiate competitive terms. Without going into too much detail because the work is still ongoing, that is the kind of route that we think is important in order to identify a Welsh solution.

[133] Un peth y dylem ei nodi yw nad yw S4C yn gweithredu'n annibynnol ar y darlledwyr eraill yng Nghymru. Mae'r ffaith nad yw model 3 na model 4 yn ateb yr angen i sicrhau plwraliaeth cyfrwng Saesneg—hynny yw, nid ydynt yn ateb yr hyn sy'n digwydd i ITV—yn amlwg yn arwain rhywun i deimlo bod yn rhaid chwilio am ymateb mwy dyfeisgar. Yr ydym yn hapus i rannu'r meddylfryd ac unwaith y bydd yr awdurdod wedi dod i benderfyniad, byddwn yn hapus iawn i rannu'r canlyniad â chi.

One thing that we should note is that S4C does not operate independently of the other broadcasters in Wales. The fact that neither model 3 nor model 4 respond to the need to ensure plurality in the English medium—that is, they do not offer a solution in terms of ITV—obviously leads one to conclude that we need to find a more innovative solution. We are happy to share our thinking on this and, once the authority has come to a decision, we will be more than happy to share our conclusions with you.

[134] **Alun Davies:** Diolch yn fawr am hynny. Buaswn yn gwerthfawrogi nodyn arall ar hynny, unwaith y bydd y wybodaeth ar gael.

Alun Davies: Thank you very much for that. We would appreciate another note on that, once the information is available.

[135] **Mr Edwards:** Cyn gynted ag y bydd yr awdurdod wedi dod i benderfyniad, fe sicrhaf eich bod yn cael adroddiad llawn ar hynny.

Mr Edwards: As soon as the authority comes to a decision, I will ensure that you have a full report on that.

[136] **Alun Davies:** Diolch yn fawr am hynny.

Alun Davies: Thank you very much for that.

[137] **Paul Davies:** Yr wyf yn gyntaf am ganolbwyntio ar rôl ITV yng Nghymru a'ch perthynas chi ag ITV. Sut yr ydych yn gweld y berthynas yn y dyfodol a beth yw eich barn am rôl ITV yng Nghymru?

Paul Davies: I will first concentrate on the role played by ITV in Wales and your relationship with ITV. How do you see that relationship in the future and what is your opinion about ITV's role in Wales?

[138] **Mr Edwards:** Yn bendant, mae cydweithio wedi bod rhwng S4C ac ITV erioed. Mae ITV Cymru, a HTV gynt, wedi bod yn allweddol yn darparu rhaglenni ar gyfer S4C a hefyd wrth ddarparu hyfforddiant i'r diwydiant drwyddi draw yn y cyfnod cynnar. Daeth y sector annibynnol bron i gyd, ar y dechrau, o du ITV. Ein hagwedd ni, fel awdurdod, yw bod angen diogelu plwraliaeth yn Saesneg a bod angen canolbwyntio ar y rhaglenni a'r cynulleidfaoedd hynny sydd eisoes yn gwyllo ITV, ac yn ei wyllo yn eu miloedd.

Mr Edwards: There has certainly always been co-operation between S4C and ITV. ITV Wales, and HTV previously, have been key in providing programmes for S4C and also in providing training to the industry as a whole in the early period. Almost all the independent sector initially came from ITV. Our attitude, as an authority, is that plurality in English needs to be safeguarded and that there is a need to focus on those programmes and the audiences that already watch ITV, and watch it in their thousands.

[139] Mae rhai pethau'n mynd ar goll yn y ddadl hon, yn yr ystyr bod llawer o raglenni ITV, megis *The Ferret, Wales This Week* a rhaglenni cefn gwlad yn Saesneg, yn denu cynulleidfaoedd o faint sylweddol, ac mae'r cynulleidfaoedd hynny yn wahanol iawn i'r rhai sy'n gwyllo BBC Wales. Mae miloedd o bobl yn dewis gwyllo newyddion ar ITV bob nos, er enghraifft, yn hytrach na *Wales Today*. Mae'n fath gwahanol o gynulleidfa ac mae angen diogelu'r math hwnnw o gynulleidfa i'r dyfodol a darparu rhaglenni ar ei chyfer. Hefyd, mae angen sylweddoli bod angen nid yn unig ddarparu rhaglenni, ond sicrhau eu bod yn cael eu lleoli mewn man lle y maent ar gael yn hwylus i'r gynulleidfa honno a hefyd bod y gynulleidfa yn gwybod beth sydd ar gael.

Some things get lost in this debate, in the sense that many ITV programmes, such as *The Ferret, Wales This Week* and countryside programmes in English, attract audiences of a very good size and those audiences are very different to those who watch BBC Wales. Thousands of people choose to watch ITV news every evening, for example, instead of watching *Wales Today*. It is a different type of audience and that type of audience needs to be safeguarded for the future, and programmes must be provided for it. Also, we need to realise that it is necessary not only to provide programmes, but to ensure that they are located in a place that is easily accessible to that audience and also that the audience knows what is available.

[140] **Ms Jones:** Mae gennym berthynas ddeublyg ag ITV: mae ITV y darlledwr yn cystadlu yn ein herbyn ac mae ITV Cymru yn

Ms Jones: We have a dual relationship with ITV: ITV the broadcaster is a competitor of ours and ITV Wales is one of our programme

un o'n cynhyrchwyr rhaglenni—hynny yw, mae'n cyflenwi cynnwys. Fel mae Cenwyn wedi sôn, mae traddodiad newyddiadurol pwysig ac yr wyf yn falch o allu dweud heddiw ein bod wedi llofnodi cytundeb gydag ITV ddydd Gwener diwethaf sy'n golygu partneriaeth newydd ar-lein, yn deillio o'r gwaith y mae ITV wedi'i wneud ar ITV Local. Bydd gwasanaeth newydd cyfrwng Cymraeg ar gael i bobl Cymru a thu hwnt, o fewn misoedd, a fydd yn adeiladu ar y traddodiad newyddiadurol ac yn dod â'r math o ychwanegiadau cyffrous sy'n bosibl ar-lein nad ydynt yn bosibl ar hyn o bryd ar deledu. Mae ein perthynas gydag ITV yn dyfnhau, ond yn dyfnhau mewn ffordd sy'n addas ac yn briodol ar gyfer y cyfnod nesaf ac yr ydym ni, yn S4C ac ITV, yn falch ein bod wedi llwyddo o'r diwedd i gytuno telerau.

[141] **Paul Davies:** Bu i chi sôn, Mr Edwards, am gynnwys yn yr iaith Saesneg. Deallaf fod eich cadeirydd, John Walter Jones, wedi rhoi tystiolaeth i Bwyllgor Materion Cymreig Senedd Prydain yn ddiweddar, pan ddywedodd na fuasai'n gwrthwynebu cymryd cyfrifoldeb am gynnwys yn yr iaith Saesneg, cyhyd â bod gennych ddigon o arian i wneud hynny. Ai dyna'ch barn chi?

[142] **Mr Edwards:** Sianel Gymraeg yw S4C, a dyna yw hi o dan y Ddeddf, a than bod hynny'n newid, sianel Gymraeg fydd S4C. Dim ond arian ar gyfer rhaglenni Cymraeg yr ydym yn ei dderbyn o dan y statud hwnnw. Byddai S4C sy'n ymwneud â rhaglenni Saesneg y tu allan i hynny yn S4C o fodel hollol wahanol—nid S4C fel y cyfryw fyddai.

[143] Fodd bynnag, mae dyletswydd arnom i geisio pontio rhwng y Cymry di-Gymraeg a'r Cymry Cymraeg a gwneud ein rhaglenni yn fwy hygyrch i'r gynulleidfa honno. Gallwn wneud hynny drwy is-deitlo a thrwy gyflwyno trac sain Saesneg, ac yr ydym yn mynd i wneud hynny'n fuan. Fodd bynnag, mae hynny'n fwyaf priodol ar gyfer digwyddiadau a chwaraeon, ac weithiau nid yw'r hawliau ar gael i'n galluogi ni i wneud hynny. Er enghraifft, yng Nghwpan Rygbi'r Byd y llynedd, nid oedd yn bosibl inni is-deitlo yn Saesneg, oherwydd nad oedd yr hawliau ar gael, ac nid oedd y bobl a oedd yn

producers—that is, it supplies content. As Cenwyn has said, there is an important journalistic tradition and I am glad to be able to say today that we signed a contract with ITV last Friday that means that there will be a new online partnership, arising from the work that ITV has done on ITV Local. A new Welsh-medium service will be available for the people of Wales and beyond within months, which will build on the journalistic tradition and will provide the sort of exciting additions that are possible online that are not currently possible on television. Our relationship with ITV is deepening, but deepening in a way that is appropriate and suitable for the coming period and we, in S4C and ITV, are pleased that we have finally succeeded in agreeing terms.

Paul Davies: Mr Edwards, you mentioned English-language content. I understand that your chairman, John Walter Jones, gave evidence to the British Parliament's Welsh Affairs Committee recently, when he stated that he would not object to taking responsibility for English-language content, as long as you had sufficient funding to do that. Is that your view?

Mr Edwards: S4C is a Welsh-language channel, and that is what it is under the Act, and until that changes, S4C will be a Welsh-language channel. We only receive funding for Welsh-language programmes under that statute. An S4C that dealt with English programmes outside that would be an S4C of a completely different model—it would not be S4C as such.

However, we are duty bound to try to build a bridge between Welsh-speakers and non-Welsh speaking Welsh people and to make our programmes more accessible to that audience. We can do that by subtitling and by introducing an English-language soundtrack, which we are going to be doing soon. However, that is more appropriate for events and sports, and sometimes the rights are not available to enable us to do that. For example, with the Rugby World Cup last year, we could not provide English subtitles because the rights were not available, and the people who owned those rights did not wish

berchen yr hawliau am roi hynny i ni. Hefyd, er mwyn darparu trac sain Saesneg, byddai'n rhaid i ni ddefnyddio arian masnachol, nid arian cyhoeddus, oherwydd nad oes gennym hawl i ddefnyddio arian cyhoeddus ar gyfer unrhyw beth y tu allan i'r iaith Gymraeg. Felly, mae hynny'n enghraifft o un llyffethair sydd arnom ar hyn o bryd. Fodd bynnag, darlledwr iaith Gymraeg ydym ni.

[144] **Paul Davies:** A fydddech chi am newid hynny—ai dyna yr ydych yn ei ddweud?

[145] **Mr Edwards:** Na, nid wyf yn dweud ein bod am ei newid; mae'n un o'r opsiynau y gallem eu hystyried—mae'n dibynnu ar y modelau sy'n cael eu cyflwyno yn y dyfodol.

[146] **Paul Davies:** Ar gyfrifoldebau darlledu, a fydddech fel sefydliad yn croesawu datganoli cyfrifoldebau S4C i'r Cynulliad?

[147] **Mr Edwards:** Mater gwleidyddol pur yw hwnnw. Os oes awydd gwleidyddol i ddatganoli pwerau o Lundain i Gaerdydd, mater i'r bobl, ac i gynrychiolwyr y bobl, yw hynny. Os yw darlledu yn mynd i gael ei ddatganoli, bydded i hynny ddigwydd. Ar hyn o bryd, yr ydym yn atebol i'r Adran dros Ddiwylliant, y Cyfryngau a Chwaraeon, ac i'r Senedd yn Llundain, ac mae'r model hwnnw yn gweithio i ni ar hyn o bryd. Fodd bynnag, os oes ewyllys gwleidyddol i newid hynny, bydd yn rhaid i ni ymateb iddo. Felly, nid oes gennym farn bendant naill ffordd na'r llall ar hynny.

[148] **Paul Davies:** Beth yw'r manteision ac anfanteision, felly, o ran y ffaith mai'r Adran dros Ddiwylliant, y Cyfryngau a Chwaraeon sydd â'r cyfrifoldeb?

[149] **Mr Edwards:** Dyma'r unig fodel sydd wedi bod, felly nid ydym yn gwybod beth yw'r manteision a'r anfanteision—mae'r peth yn gweithio. Yr ydym yn atebol iddi—yr ydym yn cyflwyno adroddiad blynyddol, ac yn y blaen, iddi, ac mae memorandwm cyddealltwriaeth rhyngom a adolygir bob tair neu bedair blynedd. Credaf eich bod wedi cael copi o'r memorandwm hwnnw—bu i chi ofyn amdano. Dyna yw'r canllawiau, felly, i sut mae'r trefniant yn gweithio.

to give them to us. In addition, in order to provide an English soundtrack, we would have to use commercial funds, not public funds, because we have no right to use public funds for anything but the Welsh language. Therefore, that is an example of how we are restricted at present. However, we are a Welsh-language broadcaster.

Paul Davies: Would you wish to change that—is that what you are saying?

Mr Edwards: No, I am not saying that we want to change it; it is one of the options that we could consider—it depends on the models that will be introduced in the future.

Paul Davies: On broadcasting responsibilities, would you as an institution welcome the devolution of S4C's responsibilities to the Assembly?

Mr Edwards: That is a purely political question. If there is a political will to devolve powers from London to Cardiff, then it is a matter for the people, and for the people's representatives. If broadcasting is to be devolved, so be it. At present, we are accountable to the Department for Culture, Media and Sport, and to the Parliament in London, and that model works for us at present. However, if there is a political will to change that, then we would have to respond to it. Therefore, we have no firm view on that either way.

Paul Davies: What are the advantages and disadvantages, therefore, of the responsibility lying with the Department for Culture, Media and Sport?

Mr Edwards: That is the only model that we have ever had, so we do not know what the advantages and disadvantages are—it works. We are accountable to DCMS—we present our annual report, and so on, to it, and there is a memorandum of understanding between us, which is reviewed every three to four years. I believe that you have received a copy of that memorandum—you requested that. Those are the guidelines, therefore, as to how the arrangement works.

[150] Mae newidiadau wedi bod ar yr ochr fasnachol ers Deddf 2003; mae'n llawer mwy cymhleth bellach i S4C fentro i'r byd masnachol. Os ydym am wneud unrhyw beth o'r math hwnnw, mae'n rhaid i ni fynd at y Gweinidog yn Yr Adran dros Ddiwylliant, y Cyfryngau a Chwaraeon a gofyn iddo ystyried y peth. Os yw'n cytuno, mae'n rhaid cyflwyno Gorchymyn gerbron y Senedd, ac mae honno'n broses hir a chymhleth; yr ydym eisoes wedi gwneud hynny unwaith, a bydd sawl achos arall yn ystod y flwyddyn nesaf.

[151] **Paul Davies:** Pa gyfrifoldebau sydd gennych i hybu democratiaeth yng Nghymru drwy, er enghraifft, ddarlledu gweithgareddau'r Cynulliad?

2.00 p.m.

[152] **Mr Edwards:** Yr ydym wedi bod yn fwy na pharod i wneud hynny o'r dechrau. Nid oedd gofynion arnom i wneud hynny, oherwydd nad yw S4C2 yn dod o dan gylch gwaith gwreiddiol S4C. Rhywbeth y penderfynom ei wneud ar y cyd â'r BBC ydyw, a hynny oherwydd bod y sianel yn cael ei rheoleiddio gan Ofcom, felly menter fasnachol yw hi o'n rhan ni, ac arian masnachol sydd wedi talu am yr hyn y mae S4C wedi'i roi i'r fenter. Mae hynny wedi bod yn sawl miliwn o bunnoedd ers 1999.

[153] **Paul Davies:** A ydych yn gweld hynny yn parhau?

[154] **Mr Edwards:** Dyna yn union beth yw bwriad y gweithgor yr ydym wedi ei sefydlu, sef gweld sut y gallwn barhau â hynny.

[155] **Ms Jones:** Fel rhan o'r ddarpariaeth graidd, mae newyddion a materion cyfoes yn rhan ganolog o'n dyletswydd darlledu cyhoeddus. Yr ydym yn darparu 60 awr o faterion cyfoes yn yr oriau brig, sef dwywaith y lleiafswm sy'n ofynnol gan Ofcom. Yr ydym yn unigryw yn darlledu rhaglen wleidyddol, *CF99*, yn yr oriau brig, sy'n ddatblygiad a ddigwyddodd eleni. Mae S4C2 yn rhan o ddarlun ehangach, ac mae'n ddyletswydd cwbl sylfaenol ein bod yn adlewyrchu'r hyn sy'n digwydd yng

There have been changes on the commercial side since the 2003 Act; it is now much more complex for S4C to venture into the commercial world. If we wish to do anything of that sort, we have to approach the Minister at DCMS and ask him to consider it. If he agrees, an Order has to go before Parliament, and that is a lengthy and complex process; we have already done that once, and there will be several more cases over the next year.

Paul Davies: What responsibilities do you have to promote democracy in Wales by, for example, broadcasting the proceedings of the Assembly?

Mr Edwards: We have been more than willing to do that from the beginning. There was no requirement on us to do so, because S4C2 was not part of S4C's original remit. We decided to do this in collaboration with the BBC, and that was because the channel is regulated by Ofcom, therefore, it is a commercial venture for us and it is commercial funding that has paid for S4C's contribution to the venture. That contribution has been several millions of pounds since 1999.

Paul Davies: Do you see that continuing?

Mr Edwards: That is precisely the intention of the working party that we have established, namely to see whether it will be possible to continue with that.

Ms Jones: As part of the core provision, news and current affairs are a central part of our public broadcasting duty. We provide 60 hours of current affairs in prime time slots, which is twice the minimum required by Ofcom. We are unique in that we broadcast a political programme, *CF99*, in a prime time slot, which is a development that has taken place this year. S4C2 is part of a bigger picture, and it is a fundamental part of our duty that we reflect what is happening in Wales politically and in other areas to ensure

Nghymru yn wleidyddol ac mewn meysydd eraill, er mwyn sicrhau ein bod yn berthnasol i'r gynulleidfa, sef, ar ddiwedd y dydd, y sawl yr ydym i gyd yn anelu at eu boddhau.

that we are relevant to the audience, namely those whom, at the end of the day we are aiming to satisfy.

[156] **Alun Davies:** Cyn i fi ddod â Peter i mewn, hoffwn eich holi am eich datganiad am ITV. Yr wyf yn cymryd y byddai pob aelod o'r pwyllgor yn ei groesawu yn fawr. Mae'n symudiad hynod o greadigol, ac yr oeddwn yn falch o glywed amdano y prynhawn yma. A wnewch esbonio sut y bydd yn gweithio? Clywsom wythnos diwethaf bod *Golwg* wedi ennill grant gan Lywodraeth y Cynulliad i ddarparu newyddion ar y we drwy gyfrwng y Gymraeg. Yr wyf yn cymryd y byddwch yn gwneud hyn yn Gymraeg ac yn Saesneg gydag ITV.

Alun Davies: Before I bring Peter in, I would like to ask you about your statement regarding ITV. I assume that every committee member would greatly welcome it. It is a remarkably creative development, and I was pleased to hear about it this afternoon. Can you explain how it will work? We heard last week that *Golwg* has been awarded a grant by the Assembly Government to provide an online Welsh-medium news service. I assume that you will be doing this in Welsh and English with ITV.

[157] **Ms Jones:** Bydd ITV Local, sy'n wasanaeth sydd eisoes wedi ei sefydlu, yn parhau, ond bydd cynnwys Cymraeg yn gorwedd ochr yn ochr â'r hyn sydd ar gael yn Saesneg. Fel sydd wedi digwydd gyda chwmnïau eraill, yr ydym yn adeiladu ar y comisiynau teledu megis *Y Byd ar Bedwar* a *Hacio*, er mwyn rhoi ffordd arall o gael mynediad i'r cynnwys ac esgor ar drafodaeth. Nid ydym yn creu rhywbeth o'r newydd, ond yr ydym yn defnyddio llwyfan newydd er mwyn gwneud mwy o ddefnydd o'r cynnwys sy'n deillio o'r gwaith comisiynu. O ran y drafodaeth am luosogrwydd, mae'n beth braf i weld nid yn unig bod ail wasanaeth ond bod trydydd gwasanaeth, a bod hynny'n digwydd o fewn yr un cyfnod. Mae lle i bawb; nid yw'n fater o greu cystadleuaeth. Yr ydym yn dangos bod defnydd gwell a mwy pwrpasol a pherthnasol i'w wneud o'r comisiynau.

Ms Jones: ITV Local, which is an established service, will continue, but Welsh-medium content will sit alongside what is already available in English. As has happened with other companies, we are building on television commissions such as *Y Byd ar Bedwar* and *Hacio*, in order to provide another means of accessing that content and to encourage debate. We are not creating something new, rather we are using a new platform to make more use of the content that is produced by our commissioning work. In terms of the discussion on plurality, it is good to see that not only is there a second service but that there is also a third service, and that that is happening within the same period. There is room for everyone; it is not a matter of creating competition. We are showing that we can make better and more purposeful and relevant use of the commissions.

[158] **Alun Davies:** A fydd hynny ar gael drwy wefan S4C?

Alun Davies: Will that be available through the S4C website?

[159] **Ms Jones:** Bydd ar gael drwy wefan S4C ac ITV Local, ond bydd yn byw mewn bydysawd sy'n weddol unigryw hefyd. Dylwn ychwanegu, yng nghyd-destun newid hawliau, sef yr hyn a gyfeiriodd Cenwyn ato yn gynharach, fod gan ITV archif rhaglenni sydd heb gael ei ddefnyddio drwy'r cyfryngau newydd. Mae hynny hefyd yn rhan o'r cytundeb yr ydym wedi ei sicrhau. Byddwch yn gweld defnydd o'r archif a

Ms Jones: It will be available through S4C's website and ITV Local, but it will also exist in a fairly unique universe. I should add that, in the context of changes to rights, which Cenwyn referred to earlier, ITV has an archive of programmes that has not been used through new media. That is also part of the deal that we have secured. You will see the archive and current material being used in a more modern and digital way.

chynnwys cyfredol mewn ffordd sy'n fwy modern a digidol.

[160] **Peter Black:** I want to pursue Paul's questions on accountability. You are, as you said, directly accountable to the UK Parliament and DCMS at present. Have you ever been called to present your annual report to Parliament? Do you have an annual meeting with the Secretary of State in relation to that?

[161] **Mr Edwards:** Bob blwyddyn, yr ydym yn cyflwyno'n hadroddiad blynyddol i'r Senedd ac i'r adran ac mae wedyn i fyny iddynt hwy i ddod yn ôl atom ni, ac maent yn holi cwestiynau pellach. Mae cyfarfodydd rheolaidd yn digwydd rhwng y cadeirydd a'r Gweinidog, a hefyd rhwng y prif weithredwr a'r Gweinidog.

Mr Edwards: We present our annual report every year to Parliament and to the department and it is then up to them to come back to us, and they ask further questions. There are regular meetings between the chair and the Minister, and also between the chief executive and the Minister.

[162] **Ms Jones:** Mae'r berthynas o safbwynt atebolrwydd wedi'i rhestru yn y memorandwm. Nid oes unrhyw beth i atal unrhyw un i'n galw i gyfrif ar ffurf pwyllgor; nid yw hynny wedi digwydd eto. Yr ydym hefyd yn rhoi tystiolaeth i bwyllgorau San Steffan yn ôl y galw.

Ms Jones: The relationship from the point of view of accountability is listed in the memorandum. There is nothing to stop anyone from calling us to account before a committee; that has not occurred to date. We also give evidence to Westminster committees as required.

[163] **Peter Black:** You have not given evidence in terms of the annual report, but give evidence to other committees in respect of broadcasting. How frequently does that happen?

[164] **Ms Jones:** Mae wedi digwydd ddwywaith yn ystod y flwyddyn ddiwethaf—unwaith i Bwyllgor Diwylliant, y Cyfryngau a Chwaraeon, a oedd hefyd yn edrych ar ddyfodol darlledu cyhoeddus, a'r eildro, y cyfeiriwyd ato'n gynharach, i archwiliad y Pwyllgor Dethol ar Faterion Cymreig i mewn i globaleiddio.

Ms Jones: It has happened twice during the past year—once to the Culture, Media and Sport Committee, which was also looking at the future of public broadcasting, and the second time, which we alluded to earlier, was to the Select Committee on Welsh Affairs inquiry into globalisation.

[165] **Mr Edwards:** Dylwn ychwanegu hefyd, pan wnaethom ni gais am Orchymyn i weithredu yn fasnachol, cafodd hwnnw, wedi iddo gael ei basio gan yr Adran Diwylliant, y Cyfryngau a Chwaraeon, ei roi gerbron y Senedd. Yr oedd yn rhaid iddo fynd gerbron Tŷ'r Cyffredin a Thŷ'r Arglwyddi, am 40 diwrnod gwaith, ac wedyn yr oedd cwestiynau, ac yn y blaen, a atebwyd gennym cyn iddo gael ei gymeradwyo.

Mr Edwards: I should also add that when we made a request for an Order to operate commercially, after that was passed by the Department for Culture, Media and Sport, it was laid before Parliament. It had to go before the House of Commons and House of Lords, for 40 working days, and then there were questions, and so on, which we answered before it was approved.

[166] **Peter Black:** So, how does this accountability work in the Welsh context? You are accountable to the UK Parliament, but how are you accountable to the people of Wales?

[167] **Mr Edwards:** Through Parliament in London; that is the way that we have been set up.

[168] Dyna'r ffordd yr ydym yn That is the way that we operate and that is the

gweithredu a dyna yw'r broses. Yr hyn yr ydym yn ei wneud yw cyflwyno rhaglenni teledu; yr ydym yn cael ymateb gan bobl Cymru i'r rhaglenni o ran faint o bobl sy'n eu gwyllo, yr hyn y mae'r bobl yn meddwl amdanynt a sut maent yn cael eu gwerthfawrogi. Yn ogystal â hynny, yr ydym yn cynnal cyfarfodydd cyhoeddus yn gyson ledled Cymru. Yr ydym yn cyhoeddi ein bod yn mynd i ardal arbennig ac yn gofyn i'r bobl am eu barn. Yr ydym hefyd, er enghraifft, wrth sôn am lansio sianel i blant, yn cynnal ymgynghoriad cyn gwneud unrhyw benderfyniad.

[169] **Ms Jones:** Ychwanegaf hefyd nad dyma'r tro cyntaf inni dderbyn gwahoddiad i ddod i roi tystiolaeth i'r Cynulliad. Yr wyf yn meddwl bod cyfraniadau cyson wedi bod dros y blynyddoedd, o ran cael ein galw i ddod i'ch cyfarfodydd.

[170] Hefyd, ynghanol yr holl drafod ynghylch atebolrwydd, mae'n werth cofio fod llawer o bethau o fewn cyfraith gwlad, a Deddf 2003 yn benodol, sy'n gorfodi S4C a darlledwyr eraill i gyhoeddi eu cynlluniau, ac mae'r dogfennau—strategaethau, cynlluniau rhaglenni, dulliau gweithredu, codau ymarfer a thelerau masnach—i gyd ar gael ar ein safle gwe i'w craffu. Mae llawer iawn o'r gwaith hwnnw, wrth gwrs, yn cael ei wneud gan Ofcom, a chredaf fod Ofcom yn rhan bwysig iawn o reoli atebolrwydd rhwng y math o gyfarfodydd yr ydym yn eu cael a'r hyn yr ydym yn ei wneud drwy DCMS a'r Senedd.

[171] **Peter Black:** At present, there is no reference in your corporate plans to any relationship with the Assembly or the Assembly Government. Would you welcome the opportunity to present an annual report to the Assembly?

[172] **Mr Edwards:** Ni fyddai gennym unrhyw wrthwynebiad pe bai'r Cynulliad yn ein gwahodd i ddod i gyfarfodydd i drafod unrhyw fater o ran S4C. Yr ydym, wrth gwrs, yn atebol i'r Adran Diwylliant, y Cyfryngau a Chwaraeon yn Llundain, ond nid oes dim yn ein rhwystro rhag dod i drafod unrhyw fater yr ydych chi, fel Cynulliad, yn meddwl fyddai o fudd i S4C i'w drafod. Felly, yr ydym yn agored i unrhyw ddatblygiad o'r math hwnnw—dim ond inni wybod hyd a lled yr hyn yr ydych am ei wybod.

[173] **Peter Black:** Do you have a memorandum of understanding with the Welsh

process. What we do is broadcast television programmes; we get a response from the people of Wales to the programmes in terms of how many people watch them, what they think of them and how they are appreciated. In addition, we regularly hold public meetings throughout Wales. We announce that we are going to a particular area and ask people for their views. Also, for example, in talking about launching a children's channel, we hold a consultation before taking any decisions.

Ms Jones: I will also add that this is not the first time that we have accepted an invitation to come to give evidence to the Assembly. I think that regular contributions have been made over the years, in terms of our being called to come before your meetings.

Also, in the midst of all the discussion of accountability, it is worth remembering that there are many things enshrined in law, and the 2003 Act in particular, that compel S4C and other broadcasters to publish their plans, and the documents—strategies, programme plans, modes of operating, codes of conduct and trade conditions—are all available on our website for scrutiny. Much of that work, of course, is done by Ofcom, and I believe that Ofcom is an important part of bridging accountability between the kinds of meetings that we have and what we do through DCMS and the Parliament.

Mr Edwards: We would not object if the Assembly were to invite us to come to meetings to discuss any aspect of the work of S4C. We are, of course, accountable to DCMS in London, but there is nothing to stop us from coming to discuss any issue that you, as an Assembly, believe would be beneficial for S4C to discuss. Therefore, we are open to any kind of development of that kind—we just need to know the scope of what you want to know.

Assembly Government? How would you like to see the relationship between S4C and the Government and the Assembly develop?

2.10 p.m.

[174] **Mr Edwards:** Nid oes memorandwm gennym. Serch hynny, yr ydym yn agored i drafod unrhyw beth. Pe bai gan y Cynulliad unrhyw gynllun, trafodwn ac ystyriwn hwnnw pan ddeuai i fwcl.

Mr Edwards: We do not have a memorandum. However, we are open to discuss anything. If the Assembly had any plans, we would discuss and consider them when it came to a head.

[175] **Ms Jones:** Hoffwn fanteisio ar y cyfle i dynnu sylw at y ffaith bod gennym berthynas weithredol gyda'r Cynulliad, sydd, fel y dywed Cenwyn, heb ei nodi ar ddarn o bapur ar ffurf memorandwm, a allai fod yn llyffethair yn ogystal â bod yn rhywbeth a fyddai'n hwyluso trafodaeth. Ag ystyried y ffaith bod gan Lywodraeth y Cynulliad bolisi ar gyfer y diwydiannau creadigol, mae'n amlwg bod y gwaith y mae S4C yn ei wneud yn rhan o ddarlun ehangach yn ymwneud ag economi Cymru. Mae ein cyfrifoldebau o safbwynt darlledu drwy gyfrwng y Gymraeg yn amlwg yn dod â ni i gysylltiad ag adrannau Llywodraeth y Cynulliad. Fel y soniodd Cenwyn, mae ein cynlluniau ar gyfer plant a phobl ifanc yn rhoi ystyriaeth i'r math o amcanion strategol sydd gan y Cynulliad mewn perthynas ag addysg ac addysg drwy gyfrwng y Gymraeg. Ar ben hynny, byddwn yn ychwanegu bod yr hyn y mae S4C wedi ei wneud mewn perthynas â hyfforddi a thalent, sef un o'r pethau sydd wedi bod yn ben tost, i ddweud y gwir, o ran gwireddu'r strategaeth, a bod y berthynas sydd wedi datblygu rhwng S4C, Skillset ac adran addysg y Cynulliad wedi creu partneriaeth gwbl unigryw ym Mhrydain. Nid oes unrhyw ran arall o Brydain wedi mynd i'r afael â hyfforddiant yn y ffordd bartneriaethol sydd wedi dod i'r amlwg drwy berthynas nad yw wedi'i nodi ar unrhyw ddarn o bapur, ond rhywbeth sy'n amlygu'r ffaith bod gennym lawer o bethau'n gyffredin a'n bod yn anelu at gyflawni ar y cyd. Mae'n bwysig i atgoffa ein hunain nad oes pellter rhyngom a'n bod yn cydweithio'n wirfoddol o'r ddwy ochr er budd Cymru a'i phobl.

Ms Jones: I would like to take advantage of the opportunity to draw attention to the fact that we have a working relationship with the Assembly, which, as Cenwyn says, is not written down in black and white in the form of a memorandum, which could prove to be a hindrance rather than something that would facilitate discussion. Given that the Assembly Government has a policy for the creative industries, it is obvious that the work that S4C undertakes is part of a bigger picture in relation to the Welsh economy. Our responsibilities in terms of Welsh-medium broadcasting obviously bring us into contact with departments of the Assembly Government. As Cenwyn has said, our plans for children and young people take into consideration the kind of strategic aims that the Assembly has in relation to education and Welsh-medium education. In addition, I would also add that the work done by S4C in relation to training and talent, which has been a headache, to be honest, with regard to realising the strategy, and the relationship that has developed between S4C, Skillset and the education department of the Assembly Government has led to a completely unique relationship in Britain. No other part of Britain has addressed training in that partnership way that has become apparent through a relationship that has not been noted on any piece of paper, but has highlighted the fact that we have many things in common and that we are aiming for joint delivery. It is important to remind ourselves that there is no distance between us and that both parties are collaborating voluntarily for the benefit of Wales and its people.

[176] **Peter Black:** Therefore, how would you see that relationship developing in the future?

[177] **Ms Jones:** Gallai ddatblygu ar hyd yr un trywydd sydd eisoes wedi'i ddatblygu. Fel

Ms Jones: It could develop along the same lines as have already been developed. As

y dywedodd Cenwyn, os oes angen trafod rhywbeth sy'n rhoi mwy o gig ar yr esgyrn, bydd yr awdurdod yn hapus iawn i wneud hynny.

Cenwyn has said, if discussions are required in order to put more meat on the bones, the authority would be more than willing to participate.

[178] **Peter Black:** Okay. The authority is the regulator and accountable body for S4C and its management. How independent is the authority from S4C's management and how would you define the relationship between the two?

[179] **Mr Edwards:** Mae hyn wedi bodoli o'r cychwyn—ers 1982. Mae'r ddwy swyddogaeth hon wedi bod yn rhan o fywyd S4C i reoleiddio ac i redeg, fel yr awdurdod, a hefyd i ddarparu rhaglenni a gwasanaeth. Mae pethau wedi newid yn ystod y blynyddoedd diwethaf o ran sut yr ydym yn gweithredu'n fewnol, ond cyfrifoldeb yr awdurdod yw cadw hyd braich o'r hyn sy'n digwydd yn S4C. Iona a'i thîm sy'n gweithredu'r strategaeth yn ddyddiol. Felly, dyna'r gwahaniaeth.

Mr Edwards: This has been in existence from the outset—since 1982. Both roles have been part of life within S4C to regulate and to administrate, as an authority, and also to provide programming and services. Things have changed over recent years in terms of how we operate internally, but the authority's responsibility is to keep at arm's length from what happens within S4C. Iona and her team implement the strategy on a day to day basis. Therefore, that is the difference.

[180] Ers 2003, mae gan Ofcom rôl bendant yn hyn o beth, ac yr ydym yn dilyn cod darlledu Ofcom.

Since 2003, Ofcom has a definite role in this, and we follow the Ofcom broadcasting code.

[181] **Peter Black:** How does the authority regulate S4C management and how effective is that? What instances have there been, for example, when the authority has intervened with management to act as a regulator?

[182] **Mr Edwards:** Yr ydym yn cymeradwyo'r strategaeth raglenni bob blwyddyn; yr ydym yn cadw llygad ar hynny ac yn sicrhau bod y strategaeth yn cael ei gweithredu. Mae hynny'n digwydd yn fisol yng nghyfarfodydd yr awdurdod. Felly, dyna yw'r rôl: ein bod yn caniatáu i'r swyddogion gario ymlaen i wneud y gwaith ac ati. Mae gennym systemau yn eu lle i ymdrin â chwynion. Dyna'r berthynas rhwng y ddau gorff.

Mr Edwards: We approve the programme strategy on an annual basis; we keep an eye on that and we ensure that the strategy is implemented. That is done monthly in the authority's meetings. Therefore, that is the role: we allow officials to continue to do their work and so on. We have systems in place to deal with complaints. That is the relationship that exists between the two bodies.

[183] **Ms Jones:** Fel y person sy'n gorfod adrodd i'r awdurdod yn fisol, hoffwn ychwanegu bod nifer o bwyllgorau yn ychwanegol i'r un ar gwynion, megis pwyllgor archwilio a phwyllgor cynnwys, sy'n newydd. Mae'r system pwyllgora yn gymharol newydd i S4C, ond wedi ychwanegu lefel o fanylder nad oedd yn bodoli yn flaenorol. O safbwynt yr ochr gyllid, gan fod gennym arian cyhoeddus sylweddol, mae'r pwyllgor archwilio yn rhan bwysig o'r system. Mae gennym hefyd archwilwyr mewnol ac allanol sy'n adrodd i'r

Ms Jones: As the individual who has to report to the authority monthly, I would like to add that there are a number of committees in addition to that which looks at complaints, such as the audit committee and the content committee, which is new. The committee system is comparatively new to S4C, but it has added a level of detail that did not exist previously. With regard to finance, as we receive a substantial amount of public money, the audit committee is an important part of the system. We also have internal and external auditors who report to the

pwyllgor. Mae gwe o gyfraniadau sy'n cynorthwyo'r awdurdod yn ei waith o archwilio'r hyn y mae'r prif weithredwr a'r staff yn ei gwneud—i ychwanegu at y manylder.

[184] **Mr Edwards:** Mae hyn i gyd ar gael ar ein gwefan, yn ogystal â rolau allweddol awdurdod S4C, os hoffech wybod mwy am hwn.

[185] **Alun Davies:** Cyn i ni fynd yn ôl at Paul, hoffwn ofyn cwestiwn. Yr ydym i gyd yn cofio adroddiad Laughton rhai blynyddoedd yn ôl. Y gair oedd yn sefyll allan yn yr adroddiad hwnnw oedd 'ynysig'. Cofiaf Elan Closs Stephens yn trafod hynny a sut y gall S4C fod yn rhan o'r byd yng Nghymru. Yr wyf yn cytuno â'r hyn yr ydych wedi ei ddweud am y cyfraniad at bolisiâu economaidd a diwylliannol—nid oes dadl am hynny. Fodd bynnag, a chredwch y byddai mwy o atebolrwydd yng Nghymru yn helpu S4C i fod yn agosach at y byd yng Nghymru?

[186] **Mr Edwards:** Credaf ein bod yn weddol agos at y byd yng Nghymru, ond derbyniaf eich pwynt. Yn ystod y blynyddoedd diwethaf, yr ydym wedi bod yn fwy positif yn y ffordd yr ydym yn cydweithio â sefydliadau eraill yng Nghymru. Er enghraifft, yr ydym yn gwneud rhywfaint o waith gyda Bwrdd yr Iaith Gymraeg ar ymchwil; mae datblygiad gyda'r BBC wedi ei sefydlogi, ac yr ydym yn hynod o falch o'r cyfraniad y mae'r BBC yn ei wneud. Mae'r perthynas rhwng BBC Cymru, ac S4C wedi ei osod mewn memorandwm o gyd-ddealltwriaeth.

[187] Un rôl i'r awdurdod yw bod yn agosach i sefydliadau, ac yn y blaen. Mae hynny'n un peth yr ydym yn trio ei gwneud, ond, yn bennaf oll, yr ydym yn manteisio ar y cyfle i wneud rhaglenni a chydweithio ar yr ochr rhaglenni gyda sefydliadau yng Nghymru. Gall Iona esbonio hynny.

[188] **Ms Jones:** Yr wyf hefyd yn deall eich pwynt. Dyna'r math o drafodaeth bydd yn deillio o unrhyw gasgliadau gennych ynglŷn â beth yn union byddai canlyniad unrhyw agosáu; beth all ddigwydd nad sy'n gallu digwydd ar hyn o bryd? Pa fath o bethau byddai'n bosibl i ni gyflawni nad

committee. There is a web of contributions that help the authority in its work of auditing what the chief executive and the staff do—to add to the detail.

Mr Edwards: All of this is available on our website, along with the key roles for the S4C authority, if you would like to know more about this.

Alun Davies: Before we return to Paul, I would like to ask a question. We all remember the Laughton report some years ago. The word that stood out in that report was 'disengaged'. I remember Elan Closs Stephens discussing that and how S4C could be a part of the world in Wales. I agree with what you have said about the contribution to the economic and cultural policies—there is no dispute about that. However, do you believe that more accountability in Wales would assist S4C in being closer to the world in Wales?

Mr Edwards: I believe that we are fairly close to the world in Wales, but I accept your point. In the last few years, we have become more positive in the way in which we work with other organisations in Wales. For example, we undertake some research work in partnership with the Welsh Language Board; development with the BBC has stabilised, and we are incredibly pleased with the contribution made by the BBC. The relationship between BBC Wales, and S4C has been set out in a memorandum of understanding.

One role for the authority is to be closer to organisations, and so on. That is something that we are trying to do, but, above all, we are taking advantage of the opportunity to make programmes and to work jointly on the programming side with organisations in Wales. Iona can explain that.

Ms Jones: I also understand your point. That is the type of discussion that will come out of any conclusions that you reach with regard to what exactly would be the result of a closer relationship; what could happen that cannot happen at the moment? What sorts of things would it be possible for us to achieve that we

yw'n bosibl i ni gyflawni ar hyn o bryd? Credaf mai rhywbeth i'w drafod dros gyfnod yw hwn. At y canlyniadau y byddai rhywun eisiau anelu unrhyw drafodaeth er mwyn deall yn well beth fyddai newid y drefn yn ei wneud mewn ffordd adeiladol a phositif. Dyna le byddwn yn awyddus i o leiaf archwilio'r hyn yr ydych yn ei hawgrymu.

[189] **Alun Davies:** Deallaf hynny, a deallaf eich bod braidd yn swil am drafod a ddylid datganoli S4C ai peidio.

[190] **Ms Jones:** O ran bod yn swil—sy'n air eithaf anarferol i'w ddefnyddio yn y cyddestun hwn—ein rôl fel darlledwr sydd i gyfrif am y ffaith ein bod yn ystyried mai mater gwleidyddol yw hwn. Nid mater i ddarlledwr cyhoeddus yw datgan barn wleidyddol, gan fod gennym reolau eithaf llym am ein didueddrwydd. Hynny sydd i gyfrif am yr hyn yr ydym wedi ei ddweud, yn hytrach nag unrhyw ddiffyg hyder ar ein rhan.

2.20 p.m.

[191] **Alun Davies:** Deallaf hynny. Fel y clywsom gan y Gweinidog y prynhawn yma, mae cyfarfodydd yn digwydd ac mae cydweithio, ac, oherwydd eich bod yn awyddus i ddangos hynny, byddwch yn ymddangos gerbron y Pwyllgor Dethol ar Faterion Cymreig a phwyllgor yr Adran dros Ddiwylliant, y Cyfryngau a Chwaraeon i drafod materion penodol. Nid ydych yn ymddangos i drafod strategaeth rhaglenni S4C na'ch adroddiad blynyddol, er enghraifft. Felly, a oes diffyg yn strwythur yr atebolrwydd yn gyfredol?

[192] **Mr Edwards:** Nid wyf yn meddwl bod diffyg yn y strwythur oherwydd, yn y pen draw, yr ydym yn atebol i'r Senedd a dyna hi. Dyna'r system sy'n bod. Fodd bynnag, os yw'r system yn newid, derbynïaf hwnnw a manteisiwn ar bob cyfle a gawn ni i ymddangos gerbron pwyllgorau, boed yn San Steffan neu yn y Cynulliad, er mwyn cael y ddeialog sydd ei hangen er mwyn sicrhau bod atebolrwydd a democratiaeth yn y system. Dyna sut ydym yn gweithredu oherwydd dyna'r unig ffordd y gallwn weithredu o fewn ein terfynau ar hyn o bryd.

cannot achieve at the moment? I believe that this is something to be discussed over time. One would want to steer any discussion towards the outcomes in order to better understand what a change in the system would do in a constructive and positive way. That is where we would be keen to at least investigate that which you are suggesting.

Alun Davies: I understand that, and I understand that you are fairly shy about discussing whether or not S4C should be devolved.

Ms Jones: With regard to being shy—which is an unusual word to use in this context—it is our role as a broadcaster accounts for for the fact that we consider this to be a political matter. It is not for a public broadcaster to express a political opinion, as we have fairly strict rules about being impartial. That accounts for what we have said, rather than any lack of confidence on our part.

Alun Davies: I understand that. As we heard from the Minister this afternoon, meetings are happening and there is collaboration, and, because you are keen to demonstrate that, you appear before the Select Committee on Welsh Affairs and the Department for Culture, Media and Sport committee to discuss specific issues. However, you are not appearing to discuss S4C's strategic programming or annual report, for example. Therefore, is there a deficiency in the current structure of accountability?

Mr Edwards: I do not think that there is a deficiency in the structure because, ultimately, we are accountable to Parliament and that is it. That is the system that exists. However, if the system changes, I will accept that and we will take advantage of every opportunity available to appear before committees, whether in Westminster or in the Assembly, to have the necessary dialogue to ensure that there is accountability and democracy in the system. That is how we act because that is the only way in which we can act given our current limitations.

[193] **Paul Davies:** Sut allwch chi fod yn fwy atebol i bobl Cymru?

Paul Davies: How could you be more accountable to the people of Wales?

[194] **Mr Edwards:** Mae hwnnw'n gwestiwn da. Ni allwn fod yn fwy atebol o ran y rhaglenni yr ydym yn eu cyflwyno, oherwydd y cyfan y gallwn ei wneud yw gwneud y penderfyniadau gorau posibl yn ein tyb ni, eu cyflwyno a'u darlledu a gobeithio eu bod at ddant y rhan fwyaf o'r gynulleidfa. Mae angen i ni fod yn atebol o ran cyllid a sut yr ydym yn ei wario ac, o ran hynny, yr ydym, wrth gwrs, yn atebol. Mae'r manylion i gyd yn ein hadroddiad blynyddol, sy'n cael ei archwilio bob blwyddyn. Felly, nid oes ffordd arall o wella ar hynny. Fel corff cyhoeddus, dylem geisio sicrhau bod ein gweithgareddau yn amlwg yng Nghymru a'n bod yn gwneud y gorau o bethau.

Mr Edwards: That is a good question. We cannot be more accountable for the programming that we broadcast, because all we can do is take the best possible decisions as we see them, present and broadcast the programmes and hope that they please the majority of the audience. We need to be accountable for our finance and for how we spend it and, in that regard, of course we are accountable. All the details can be found in our annual report, which is audited every year. Therefore, there is no other way of improving on that. As a public body, we should try to ensure that our activities are visible in Wales and that we make the most of things.

[195] **Paul Davies:** Felly, yr ydych yn eithaf hapus gyda'r strwythur bresennol?

Paul Davies: So, you are quite happy with the current structure?

[196] **Mr Edwards:** Nid ydym yn cwyno am y strwythur.

Mr Edwards: We are not complaining about the structure.

[197] **Paul Davies:** O ran eich rôl a'ch perthynas gyda'r BBC, mae gennych bartneriaeth strategol gyda'r BBC. Sut y gwelwch y bartneriaeth honno'n rhoi cefnogaeth bositif i S4C?

Paul Davies: On your role and relationship with the BBC, you have a strategic partnership with the BBC. How do you see that partnership giving positive support to S4C?

[198] **Mr Edwards:** Yr ydym yn hapus ein bod ni wedi dod i ddealltwriaeth gyda'r BBC a bod y strategaeth honno'n gweithio. Mae'r BBC yn un o'n ffynonellau mwyaf pwysig o ran rhaglennu ac fel sefydliad. Rhaid i ni gofio y bu'r BBC wrthi'n creu rhaglenni yn y Gymraeg ymhell cyn i S4C ddod i fodolaeth. Mae'n hynod bwysig cofio hynny.

Mr Edwards: We are pleased that we have come to an understanding with the BBC and that that strategy works. The BBC is one of our most important sources of programming and as an institution. We must remember that the BBC was creating Welsh-language programmes long before S4C came into being. It is vital that we remember that.

[199] Mae hefyd yn bwysig cofio bod corff yng Nghymru sy'n gallu cynhyrchu rhaglenni yn fewnol ac yn gallu cyfrannu at S4C, yn lle bod dibyniaeth lwyr ar y sector annibynnol. Felly, mae camau breision wedi eu cymryd o ran y berthynas rhwng y ddau gorff, ac yr wyf yn hyderus y bydd hynny'n parhau.

It is also important to bear in mind that there is a body that can produce programmes in-house in Wales and can contribute to S4C rather than there being total dependence on the independent sector. Therefore, we have made great strides in the relationship between the two bodies, and we are confident that that will continue.

[200] **Paul Davies:** Oni fyddai'n well, o'ch safbwynt chi, i'r BBC roi arian yn uniongyrchol i chi er mwyn i S4C allu comisiynu rhaglenni yn fwy cystadleuol?

Paul Davies: Would it not be better, from your point of view, for the BBC to fund you directly so that S4C could then commission programmes more competitively?

[201] **Mr Edwards:** Nid ydym o blaid newid y system bresennol. Mae gennym dair ffynhonnell o arian ar hyn o bryd, sef ein grant gan y DCMS, y rhaglenni sy'n dod gan y BBC, a hefyd arian masnachol. Mae'r model hwnnw'n gweithio i ni ar hyn o bryd. Efallai y gall Iona egluro hyn yn fanylach.

Mr Edwards: We are not in favour of changing the current system. We have three current sources of funding, namely the grant from DCMS, the programming from the BBC, and commercial income. That model works for us at present. Perhaps Iona could explain in greater detail.

[202] **Ms Jones:** Mae'r hyn a gytunwyd yn y bartneriaeth yn golygu bod gan S4C fwy o reolaeth dros wario arian y drwydded, o safbwynt y Gymraeg. Mae'r penderfyniadau yn awr yn cael eu gwneud yng nghyd-destun strategaeth S4C. Fodd bynnag, wedi dweud hynny, mae'r ffaith y daw'r arian o ffi'r drwydded yn golygu ei bod yn hollbwysig i'r BBC allu bod yn atebol i'r bobl sy'n talu ffi'r drwydded. Ni fyddai S4C yn gymwys i wneud hynny.

Ms Jones: What was agreed in the partnership means that S4C has more control over how the licence fee money is spent on Welsh-medium programming. The decisions are now made in the context of S4C's strategy. However, having said that, the fact that the money comes from the licence fee means that it is all-important that the BBC can be accountable to those who pay the licence fee. S4C would not be qualified to do that.

[203] O ran comisiynu mwy cystadleuol, mae'n werth cofio pwysigrwydd y BBC fel endid cynhyrchu. Mae gan y BBC strwythur sydd wedi'i integreiddio'n fertigol. Credaf fod cael cyfundrefn fel sefydliad fel y BBC yn gweithio ochr yn ochr â'r sector annibynnol yn gwbl greiddiol i'r math o ddyfodol sydd ei angen arnom. Ni welaf ddim synnwyr mewn defnyddio arian a fyddai ar gael i gynhyrchu o fewn y BBC at ddibenion cwmnïau eraill. Byddai hynny'n taseilio un elfen bwysig heb, o reidrwydd, ddod â budd i'r llall. Fodd bynnag, pan fydd y BBC ac S4C yn cydweithio mewn meysydd gwahanol, byddwn yn cynnig cytundebau ar ffurf tendr, ym maes adnoddau, er enghraifft, a cheir sawl enghraifft ddiweddar o'r BBC ac S4C yn dyfarnu cytundebau i gwmnïau fel Barcud Derwen yn sgîl y penderfyniad i dendro.

On more competitive commissioning, it is important to bear in mind the importance of the BBC as a production entity. The BBC has a vertically integrated structure. I think that having an organisation such as the BBC working alongside the independent sector is crucial for the future that we need. I do not see any sense in using money that would be available for production within the BBC for the ends of other companies. That would undermine one important element without necessarily bringing benefit to the other. However, when the BBC and S4C collaborate in different fields, we offer contracts on a tender basis, in the area of resources, for example, and there are several recent examples of the BBC and S4C awarding contracts to companies such as Barcud Derwen as a result of the decision to tender.

[204] **Paul Davies:** A ydych yn gweld y bartneriaeth yn datblygu yn y dyfodol?

Paul Davies: Do you see the partnership developing in the future?

[205] **Ms Jones:** Bydd y bartneriaeth yn datblygu yng nghyd-destun y siartr 10 mlynedd. Mae'r trefniant yn cyfateb yn union â hyd y siartr. Mae'r elfen rhaglennu yn digwydd ar gylch o dair blynedd ac, o flwyddyn i flwyddyn, byddwn yn addasu'r cynnwys i sicrhau ein bod yn cwrdd ag anghenion y gynulleidfa. Un enghraifft gynnar iawn o hyn yw'r ffaith bod y BBC yn darparu *Ffeil* bob dydd yr wythnos, ac nid

Ms Jones: The partnership will develop in the context of the 10-year charter. The arrangement corresponds exactly to the length of the charter. The programming element takes place on a three-year cycle and, from year to year, we will adapt the content to ensure that we meet audiences' needs. One early example of this is the fact that the BBC broadcasts *Ffeil* every day of the week, and that was not the case before the strategy came

oedd hynny'n digwydd cyn i'r strategaeth fodoli. Mae'r BBC hefyd yn awr, drwy Mosgito, yn cyfrannu at y ddarpariaeth newydd ar gyfer plant hŷn. Drwy drafod ac edrych ar y math o genres yr ydym am ganolbwyntio arnynt, mae'r BBC a ninnau'n gallu addasu yn ôl y galw.

into existence. The BBC is also now, through Mosgito, contributing to the new provision for older children. By engaging in discussion and looking at the kinds of genres that we want to concentrate on, we and the BBC can adapt according to demand.

[206] **Peter Black:** You say in your paper that S4C's digital service needs to be universally available at switchover. How confident are you of that, and what needs to be done to ensure that it is the case?

[207] **Mr Edwards:** Mae angen pendant i hynny ddigwydd ac mae pawb yn gytŷn o ran hynny. Yr hyn y mae angen inni ei bwysleisio yw'r angen i'r amseru fod yn gywir o ran symud plethiad, sydd hefyd yn digwydd, oherwydd os oes unrhyw oedi neu gamsymud ar hynny, gallai ardaloedd arbennig golli allan a gorfod aros am fisoedd neu efallai blwyddyn cyn cael yr holl wasanaethau y dylent fod yn eu cael. Dyna'r gofid mwyaf ar hyn o bryd.

Mr Edwards: There is a definite need for that to happen and everyone agrees on that. What we need to emphasise is that the timing has to be right in moving multiplex, which is also happening, because if there is any delay or misalignment on that, particular areas could lose out and could be forced to wait for months or even a year before they receive all the services that they should be receiving. That is our greatest concern at present.

[208] **Ms Jones:** Byddwn yn cynnwys y manylion i gyd yn y papur y byddwn yn ei anfon atoch cyn gynted â phosibl, i esbonio perthynas yr elfennau hyn i gyd gyda'i gilydd. Mae'n eithaf cymhleth.

Ms Jones: We will include all the details in the paper that we will send to you as soon as possible, in which we will explain the interrelationship of all those elements. It is quite complicated.

[209] **Mr Edwards:** Mae'n gymhleth ac yn dechnegol iawn. Nid wyf yn arbenigwr ar yr ochr dechnegol. Byddwn yn sicrhau bod y nodyn hwnnw'n dod atoch cyn gynted â phosibl.

Mr Edwards: It is very complicated and technical. I am not an expert on the technical side. We will ensure that that note gets to you as soon as possible.

[210] **Alun Davies:** Byddem yn gwerthfawrogi hynny.

Alun Davies: We would appreciate that.

[211] **Peter Black:** So, you are concerned that the switchover might happen too early or too late. Is that right? Something may have been lost in translation.

[212] **Mr Edwards:** Y broblem yw bod dau beth yn digwydd ar yr un pryd: mae analog yn cael ei ddiffodd ac mae S4C yn symud plethiad. Mae'r ddau beth yn bethau da, ac nid oes dadl ynglŷn â hynny, ond, er mwyn sicrhau bod gwasanaeth digidol S4C ar gael i bawb sy'n derbyn eu signal o ardal Preseli ar hyn o bryd, er enghraifft, rhaid i'r newid plethiad ddigwydd cyn i'r signal analog gael ei ddiffodd. Rhaid iddo ddigwydd ddiwrnod yn gynt, neu beth bynnag. Nid oes problem os yw hynny'n digwydd felly ond pe bai oedi am ryw reswm

Mr Edwards: The problem is that two things are happening simultaneously: analogue is being switched off and S4C is moving multiplex. The two things are good things, and there is no argument about that, but, to ensure that S4C's digital service is available to everyone who currently receives their signal from the Preseli area, for example, the change of multiplex must happen before the analogue signal is switched off. It must happen a day before, or whatever. There is no problem if that happens but if there is a delay for any reason in our moving to another

yn ein symudiad i blethiad arall—a dyna'r peth cymhleth—mae'n bosibl y bydd problem yn y dyfodol. multiplex—and that is the complicated part—there could be a problem in future.

[213] **Peter Black:** So, do you think that that is going to happen, or is there is regular liaison with the relevant authorities to ensure that it does not? Is there a real danger that this will occur?

[214] **Mr Edwards:** Mae'r awdurdodau'n ymwybodol o'r broblem ond dim ond yn ddiweddar y mae pobl wedi sylweddoli bod hyn yn broblem, felly mae angen dylanwad gwleidyddol o bob math i sicrhau bod hyn yn digwydd. Os nad yw'n digwydd, am wahanol resymau—ac efallai fod rhai ohonynt yn ddigon teg—mae'n bosibl y bydd y sefyllfa yn gymhleth iawn. Byddai pobl yn y gorllewin, a nifer o Aelodau Cynulliad, yn gweld eisiau'r signal. **Mr Edwards:** The authorities are aware of the problem but it is only recently that people have realised that this is a problem, and so there needs to be political influence of all kinds to ensure that this happens. If it does not happen, for whatever reasons—and perhaps some of them are fair enough—the situation could get very complicated. People in the west, and a number of Assembly Members, would miss the signal.

2.30 p.m.

[215] **Peter Black:** I think that we had better have that paper in terms that we can understand. Those are obviously the technical issues; what other issues do you have in relation to the digital switchover?

[216] **Mr Edwards:** Buom yn paratoi ar gyfer diffodd y signal analog ers sawl blwyddyn. Bydd hynny'n golygu colli signal Channel 4, er enghraifft. Fodd bynnag, nid yw hynny wedi dod yn sydyn; buom yn paratoi ar ei gyfer ers sawl blwyddyn. Mae'r ochr fasnachol wedi rhoi pethau yn eu lle i sicrhau cyn lleied o effaith â phosibl. Efallai y gall Iona fanylu ar rai o'r pethau sydd wedi digwydd dros y blynyddoedd diwethaf. **Mr Edwards:** We have been preparing for the analogue switch-off for some years. That will mean losing the signal for Channel 4, for example. However, this has not happened suddenly; we have been preparing for it for years. The commercial side has put measures in place to ensure that this has minimal impact. Perhaps Iona could expand on some of the things that have happened over recent years.

[217] **Ms Jones:** Un peth yr ydym wedi ei wneud yw paratoi amserlen mwy cystadleuol fel rhan o'r cynllun rhagoriaeth greadigol, a buddsoddi yn ein rhaglenni. O ran yr ochr fasnachol, byddwch yn ymwybodol o'r dirywiad a welwyd yn yr incwm hysbysebu a nawdd, sy'n gyffredin i bob darlledwr. Mae ein dirywiad wedi bod o fewn terfynau ein targedau. Byddwch hefyd yn ymwybodol bod gwerthu SDN wedi dod ag arian i goffrau masnachol S4C, ac mae'r llog yn cael ei ddefnyddio i roi hwb i'r ochr greadigol. **Ms Jones:** One thing that we have done is prepare a more competitive schedule as part of the creative excellence programme, and invested in our programmes. On the commercial side, you will be aware of the erosion of income from advertising and sponsorship, which is the same for all broadcasters. Our reduction has been within our target amount. You will also be aware that selling SDN brought money into S4C's commercial coffers, the interest for which is being used to boost the creative side.

[218] Dylwn ddweud, mewn perthynas â hysbysebu a nawdd, fod mwy o incwm masnachol yn dod, erbyn hyn, drwy ein rhaglenni Cymraeg na thrwy ein rhaglenni Channel 4. Digwyddodd hynny ers y llynedd. On advertising and sponsorship, I should also say that, by now, more commercial income is being generated through our Welsh-language programmes than through our Channel 4 programmes. That has happened in the past

Yr ydym wedi cymryd y ffaith ein bod wedi gallu gwneud hynny dwy flynedd cyn y diffodd fel arwydd o gryfder yr amserlen Gymraeg. Ar ben hynny, buom yn chwilio am gyfleodd newydd i fuddsoddi'n fasnachol. Byddwn hefyd, yn ddiweddarach yr wythnos hon, yn cyhoeddi buddsoddiad sylweddol yng nghwmni Inuk Networks Cyf. gan S4C Digital Media Ltd. Bydd y manylion ar gael ar ddydd Iau. Mae hwn yn rhan o'r paratodau i sicrhau bod effeithiau'r diffodd yn cael eu cynllunio a'n bod yn diogelu ein buddiannau.

[219] Un peth yr hoffwn ei rannu â chi, sy'n deillio yn rhannol o'r hyn a ddywedodd Cenwyn, yw nad yw Cymru gyfan yn symud i ddigidol ar yr un pryd. Mae'r diffodd a'r trosglwyddo i ddigidol yn digwydd mewn tair rhan. Ar hyn o bryd, yr ydym yn ceisio mynd i'r afael â sut i gyfathrebu a sicrhau gwasanaethau cywir ar gyfer tair rhan o Gymru. Bydd dwy ran yn dal i wyluo ar analog am gyfnod, a bydd y broses yn cymryd 18 mis. Mae nifer o ystyriaethau anodd i ni. Gwn fod Digital UK yn dod i roi tystiolaeth. Byddai unrhyw beth sy'n hwyluso'r broses o gyfathrebu yn llawer o help i ni. Mae'n destun consŷrn nad oes un dyddiad, er fy mod yn deall pam nad oes un dyddiad. Bydd yn anodd i ni reoli'r newid o fewn y 18 mis, er ein bod wedi bod wrthi yn ceisio rheoli'r sefyllfa hyd at yr awr.

year. We have taken the fact that we have been able to do that two years before the switchover as a sign of the strength of the Welsh-language schedule. In addition to that, we have been searching for new opportunities to invest commercially. Later this week, we will also be announcing a considerable investment in Inuk Networks Ltd by S4C Digital Media Ltd. The details will be available on Thursday. That is part of the preparations to ensure that the effects of the switchover are planned and that we protect our interests.

One thing that I would like to share with you, which is partially a result of what Cenwyn raised, namely that the whole of Wales will not move to digital at the same time. The switch-off and the transfer to digital will happen in three stages. At the moment, we are trying to get to grips with how to communicate with and ensure correct services for three parts of Wales. Two parts will still be watching analogue for a time, and the process will take 18 months. There are several difficult considerations for us. I know that Digital UK is coming to give evidence to you. Anything that eases the process of communicating would be a great help to us. It is a cause for concern that there is not one date, although I understand why that is the case. It will be difficult for us to manage the change over the 18 months, although we have been working to manage the situation up until now.

[220] **Peter Black:** I want to raise one further point. What is the expected availability of S4C2, and what are the concerns if it is not universally available on DTT, especially given the plans that you have for it?

[221] **Ms Jones:** Ar hyn o bryd, nid oes cynlluniau i symud S4C2 oddi ar y plethiad presennol. Mawr obeithiwn y bydd modd ymgorffori gofod S4C2 ar un o'r plethiadau uwch, ond nid yw hynny ar y gweill ar hyn o bryd. Fodd bynnag, yr ydym yn gwneud popeth y gallwn i geisio gwella ar hynny. Serch y ffaith bod Freeview yn llwyfan pwysig, ni ddylem anghofio'r ffaith bod y gwasanaethau hyn ar gael ar y llwyfannau eraill. Nid yw'n ateb y broblem cyffredinolrwydd o ran Freeview, ond un rheswm dros fabwysiadu nifer o lwyfannau yw ceisio sicrhau bod ein gwasanaethau ar gael, ar ryw lwyfan neu'i gilydd, i bawb sy'n

Ms Jones: At the moment, there are no plans to move S4C2 from the current multiplex. We very much hope that there will be a way to incorporate the space for S4C2 on one of the higher multiplexes, but that is not on the cards at present. However, we are doing everything that we can to try to improve on that. Despite the fact that Freeview is an important platform, we should not forget that these services are available on other platforms. It does not answer the problem of universality in terms of Freeview, but one reason for adopting several platforms is to attempt to ensure that our services are available, on one platform or another, to

dymuno ymwneud â'r gwasanaeth.

everyone who wishes to be involved with the service.

[222] **Mr Edwards:** Byddwn yn dal i bwysio i geisio symud S4C2 i un o'r plethiadau mwy cyffredinol.

Mr Edwards: We will still attempt to move S4C2 to one of the more universal multiplexes.

[223] **Alun Davies:** Yr wyf am ddod â'r sesiwn hon i ben. Fodd bynnag, cyn gwneud hynny, mae gennyf un cwestiwn olaf. Yr ydych wedi trafod y llwyfannau darlledu ar ôl y newid i ddigidol. Un gynulleidfa bwysig i chi yw'r gynulleidfa Gymraeg y tu allan i Gymru. Mae'n bosibl cyrraedd y gynulleidfa honno drwy fand eang, ond ar ba lwyfannau darlledu yr ydych yn disgwyl i S4C fod ar ôl y newid i ddigidol?

Alun Davies: I am going to draw this session to a close. However, before I do so, I have one final question. You have discussed the broadcast platforms following the change to digital. One of the important audiences for you is the Welsh-speaking audience outside Wales. It is possible to reach that audience through broadband, but on what broadcast platforms do you expect S4C to exist following the change to digital?

[224] **Ms Jones:** Yr ydym eisoes ar loeren, ac wedi bod ers tro.

Ms Jones: We are already on satellite, and have been for a while.

[225] **Alun Davies:** Ar Sky?

Alun Davies: On Sky?

[226] **Ms Jones:** Ie, ar Sky. Yr ydym bellach ar gael ar Freesat, sef gwasanaeth sydd newydd ei lansio. Yr ydym wedi bod yn dadlau'r achos dros gael gofod Freeview drwy Brydain hefyd, ac mae'r ddadl honno yn parhau. Fel y dywedaso, mae band eang ar gael, yn ogystal ag IPTV, sydd ar hyn o bryd, o ran Inuk, wedi ei gyfyngu i neuaddau preswyl, ond mae cynlluniau busnes a fyddai'n gweld IPTV yn ehangu. Mae hwnnw'n gyfuniad o ddarlledu a gwefannau. Dyna lle yr ydym ar hyn o bryd.

Ms Jones: Yes, on Sky. We are now available on Freesat, which is a newly launched service. We have been arguing the case for having a presence on Freeview throughout the UK too, and that discussion is ongoing. As you mentioned, broadband is available, as well as IPTV, which at present, in terms of Inuk, is limited to halls of residence, but there are business plans that would see IPTV expanded. That is a combination of broadcasting and websites. That is where we are at present.

[227] **Alun Davies:** Nid ydych ar gebl y tu allan i Gymru.

Alun Davies: You are not on cable outside Wales.

[228] **Ms Jones:** Nac ydym, er gwaethaf ein hymdrechion.

Ms Jones: No we are not, despite our best efforts.

[229] **Alun Davies:** Iawn. Diolch am eich amser y prynhawn yma—yr ydym yn gwerthfawrogi hynny'n fawr. Diolch hefyd am eich papur. Bydd trawsgrifiad ar gael i chi o'r sesiwn hon, yn ystod yr wythnos nesaf gobeithio.

Alun Davies: Fine. Thank you for your time this afternoon—we very much appreciate that. Thank you also for your paper. A transcript of the session will be available to you, hopefully during next week.

[230] Mae sesiwn olaf heddiw gyda'r Athro O'Malley o Brifysgol Aberystwyth. Croeso i chi atom ni y prynhawn yma. Fel yr wyf wedi ei esbonio i bobl eraill, mae'r pwyllgor wedi cael copi o'ch papur, ac yr ydym wedi cael cyfle i'w ddarllen. Fodd

The final session today is with Professor O'Malley from Aberystwyth University. Welcome to committee this afternoon. As I have explained to others, the committee has received a copy of your paper, and we have had an opportunity to read it. However, I

bynnag, hoffwn ofyn i chi wneud sylwadau agoriadol, a thrafod rhai o'r materion yr ydych yn eu codi yn eich papur, ac wedyn cawn drafodaeth fwy eang.

would like to ask you to make some introductory remarks and to discuss some of the issues that you raise in your paper, and we will then have a broader discussion.

[231] **Professor O'Malley:** Thank you for inviting me to give evidence to this committee. It is important that the Assembly is engaged in this kind of public discussion about broadcasting, which I thoroughly support; it is a good initiative, which I know is carrying on from others. I wish to highlight three areas in my paper. The first is to do with accountability, the second is on pressing issues of policy, and the third is on finance; there are more bits to it than that, but, broadly speaking, that is what I want to do.

[232] On accountability, my first point was the need for the Assembly to seriously consider developing its role in the scrutiny of communications policy in Wales. I also believe that the Assembly, in doing that, should think about developing that approach, in conjunction with a mechanism for involving the public in Wales more regularly in consultation about communications policy. In addition to that, there is a real need for a sustained investigation of the role of communications in post-devolutionary Wales.

[233] With those thoughts in mind, that was why I suggested that the Assembly might want to follow the Scottish initiative, and establish a communications commission, to conduct an in-depth review of the future of communications in Wales over the next 10 or 15-year period, to take the long view. That is very important in the current situation.

2.40 p.m.

[234] My second argument is that there should be a standing committee of the Assembly on communications. There is a DCMS committee; I cannot see why the Assembly should not have a standing committee developing this kind of activity on a more regular basis, conducting research and drawing in people from around Wales to be involved in that process. That would do an awful lot to enhance a sense of accountability in Wales around communications. The issue of accountability is important, and it has been running in Wales for a long time as well as in the United Kingdom generally, but there is an opportunity with current developments to make that case again.

[235] I have no easy policy solutions to the complicated and sometimes bewildering array of issues that you come across when you think about communications in Wales, because it is a difficult matter. In the immediate context, the Assembly could try to deal with certain problems in certain kinds of ways. Harking back to the Communications Act 2003, there is a kind of democratic deficit. Ofcom is an incredibly powerful institution in the United Kingdom and in relation to communications in Wales, but there is no direct democratic accountability in relation to Ofcom's board. The Assembly ought to have a right to appoint members to Ofcom's board, and I would make the same case for the BBC Trust. In my paper, I say that I think that these people should be linked to the Assembly, but not creatures of the Assembly. At the moment, there is no link of that sort and there is no sense in which the Assembly can have a role in saying, 'These are the kinds of people and these are the sorts of voices that we think should be representing Wales on these bodies'.

[236] In a more specific arena, one of the problems faced by commercial public service broadcasting and by broadcasting generally is the reduction in certain kinds of programming over the last 10 years, particularly children's programming. Ofcom's case is that it has no powers under the Act in some of these areas, which are called tier 3 programming, and that is absolutely true. You may not remember, but this dates back to the 1988 White Paper on communications, which began to tease out the distinctions between what was public service broadcasting and what was not. That resulted, as many of us predicted at the time, in a bit of a

potpourri—a mess. A simple change would be to give Ofcom the power to begin to impose tier 3 obligations on commercial public service broadcasters and on digital. There is a need for companies like Sky to pick up the production baton in the future and produce indigenous programming too.

[237] Thirdly—again, I cannot rewrite history and I am not in total command of all the mechanisms that are available—Ofcom must bear some responsibility for what has happened to ITV programming in the United Kingdom and Wales. I do not want to go into great detail about this, but Ofcom laid out, in its public service broadcasting document, the tools that it could use to take a more robust attitude towards ITV and not necessarily to accept the argument that ITV keeps putting, namely that all is doom and gloom and that it will pull out from Wales and other regional franchises if it does not get what it wants from Ofcom.

[238] Those are the immediate things that concern me, and I know that there are many more that people are thinking about. Finance is crucial and difficult, but one aspect of the issue of finance is very straightforward, namely that the BBC's licence fee must remain the main source of funding for the BBC. It must remain intact; top-slicing must not occur. Why not? The BBC is both the joy and the *bête noir* of people who talk about broadcasting; it is a fantastic institution, but it is always open to attack. If you were to slice away the BBC's capacity to innovate, to be creative and to grow, it would have a detrimental effect on the ecology of the rest of the system, over and above the problems that it would cause for the people who experience watching television as a whole. I think that that is fairly straightforward, but, in my memory, and I have been involved in this for well over 20 years, the BBC has been under sustained attack of one form or another—I am not in the pay of the BBC or anything like that, but I just think that one has to hold the line, and the line has to be that the BBC licence fee must remain intact.

[239] Ofcom, however, has done us all a great service by listing, in the public service document, a variety of ways for funding public service commercial broadcasting content—through use of spectrum, gifting, levies, and other regulatory measures. What needs to happen—I think that Ofcom has said that it will do this anyway—is a thorough investigation into the possibilities for those different mechanisms. I have not seen anything that has explored in any great detail the implications of choosing certain mechanisms. However, there is an obvious opportunity for Wales to intervene in discussing how these various recommendations could be helpful in sustaining public service commercial broadcasting in Wales, particularly in the English language—we have just heard from S4C.

[240] Linked to that is the issue of spectrum sales. I attended a talk by someone from Ofcom a few weeks ago about the future of radio, and he was very clear that a whole new raft of spectrum will be sold off in the future. It struck me at the time, and it has struck me since, that this seems a bit silly. In a context where we are looking for ways of maintaining plurality in broadcasting and communications in Wales, we should use every mechanism available to generate funding. Selling off spectrum will not do that, though leasing might be an option, ensuring that it remains a public resource that can be used creatively in the future. So, I would be wary of the assumption that spectrum sales will happen, and will be a good thing.

[241] Those were the three areas that I wanted to address, and they are important simply because communications is important in Wales, and in the UK as a whole. Thank you for inviting me, and for listening.

[242] **Alun Davies:** Thank you, Professor O'Malley. Before I bring in Peter Black, I would like to follow up a few of the points that you made about accountability. You say that there is no stand-alone structure based in Wales through which the people of Wales can work with their elected representatives to influence communications policy. I put it to you that there is no democratic deficit because something is not devolved; that democratic accountability is

exercised through the UK Parliament, in which Wales is, arguably, over-represented.

[243] **Professor O'Malley:** It seems to me that, if the National Assembly can have devolved powers on centrally important issues like education and health, there is no good reason why it should not have powers on communications, in one form or another. However, I recognise that there are divergent views among the people that I talk to, on this subject and beyond. It is something that could be investigated more fully by the Assembly, in order to work through those kinds of issues. However, I cannot see in principle why, once devolution has started, this issue should not be on the table, and should not be thoroughly investigated.

[244] **Alun Davies:** Dare I speak for a UK Minister? If Andy Burnham were sitting here, he would point out that the reality is that most of Ofcom's regulation is not content-led, but economics-led. What that means is that regulation of broadcasting occurs at a UK and European level, and if we are talking about moving responsibility for broadcasting policy, it would make more sense to move it to a European level than a Welsh level.

[245] **Professor O'Malley:** There are two things there. One is that I do not necessarily think that broadcasting is solely about economic regulation—that is an element within it, and I am not sure that Andy Burnham, and other people at DCMS who have been responsible for creating the current system, would want to argue that that was what it was about. Secondly, even if you accepted that, there is no reason why, under proper conditions, elements of regulation should not be devolved, if that is what people want. Not all regulation is about economics.

[246] **Alun Davies:** You describe the present arrangements for Assembly intervention as being cumbersome, but the Minister and the representatives of S4C have said this afternoon that the processes work well, and that interventions are made without difficulty. Those interventions might not always lead to the outcome that you desire, but that is a different issue; it is a matter for political debate. Both the Minister and S4C have argued that the current structures work well at the moment.

2.50 p.m.

[247] **Professor O'Malley:** I do not doubt that, for the institutions that operate at this level, it works well on one level. However, I do doubt whether the Assembly has in place a continuous mechanism for monitoring and review of, first, the communications policy generally, and secondly, whether that mechanism is seen to be available to the public and civil society in Wales in such a manner that people can go through it regularly and intervene.

[248] What you do have—and I think that I will use the word 'cumbersome' in this context—is a discontinuous process of public intervention. I think that I came to another committee here once before, many years ago, perhaps around the time of the Communications Act 2003. A committee is convened, a great deal of hard work goes into it, then it is closed and people carry on; when something else happens, another committee is assembled. I am not against committees; I am not in favour of unnecessary bureaucracy, but I think that committees are an important forum for people to have their say and for voices to be heard. There should be a continuous presence of that nature. For me, that would turn it from a cumbersome to a more streamlined procedure. Arguments can then be had about the various issues that people want to discuss in that context more regularly.

[249] **Alun Davies:** Thank you for that, but is that not more a criticism of the Government than the political structures? It may well be that you and many people have given evidence on broadcasting issues over the past decade since the Assembly was established, but are you convinced that the lack of continuity that you identify is due to political structures being flawed or is it a case of a failure of Government?

[250] **Professor O'Malley:** Which Government?

[251] **Alun Davies:** I am referring specifically to the Government here, but you can take it as the UK Government if you wish.

[252] **Professor O'Malley:** That is a very good question. I do not want to assign blame. Broadcasting was not a devolved matter, and it is therefore probably understandable that the Assembly Government had to react in that context. However, I think that things have moved on, and there is now an opportunity for the Assembly Government to think through the implications of what has happened in the past to try to work out a system for the future of more continuous engagement at the Assembly level and with the public on matters of policy.

[253] **Peter Black:** We have heard about the proposal for a communications commission, but we have also heard this afternoon from the Minister who said that, for the first time ever, he is putting together a comprehensive strategy on communications and the media in Wales. How comprehensive that will be, we are yet to see. If we were to go down the route that you have suggested of setting up a communications commission, what would its remit be, and to whom would it be accountable?

[254] **Professor O'Malley:** I think that it would be accountable to the Assembly because it would have to be established by the Assembly. It would have to report back through whatever mechanism the Assembly thought best. It could not be out there on its own. Secondly, I think that the remit would be open for discussion by those who thought that there should be a commission or among civil society as a whole in Wales. There would have to be some discussion about that. In other words, you can word a remit and exclude a great number of things.

[255] My understanding is that, in the past, the remits for royal commissions have often been drawn up through a closed process of civil servants talking to movers and shakers. I think that there would necessarily have to be some broader consultation about the remit. However, it would be easy enough to itemise some of the things that need to be on it, and those would include the issues that you have just discussed with S4C about the relationship between Wales, the Assembly and broadcasters and communicators in Wales—and with regard to whether broadcasters and communicators should, in some form or other, come under the remit of the Assembly.

[256] There are questions about the future funding of communications and the public service in Wales, and there are issues to do with language, reach and the production sector in Wales. These are things that you need to take a long-term view about, as well as responding to immediate problems such as those that this committee has been established to deal with.

[257] **Peter Black:** So, it would not be a creature of the Welsh Assembly Government, then?

[258] **Professor O'Malley:** It should not be; it should be a creature of the Assembly.

[259] **Peter Black:** So, it would be a recommendation to the Assembly, even though the Assembly Government—

[260] **Professor O'Malley:** The Government would have the responsibility of dealing with it, but it should be a creature of the Assembly, although the word 'creature' is not really one that I would wish to use in this context.

[261] **Peter Black:** Why would you need a commission and a committee, both under the

Assembly?

[262] **Professor O'Malley:** I paused and thought about that before I said it. I am not going to die in a ditch over this one, but there are two distinct processes. There is one process that requires standing back and thinking now, rather than in three or four years' time, about the whole range of issues that needs to be addressed. I thought that a media commission would do that. Then I thought that we do not want to confuse that with the issue of the Assembly's thinking through its relationship to policy development and communications in Wales as a whole. It could go on developing that as a separate thing. Then perhaps the findings of the commission could feed back into that. I think that there is a need for an overview.

[263] **Peter Black:** It seems to me that you are getting confused about the governance arrangements in the Assembly. You have suggested that the standing committee should be wider than the elected representatives, but, in the normal course of events, a commission would be established by the Government specifically and would be a wide-ranging body, incorporating the whole range of organisations to which you referred in paragraphs 9 and 10 of your evidence, effectively, to draw up the long-term strategy and future of the industry. A committee would exist to scrutinise that process, the process of Government, and, through that scrutiny process, to develop and contribute to policy-making arrangements.

[264] **Professor O'Malley:** Are you saying that the composition of the second would not be as broad as—

[265] **Peter Black:** No, because a standing committee comprises Members, in the same way as this committee does, while a commission would be a wider body. That is why I was confused about your saying that both would be creatures of the Assembly.

[266] **Professor O'Malley:** Personally, although I do not know what the constitutional position is in the Assembly, if there were to be a standing committee of the Assembly, I feel that it would be important for there to be an external presence on it. If that were constitutionally possible, that would be desirable.

[267] **Peter Black:** Moving on to the BBC and Ofcom, I personally agree that there should be directly appointed members to the board of BBC trustees and the Ofcom board. It would be for the Assembly Government to make such appointments and not the National Assembly, although the National Assembly does make some appointments. What would be the advantages of directly appointed members, and would such an arrangement reduce the need for further devolution of powers?

[268] **Professor O'Malley:** On the second question, the answer is 'no'. I do not see why it should reduce the need for the further devolution of powers, but I withhold judgment on whether there should be further devolution of powers. On the first question, I think that it would rectify a problematic situation, and would go to the heart of the way in which boards, in particular Ofcom, are understood. Appointing a member to the main Ofcom board from here would send a signal to Ofcom that its responsibilities extend beyond economic regulation. Although, technically, it has the responsibility to do more than that, its record over the past five years shows that it has tended to be in favour of economic as opposed to cultural regulation, although it does engage on that. Put simply, if it is there and it can be counted, Ofcom will count it. That is great, but it is not, of itself, wholly satisfactory when you think about broadcasting as a whole. Therefore, it would send a signal to Ofcom at the very senior level that it should be engaged in more than the economic regulation that it tends to focus on. It would also provide a feedback mechanism to the Assembly.

[269] **Alun Davies:** You talk about appointments being made by this place, but are you not concerned that that would inhibit or in some way break down the arm's-length relationship

between politics and broadcasting?

[270] **Professor O'Malley:** You have just heard some very interesting evidence from S4C, an institution for which I have a great deal of admiration. As I understand it, the members of the board of S4C are appointed by the Department for Culture, Media and Sport, but I do not hear people talking about political problems associated with that. There are many examples in Government, here and elsewhere, of members being appointed to bodies and kept at arm's length from the institution. What is wrong at the moment is there is no democratic link between Ofcom and the British Parliament, let alone the Assembly, which I think is a failure. That has been a failure in broadcasting regulation for a long time. It is justified for all sorts of reasons, but is nonetheless a failure.

3.00 p.m.

[271] **Alun Davies:** Thank you for that. Do you believe that the Assembly should appoint members of the S4C authority or the BBC's Audience Council Wales?

[272] **Professor O'Malley:** That might be a possibility, depending on the outcome of discussions about what the relationship between the Assembly and broadcasters in general should be, but, at the moment, the priority is to deal with Ofcom, because of its power.

[273] **Paul Davies:** May I clarify the comments in your paper? Are you, effectively, arguing in favour of devolving broadcasting full stop to the Assembly?

[274] **Professor O'Malley:** No. I am saying that there is a case for discussing the extent to which broadcasting and communications policy should be devolved to the Assembly. I do not think at the moment that there is consensus on that within Wales.

[275] **Paul Davies:** What aspects would you devolve?

[276] **Professor O'Malley:** I do not think that I state anything in the paper about devolving particular aspects of broadcasting to the Assembly. The closest I get to that is talking about appointing people to the Ofcom and the BBC boards.

[277] **Paul Davies:** By establishing a communications commission, for example, you are suggesting devolving broadcasting to that particular body, so what aspects of broadcasting would you devolve to that body?

[278] **Professor O'Malley:** Perhaps I have not been clear. The commission and the committee are there to do research and to monitor, not to exercise devolved powers. I am sorry if that was not clear.

[279] **Paul Davies:** Okay. Moving on to concentrate on the BBC, what is your view on the creation of a production fund for content outside of the BBC in Wales?

[280] **Professor O'Malley:** First, ITV in Wales has to be dealt with before that becomes a live issue. It has re-emerged as an issue because of the problems with ITV, and, as I said in the paper, Ofcom should take a more robust position in relation to ITV to try to ensure that that gets sorted out, and that the tramlines are altered. If you are considering going beyond that, the case rests on the following idea. If the BBC, S4C and ITV were all in place and things were going well in the new era, there would be a case for innovation, and for some kind of arena within which people could enter new platforms with creative ideas that may not necessarily work in the schedules as they are constructed, or they could experiment outside the framework of public service broadcasting. There would then be an opportunity to do that within a broadcasting fund for Wales, or something of that type.

[281] **Paul Davies:** Moving on to ITV, you suggest that Ofcom should be more interventionist in opposing further quotas for tier 3 requirements on all commercial broadcasters in your paper, and not only public service broadcasting licensees. Is that not an impractical view of the commercial pressures on ITV, for example?

[282] **Professor O'Malley:** I think that that is a very good question, because I have thought about this for a long time. On one level, it is absolutely true that ITV has come under immense pressure over the years; however, if you read the public service broadcasting document, you will find that it is peppered with talk of the continued strength of the public service broadcasters, how well they do in producing indigenous material, how they have good brand recognition, and how that will go on into the future. I tried to put myself in the position of ITV and think about what I was doing. If I were Michael Grade—and I am not—I would be thinking five, 10 or 15 years ahead, and asking, 'How can I reposition ITV as a successful company in the digital age?'. I would make the case for getting rid of the immediate heavy costs, and I would keep a position within the system that keeps high brand recognition and allows me to get as many regulatory favours as I can over the next period to ensure that I can continue. One has to take a more sceptical stance on ITV's position than Ofcom does, and turn around and say to ITV, 'If you want to withdraw, why do you not withdraw—if things are so bad, what is the problem?'. Looking at what is at stake for ITV—that is, its reach through its public service position across the United Kingdom, at national, regional and local levels, and its brand profile, which it would not want compromised by some sort of major alternative being inserted in the English regions or in Wales—my personal view is that it has much to lose. There is an element of bluff there.

[283] **Paul Davies:** What other options would you support to uphold public service broadcasting in Wales?

[284] **Professor O'Malley:** The first thing is for Ofcom to look at the situation with ITV again to find ways of persuading, cajoling or making ITV fulfil its responsibilities in the remaining period of its contract. That should be the position of contact, rather than the position that Ofcom seems to have adopted in the past.

[285] Secondly, if it is the case that ITV does not want to continue with those responsibilities, then there should, as I say in the paper, be a re-advertisement of one form or another to find an alternative to what ITV is currently providing. That should apply not just in Wales, but across the United Kingdom. In fact, Wales has been protected relative to other parts of the United Kingdom with regard to news provision. It should not necessarily be the case that ITV's view in these matters should hold the ring as it does within Ofcom.

[286] **Alun Davies:** Thank you for that. I will just return to a couple of things that you said, Professor. In your opening remarks, you said that the BBC has been under sustained attack. I think that even the BBC would blush at that sort of description. It is fair to say that the licence fee settlement has given the BBC the ability to produce programming that other broadcasters cannot. It has given it the ability to plan ahead, and the increase in the number of households means that the actual increases delivered to the BBC in licence fees have been far greater than anticipated. Also, the BBC's position has been protected not only by the communications legislation but by the actions and decisions of Secretaries of State throughout the past decade. I do not see how you can sustain your description.

[287] **Professor O'Malley:** There is a distinction to be made between what Government policy has done to the BBC and any public debate there has been about the BBC. If you go back to the Peacock report of 1986, the BBC charter renewal of 1992, the charter renewal of this period, in which there was a substantial public attack on the BBC, and the current public debate about top-slicing and removing chunks of the licence fee, you have a continuous

process. Alan Peacock, the architect of how broadcasting is currently conducted in the United Kingdom, represents a strand of thinking that is still alive and active, finding expression most recently in an article in *The Sunday Times*, which asked why the BBC should not do X, and why it should be involved in popular programming, arguing that it should just reduce its involvement to high-brow programming. The pressure is there and it continues; it is there in the trade magazines and whenever there is a debate about it in Parliament. So, I think that the BBC is under sustained attack; it has been for some time and it will continue to be.

[288] **Alun Davies:** I will not pursue a conversation about that, but you say in your paper that top-slicing the licence fee would simply begin the process of eroding the BBC's capacity to innovate and to move into new areas. Is the reality not that the licence fee provides enormous funding resources for public service broadcasting? At the moment, it is being used to help support the digital switchover. If you believe that the licence fee is sustainable beyond the current 10-year charter, surely that funding should be the first means by which we fund public service broadcasting across the whole of the broadcast spectrum.

[289] **Professor O'Malley:** I can see why people might think that, but if you withdraw the licence fee from the BBC, you simply start to break up the culture of the BBC as an institution. You will distribute money to bodies and organisations outside the BBC with no necessary guarantee of an equivalent return. Also, a problem with your point about the possibility of a broadcasting production body is the bureaucracy that goes with it, which would be quite a serious issue.

3.10 p.m.

[290] **Alun Davies:** My problem with that analysis is the tense; you are using the future tense, but it is happening already. Some £150 million per year of licence fee income has been used to fund the digital switchover. I do not think that anyone, even the BBC, is saying that they are suffering unduly as a result of that.

[291] **Professor O'Malley:** It depends on what you mean by 'it is happening'. The Government chose to raise a certain proportion of the licence fee to pay for that. The Government could then choose to readjust the licence fee in the near future, if it wanted to, once the digital switchover has taken place, to account for the fact that it had taken place. I remember people saying at the time that this was a precedent for top-slicing; it can be a precedent for top-slicing if people wish to interpret it as such. However, I do not think that it necessarily has to be. All that has happened is that an element of licence fee payers' money has gone to fund the digital switchover. You could argue that what should happen is that that money should be recouped from the commercial sector, from those elements of the commercial sector that benefit from the switchover, which has been funded by public money—that they should pay some kind of levy back to the BBC or to licence fee payers in order to reimburse them for their contribution to the cost of the digital roll-out, from which commercial operators will benefit.

[292] **Alun Davies:** At the same time, it is entirely possible to argue that S4C has been top-slicing the BBC for the last quarter of a century in terms of funding for its programmes.

[293] **Professor O'Malley:** That is a very good point but—

[294] **Alun Davies:** I am just interested—if I can make my point—that you create a terrible scenario of decline for the BBC if you break the principle on top-slicing. I think that it is fair to say that, first, it would be difficult to sustain a licence fee in a post-switchover environment—which I accept is a different argument—and that, secondly, this precedent was perhaps broken in 1982 and has certainly been fundamentally broken in the past few years.

[295] **Professor O'Malley:** I think that it is about the language that you use. The two examples that you have cited are specific responses to development within public service broadcasting, although the second also involves commercial broadcasting. They were not talked of at the time as top-slicing. As I understand it, top-slicing refers to the decision by the Government to deliberately take a chunk of the licence fee and hand it over to a production fund; it was a public service publisher, which was something that Ofcom had recommended. I can see the parallels between that and the two examples that you have chosen, but the political meaning of top-slicing in the current context is, in my view—and should be—differentiated from the two examples that you have used.

[296] **Alun Davies:** I will not continue along that line today. However, I would like to come back to the point that you made about ITV in your paper and in response to Paul's questions. In paragraph 16 of your paper, you say that:

[297] 'It is difficult to accept that ITV plc is not able to sustain a higher level of non-news Welsh programming and an ongoing commitment to high levels of news programming.'

[298] No-one who has come to this committee and who has looked at the figures agrees with that proposition.

[299] **Professor O'Malley:** First, you must ask yourself where the figures come from. If the figures come from ITV—I am not trying to discount them—but you have to treat them with a degree of scepticism. You have to do this because ITV is a company that has engaged in strategically thinking about its role in relation to making money over the next 20 years.

[300] **Alun Davies:** It is also governed by corporate law.

[301] **Professor O'Malley:** It is indeed. However, it also has to be careful to ensure that, when it projects its image in the public arena, it makes a case that conforms to what it understands to be the best economic strategy for itself. That is very important. If you read the Ofcom reports, as I have, you find within them contradictory indicators. On the one hand, ITV is not doing very well and has a problem in relation to advertising; on the other hand, its brand is strong, it is progressing well, and it has a great future. All I am saying is that that does not add up to me. The root of that has to be the nature of Ofcom. As a body, Ofcom has changed over the past five years—the current broadcasting paper suggests that it has changed a little—but it was established as an economic regulator. It has spoken the voice of commerce more than it has spoken the voice of public service. Plenty of independent academic studies have indicated that. Professor Sylvia Harvey has written a piece on its attitude to culture and production.

[302] Ofcom therefore generates statistics on subjects that Ofcom is interested in, and that is why it is such an important body; it can sway debate in that way. You have to look at the way in which Ofcom has generated statistics over time and the way it has presented those statistics as well, and that has helped to cultivate its image. I am a realist; I know, like many other people, that ITV is in difficulty; my simple point, as I say in the paper, is that it is difficult to accept it and I am arguing for a degree of scepticism when looking at that because it has such implications for what actually happens in the near future.

[303] **Alun Davies:** I appreciate that, but do you have any evidence to sustain that assertion?

[304] **Professor O'Malley:** I have just given you my explanation for why—

[305] **Alun Davies:** You have given an explanation, but you have not given any evidence.

[306] **Professor O'Malley:** That is my evidence; my evidence is that, on the one hand, you have to look at what ITV would strategically be doing in the current situation and, on the other hand, you have to look at the nature of the material that has come out from Ofcom over the past five years. Ofcom has been making this kind of argument for a substantial period of time.

[307] **Alun Davies:** Thank you very much for your time this afternoon, Professor, and for the time you took in preparing written evidence to us; we very much appreciate it. You will receive a transcript of today's evidence session in due course. Thank you again for the time you have taken in helping us with this inquiry.

[308] **Professor O'Malley:** Thank you for inviting me.

[309] **Alun Davies:** The next meeting will take place on Monday 9 June in the University of Glamorgan. It will start at 1 p.m., and we will hear evidence from BBC Wales, Digital UK, the Broadcasting Entertainment Cinematograph and Theatre Union and the National Union of Journalists. I close today's meeting. Thank you very much.

*Daeth y cyfarfod i ben am 3.16 p.m.
The meeting ended at 3.16 p.m.*