



## IWA Media Priorities for the next Senedd





## About us

We are The Institute of Welsh Affairs, Wales' leading think tank.

We challenge, inspire and drive change, making Wales a better place to live and work for everyone.

We are independent of government and political parties.

By bringing together experts from all backgrounds, we conceive ambitious and informed ideas which secure political commitments to improve our democracy, public services and economy.

We provide platforms for debate, opportunities for people to make their voices heard and agenda-setting research. We are funded by our members, income from our events and training sessions, and are supported by trusts, foundations and other funding bodies.

Our vision is to create a Wales where everyone can thrive.

For more information about the IWA, our policy work, and how to join, as either an individual or organisational supporter, contact:

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## Media that supports a strong, confident democracy in Wales

### The Welsh Government should:

- 1 create a **contestable fund for independent news** of at least £1m per year
- 2 work with the UK Government to improve accountability of Public Service Media organisations (PSMs) to the Senedd, through **devolution of specific broadcasting powers**
- 3 make Creative Wales the home for an **ambitious strategy for a thriving media economy**, which tells stories of Welsh life in all its diversity.

### The Senedd should:

- 1 retain a committee with a remit over **communications policy**
- 2 ensure this committee undertakes an **investigation into the role of social media and misinformation** during the 2021 Senedd elections.





## The changing context

The IWA's 2020 Media Audit data, and expert stakeholder opinions gathered via our [Media Summit](#), suggest that the global trends affecting large scale media organisations – including public service broadcasters – and the way the public consumes news are both a risk and opportunity for Wales.

The Audit also made clear the sheer size and power that public service media organisations (PSMs) such as the BBC, ITV and S4C hold over the news content available in Wales. This news content is generally of a good quality, and there has been a notable increase in Wales-specific content post-pandemic to reflect the important differences in the rules between Wales and the rest of the UK.

This improved coverage sets a new baseline, which PSMs should seek to improve on further once the pandemic is over. The 'and now, the news where you are' approach to regional and nation level coverage is outdated in the devolved UK. The standard to aim for should be a dedicated editorial team overseeing a made-for-Wales news broadcasts, where UK-level news coverage is reported through a devolution-aware editorial lens.

As well as issues of pluralism in media coverage, there are other problems with any nation being so heavily dependent on a small number of large providers (whether commercial or PSM). For example, the BBC's funding of local democracy reporters has been largely welcomed and viewed as a positive. However, stakeholders also told us that there has been a knock-on effect in terms of large commercial news providers cutting journalism jobs and relying on the BBC-funded posts for content. This compounds issues with commercial news providers cutting posts, shifting focus to high-volume online (sometimes 'clickbait' style) content, and consolidating editorial decision making into newsrooms into locations outside Wales.



## Supporting independent, rooted local and national news for Wales

We want to see made-in-Wales news which contributes to a strong confident democracy by holding decision makers to account. So the emphasis of devolved policy should be on growing networks of independent, rooted news providers who can provide coverage and analysis at a local and national level.

We need to anticipate what the global challenges to the resourcing and consumption of news will look like in ten years' time. There are ample reasons for optimism today, which the data captured in our Audit do not reflect: such as the launch of new national newspapers, and smaller but increasingly well-read independent news sites.

However we cannot yet confidently conclude that the 'market failure' identified in the 2015 and 2020 Media Audits has been corrected. If it proves to be true that the market in Wales cannot support good quality news delivered by large commercial organisations, then the right focus for policy should be supporting 'local', 'independent' news.

Wales has only limited control over what PSMs and commercial organisations do, but nonetheless it is within the Welsh Government's power to do more through careful use of grant funding.

## Recommendation

The Welsh Government should create a **contestable fund for independent news** of at least £1m per year for increasing the amount of local news in print, online, or via radio.

### The fund should:

- support factual coverage and analysis of local and national issues, by both new and existing independent entities
- resource capacity for investigative journalism
- invest in skills and shared resources to grow Wales' media economy in the long term
- be run by an arm's length body to ensure independence from ministers
- ensure a role for opposition parties and the Senedd Commission in the governance of this body.

The key principle underpinning the fund should be that it is **contestable**, and as much as possible be agnostic about the precise activities it should fund. Instead it should fund activities which can meet requirements around quality of coverage, and which can contribute to addressing the democratic deficit.

We recognise that any move towards government involvement in journalism contains an element of risk, either of ‘crowding out’ commercial providers in the marketplace or of real or perceived ministerial interference in editorial independence. We therefore recommend that the governance arrangements for this body should both be developed on a cross-party basis, and have cross-party involvement in, for example, appointments to the organisation’s governing body.

Until there is evidence that the market in Wales can support quality news on a commercial basis, the Welsh Government should adopt the principle that it is committed to funding these journalistic organisations on an ongoing basis, rather than enabling them to become self-financing.



## Devolution of broadcasting?

Wales is not unique in being affected by global trends in news production and consumption, however it is somewhat unique in being a nation which cannot control its own public service media.

There is an important debate to be had about where powers over broadcasting regulation and policy should sit, and the Senedd's outgoing Culture and Welsh Language Committee has made recommendations about future devolution.

We continue to reject the notion that nothing in this field should be devolved unless everything is devolved. It is anomalous for a nation to have so little control over its own media policy. In our view the debate around future devolution should be around which powers could be devolved, and to what end.

At the same time there is an urgency to the need for improved provision. So even if agreement were reached between the UK and Welsh Governments about devolving further powers (which is likely to prove politically challenging), legislating for this would take considerable time, and resourcing and establishing a function to deliver it would take even longer.

We should also note that regulation alone is unlikely to address these longstanding issues, which are significantly rooted in trends in how news is consumed, and not just policy or regulation.

## Recommendation

It is the IWA's view that, whilst the focus in Wales should be on prioritising action within existing powers, the next Welsh Government should seek constructive engagement with the UK Government on specific aspects of broadcasting policy which should be devolved to **improve accountability of Public Service Media organisations to the Senedd.**

## A thriving media economy

The creative industries are an increasingly successful part of Wales' economy, and a sector which will have been particularly heavily affected by travel restrictions, and venue closures under Covid-19. As well as their economic benefits, the creative industries are a vital part of how people in Wales see themselves portrayed, and how Wales' stories are told to the world.

We believe there is a clear role for Creative Wales, post-Covid, to be the home for a new economic strategy to develop a resilient and prosperous creative industries sector, which contributes to a wider social value agenda.

This should, in turn, be overseen by the central office for economic development which we have proposed within our *Economic Priorities* document.

## Recommendations

The next Welsh Government should build on Creative Wales' success since its inception, and give it the resources and mandate to develop an ambitious new creative industries strategy.

This strategy must ensure the following mutually reinforcing objectives:

- **transparency** of how funding will be allocated, linked to clear strategic objectives, with an open and accessible application process which enables a level playing field between small Welsh independent producers and larger competitors
- a clear role as an **ambassador for Wales** as a home for media, not only spending its own funding, but also playing a brokerage role, for example when places in Wales are in the running to host major new public service broadcasting hubs
- as well as backing individual productions, Creative Wales should **invest in skills, resources, processes and shared assets** which all producers can benefit from (as set out in Clwstwr Creadigol's *Screen Work 2020* report). This means prioritising productions which leave a legacy of lasting improvements to the Welsh screen sector's competitiveness.



## Understanding the role of social media in Wales' democracy

There have been very credible allegations of questionable uses of social media to influence elections across Western nations. We believe that the spread of disinformation and misinformation via social media is not something Wales can be complacent about. We should not assume this is not happening here.

All parties should be explicitly clear that this is an unacceptable feature of modern democracy – regardless of whose electoral interests are served by it. They should commit to supporting an investigation to shed light on whether social media is being used in questionable or illegal ways by the next Senedd's Communications committee.

Crucially they should commit to supporting such an inquiry before the result of the election is known.

The intention would not be to undermine the result, but to better understand how we can once again hold free and fair elections where all campaigners play by the same rules.

## Recommendation

The next Senedd should retain a committee with a remit to consider communications policy, incorporating broadcasting, journalism, and social media (a successor to the Culture, Welsh Language and Communications committee).

This committee should undertake an **inquiry into the 2021 Senedd elections**, to understand whether there was interference or impropriety in the use of social media around this election.



