



HOUSE OF COMMONS

Welsh Affairs Committee

Oral evidence: Broadcasting in Wales, HC 620

Wednesday 1 March 2023

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Members present: Stephen Crabb (Chair); Virginia Crosbie; Wayne David; Geraint Davies; Ruth Jones; Ben Lake; Rob Roberts; Beth Winter.

Questions 153 - 187

Witnesses

[II](#): Martin Mumford, Managing Director, Nation Broadcasting.



Examination of witness

Witness: Martin Mumford.

Q153 **Chair:** We will move seamlessly over to our second panel. We are joined by Martin Mumford, who is managing director of Nation Broadcasting. Good morning, Mr Mumford, and happy St David's day to you. Thank you very much for giving us your time this morning. You were able to hear most of that first panel and the evidence that we were getting.

Do you think that the vision that Mr Toby Ellis and Mr Terry Mann outlined during the last three quarters of an hour of a strong role for new start-up stations serving their communities—being almost ground-level, real-time information being communicated out to very local audiences—has a future?

Martin Mumford: Yes, I do—at the level that those stations are operating, absolutely. We have more in common with the panel that was on earlier than we have apart. Listening to the evidence that was just given reminded me of the conversations that I have had with Ofcom over decades trying to release FM frequencies for commercial radio. That door was similarly closed because community radio was prioritised. It has now closed the door to community radio as well.

Where I suspect that I have some sympathy with Ofcom is that while it is a travesty that a city the size of Newport does not have a commercial radio station—that frequency was allocated to Bristol—Ofcom, some years ago, produced for me a very complicated spreadsheet explaining that there were no FM frequencies available in the whole swathe of south Wales. It needs to reserve frequencies for temporary radio stations such as the one that Toby put on.

It has been a constant source of frustration and that is the reason that our business, which started in Pembrokeshire—we had one radio station in Pembrokeshire—has expanded over the course of 20 years. We are now operating as much outside of Wales as we do in Wales. However, we have been hindered in our expansion because of the lack of available frequency. As Toby has said, small-scale DAB is the order of the day at the moment.

We operate in that sector as well. I should explain. I run a number of commercial radio stations but I also run some of the DAB transmission companies in Wales, and we run a small-scale DAB transmission multiplex in Salisbury in England. The difficulty with small scale is in the name—it is going to be small. If Toby wants to cover the whole of Pembrokeshire, he will need to be on at least two of the multiplexes to do that. There is a hard road potentially ahead for that sector. Yes, we have suffered exactly the same problems with access to available frequency.

Q154 **Chair:** Thank you. You spoke about starting off in Radio Pembrokeshire and I remember the early days of that station. When I look back to how



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Radio Pembrokeshire was then, it almost ticked the boxes of what Mr Ellis said in the previous session. As your stable has grown and become a very significant player in the national radio market, it feels that when I tune into Radio Pembrokeshire, I do not get quite the same sense of localness—if I can use that word—any more. Is that the price that inevitably has to be paid for radio success in a commercial world?

Martin Mumford: I think so. It almost feels like a handing on of the baton to organisations like Toby's in the future, because replicating that model of having a studio in a small town, in every town, is not commercially viable any more. It survived longer in Wales than in England because the BBC operates at a national scale in Wales, but there is no way that we would be able to return to the model of Radio Pembrokeshire when it was based as a single radio station in Narberth. It would not be viable unless we were relying on an army of volunteers as well, and that has never been the way that we have operated.

Q155 **Chair:** If that proposition is true, what authentic role is there for commercial local radio to serve Welsh audiences with a distinctively Welsh and local output?

Martin Mumford: That is twofold. We continue to provide a news service, which we fund, with local information, travel, weather, emergency coverage. The one area that never gets mentioned—we always talk about the broadcast output—is that we are offering local advertisers in each of these areas access to broadcast just to an audience in a small area. With Nation Radio, if you are a local advertiser, you can access just Ceredigion or just west Wales or just the Swansea or the Cardiff area. It is really important that we continue with Radio Pembrokeshire just offering Pembrokeshire so that there is a local, regional, national level for people to access that audience. That has disappeared elsewhere.

Q156 **Chair:** Would Radio Pembrokeshire still be an outlet for a musician from Pembrokeshire looking to make a name for himself or herself starting out, as it used to be? It used to provide a great shop window for new local stars. How would somebody like that from Milford Haven get airtime on Radio Pembrokeshire?

Martin Mumford: I am so pleased that you have asked me that question, because today we have launched a new radio station, albeit at a UK level, on the internet and also broadcasting on DAB in the north-east, called Nation New. It is specifically designed for unsigned artists, alongside new music, to be played. That is part of our development but there is no accessibility to put that type of radio station on FM.

Applying that back to Radio Pembrokeshire, it is very much my view that it is my job to get as many people as possible to listen to our radio stations and deliver that audience back to national and local advertisers. Without doing that, we do not have a business and we would not exist. Broadly, as is the case with the movement of pretty much all commercial



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radio towards national brands, listeners have an expectation of what they are going to hear at any point. If there is a massive juxtaposition of going from playing pop music to an hour of classical music, you are giving the listeners an opportunity to go and do something else if your radio station is not consistent. Programming where there is something different every hour does not exist in commercial radio terms as much as it did.

Q157 Wayne David: You have touched upon this already, but could you say a bit more about the nature of the relationship that exists and perhaps needs to be extended or modified between the commercial sector and public service broadcasters and community radio stations?

Martin Mumford: We have more in common with community radio. We are not the BBC. The BBC is a massive intervention in the marketplace. It staggered me when I was doing some research. There is £27 million of funding to run BBC Radio Wales and Radio Cymru. This is many, many multiples of our income, and we make a profit. We are far more efficient in gaining listeners. The BBC should be made to work harder if there is a market deficiency.

Yes, we share some things in common. With my commercial radio hat on, we stand or fall by the audience that we can deliver to an advertiser, whether that is the UK Government, the Welsh Government or an independent electronic store in the high street in Haverfordwest. It is purchasing the audience that we can deliver. The community radio model is probably more about the output, and they have struggles, as you have heard, to fund their operations.

Q158 Wayne David: What would you say about Ofcom and its role, and what changes need to be made?

Martin Mumford: In fairness to Ofcom, it is in many ways constrained by a very old piece of legislation, the Communications Act. I do not think that Ofcom has been massively proactive. It has often been said to me that Ofcom regulates the things that it should not and does not regulate the things that it should. Ofcom is increasingly not as important as it used to be, to me as an operator. We are beginning to enter a phase where potentially, as Toby said earlier, the internet may become super-important. It is as important to me to have relationships with American tech companies so that when someone utters, "Play Nation Radio Ceredigion", an Amazon device understands the word "Ceredigion" and plays the right set of adverts. That is where the challenges lie and Ofcom does not even regulate that platform.

Q159 Chair: Does it understand the word Ceredigion?

Martin Mumford: It does, but when it repeats it back, you get something that is not quite the right word. Yes, you access the right radio station but when the Alexa voice repeats it back, it is not quite right.

Chair: Let's bring in the MP for Ceredigion.



Martin Mumford: That is a nice segue there.

Q160 **Ben Lake:** Thank you very much, Mr Mumford, and thank you for coming this morning. To begin with, I am interested in your view on what some commentators have suggested, which is that there should be a regulatory requirement for local news in each nation to be presented from within each nation. What are your thoughts on that suggestion?

Martin Mumford: We have that requirement already on our FM radio stations and we simulcast on DAB. The problem is that as we potentially move from FM to DAB, there is not that regulation on DAB. The other elephant in the room is that national UK-wide broadcasters, including the BBC national services, are not delivering Wales-specific news. That is a great area for us. We choose to do that. Although we run various programmes across the nationals, the news bulletin is different for Scotland, Wales, the north-east of England, London and so on. We have the technology to deliver that because of the way that we operate, whereas Radio 2, for example, has a UK-wide travel news bulletin. It is not Wales. Increasingly, devolved powers and the pandemic shone a light on that. You are receiving news from UK-wide radio services that is not relevant to listeners in Wales. With the way we operate—we are operating below UK but building at regional level—we are able to deliver that news. We recognise its importance as well.

Q161 **Ben Lake:** If that regulation were to be transported over to the regulation of DAB, it would not have so much of an impact on the operation of your—

Martin Mumford: It would make no difference to us at all, but there should be a quid pro quo in ensuring unfettered access on all internet platforms. That is the elephant in the room—that potentially the ongoing transmission of radio is likely to go from FM to DAB to online. That is my guess. We are talking 10, 15 or 20 years to fully get to that point.

However, Ofcom is not the gatekeeper of what happens when you play, say, Nation Radio to a smart device—Apple is, TuneIn is, Amazon is. Maintaining a level of prominence for our radio stations within those platforms so that there is unfettered access to local audiences is probably my No. 1 ask. I am pleased, by the way, that there is a session on radio because I suspect that there are lots of similarities with what PSB television broadcasters are asking for.

That is the real threat, because as we listen to a radio today and you are presented with a list of radio stations, my guess is that in 15 or 20 years' time, that will not exist. You will have to know what you want to hear and ask for it. That is where we are heading. Who is the gatekeeper of that? At the moment, it is definitely not Ofcom. That potentially is the quid pro quo for maintaining local content on these stations in the mid to long term.

Q162 **Ben Lake:** The key ask that you outlined there on maintaining



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prominence is something that I am sure that you would like to see in the media Bill that is coming before Parliament at some point in the near future.

I have a further question, which relates to a lot of the discussion of localness and how you reflect communities in the shows that you broadcast. How do you ensure that you reflect Welsh life in your programming?

Martin Mumford: Many of our presenters live in Wales; it is as straightforward as that. We recognise the importance of broadcasting local information and content. While we have some programmes that we brought on to Nation Radio that have recognised UK names—Neil Fox and Russ Williams present on our radio stations—at breakfast time the radio presenter broadcasts from and lives in Wales.

As Toby mentioned earlier, through the pandemic, we had to transform our business. We have widely adopted a work-from-home model across our organisation. I think that it would have been touch and go whether I would be sat here today had we not done that across that period. However, it definitely brings with it challenges in some of the areas discussed earlier.

Q163 **Ben Lake:** Briefly and finally, on the transition to a broadcasting-from-home model, how has that been received and what has it meant for the number of people you employ? Has it been an advantage in attracting people?

Martin Mumford: Absolutely, yes. The centralisation of our technology has been important. That is the way that we are able to deliver different advertising messages and different travel news into each market, and it has enabled us to attract a very different level of talent into our organisation and for us to continue to compete with the big broadcasters. There are not many medium-sized broadcasters left in the UK. We represent about 1% of UK commercial radio. That is much higher in Wales, closer to 10%, so we are broadcasting a number of radio stations in Wales broadly equivalent to an audience size of BBC Radio Wales.

We punch well above our weight in Wales. It has transformed the way that we work. We communicate much more now than we did previously. It has its challenges and the training and development piece is definitely one of those. I accept that.

Q164 **Chair:** You spoke a few moments ago about the challenges of the future and the world that we are moving to where even being able to discover a new radio station could become harder because people will be expected to know what they are going to ask for and what they are looking for. There are those future, longer-range challenges. There is then the challenge that Mr Ellis and Mr Mann were speaking about in the previous session about getting a foothold in the market, being able to grow their local operations.



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Are there any meetings that you are all involved in—with Ofcom, DCMS and your company, as both an operator and owner of the kit that other stations are able to broadcast on—where you sit down together around a table, roll up your sleeves, talk about these things and say, “Right, this is what we need to do together. There is some collaboration we need to do and there is some co-operation to make the whole sector flourish”? Or are you in more competitive silos than that?

Martin Mumford: We are not in complete silos. I have attended a couple of community radio events in the past. I often say, “Be careful what you wish for”, because, as Terry outlined in his evidence, he wants to be able to see more advertisers on his radio station. I have no objection to that, but the problem with spending public money to advertise is that, quite rightly, you want to see a return on it. Audiences are not measured, or not normally measured, in community radio. However, if they wanted to be measured, it would probably cost them more to be measured and put themselves through the verification process to deliver an audience than the revenues that they would achieve. That is one of the reasons why, when we reapplied for the Ceredigion licence, we wanted to roll it into Nation Radio. The smaller radio stations are increasingly not viable at that level of accepting national advertising.

Going down to independent businesses and speaking brilliantly about the services that you offer is something that we still do for our radio stations. That is also difficult at the moment. It is a rocky old period of time out there because of the way the economy is. We are a good bellwether. We tend to recover very quickly, but when times are tough, it is often marketing that gets spent.

On that note, the other area is DAB capacity in Wales. We have rushed ahead with small-scale DAB without completing the roll-out of local DAB. For example, BBC Radio Wales and Radio Cymru are not carried in areas such as Powys or Ceredigion. I am responsible for that multiplex and their carriage, but it is not commercially viable for us to extend into those areas. We cannot square that circle currently, yet we have moved on to small scale.

Q165 **Chair:** Doesn’t that put you in a very interesting position as somebody with an interest in the success of stations using the network and the kit, and also acting as the gatekeeper to the kit?

Martin Mumford: Yes.

Chair: What incentive do you have to bring BBC Wales—

Martin Mumford: They have a must-carry obligation as part of that local licence, as is the case with local DAB across the UK. To answer your question, we took the risk and we were the only applicants to provide DAB local coverage to west Wales. It was the same in north Wales; we are also shareholders in north-east Wales. By the way, Cardiff is completely chock-a-block; north Wales is much more difficult. The BBC has an allocated capacity as part of the licence conditions.



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Q166 **Geraint Davies:** You have painted a picture of moving away from looking at a range of radio stations where you can click through and perhaps randomly, fortuitously, find something you like, consume it and choose to go back into it to a world where you have to already know what you want. Thinking about generating local talent from local places—singers or comedians, or whatever they are, who want to express themselves and who people may want to listen to—does it not create a bit of a problem that small radio stations cannot promote these artists so that consumers can find them, and instead, the operators will be the gatekeepers of consumption and therefore hold down possibilities for new talent?

Martin Mumford: I think that is what community radio is about. Toby Ellis has invented a new category. He calls it “local community commercial radio”. I think that is what those new stations will be able to deliver on small-scale DAB.

As for our strategy, however, we are trying to continue to promote Nation as a consumer brand. It has its own app, for example, and we have a whole heap of decade stations—Nation 80s, Nation 70s and so on—because we recognise that it is easier to market one thing than it is to market 20 things, and that enables us to get scale at a national level. We advertised the Six Nations Scotland versus Wales game for Nation Radio. We would not have been able to do that if we had 20 radio stations all called different things.

Q167 **Geraint Davies:** I understand that, but your focus is very commercial—you are a commercial operation—in getting that aggregate yield. How does that affect the up-and-coming artist in Swansea, Ceredigion or wherever who wants to play their guitar or has written a song and wants to get on the radio? You are saying that you are not the place for them to go to but Terry Mann or Toby Ellis might be, and Terry and Toby face a more difficult future than you do—that is correct, isn't it?

Martin Mumford: It is a really fragile ecosystem. To answer your question, I think locally, yes. Nationally, we have launched a radio station today to provide exactly that service. We recognise that we also have a part to play in introducing new talent.

Q168 **Geraint Davies:** Which radio station is that?

Martin Mumford: Nation New, launched today, is another brand extension to Nation Radio. I think we are up to 10 brand extensions. We are trying to create a family of radio stations that will become recognised at a UK level, and it all started in Pembrokeshire.

Chair: As someone from Swansea who plays the guitar, you might have a song, Geraint.

Rob Roberts: Just for the record, if I ever tune into Nation New and I hear Geraint playing his guitar, I will tune off, immediately.



Geraint Davies: Oh, you haven't heard me play. That's outrageous.

Q169 **Rob Roberts:** I want to talk a little bit about technology and a little bit about money. Earlier you talked about smart speakers and that type of technology. Last year, the Government put out a White Paper that talked about, "Engaging further with the radio industry, and gaining a deeper understanding of the policies and practices of the smart speaker platforms, in order to ensure that we are putting in place the best possible regime to allow radio to continue to reach its listeners well into the future". It said that "new measures may be necessary to ensure audiences are able to access radio services on new devices without undue interference".

What are your biggest concerns about the growth of smart speakers as a means of listening to radio?

Martin Mumford: We want you to be able to bark the name of the radio station and get the radio station, and there is a gatekeeper in the way of that. My concern is that you ask for Nation Radio and because there is some platform that has accepted money from a competitor, you end up with a competitor's radio station. That would be the worst-case scenario.

Q170 **Rob Roberts:** What if you do not know the name of the station? What if you say, "I want to listen to new artists". How will something like that work? Or, "I want to listen to Geraint playing his guitar". How can we get that type of interaction?

Martin Mumford: That is a question that you need to ask the smart speaker, the technology companies. But absolutely, in the middle of "this is what I want" versus "this is what I hear" is the tech company routing those requests. However, I do not control that; the tech companies control that.

Q171 **Rob Roberts:** Currently if I said, "I want to listen to Nation New", eventually when it recognises that, it will pick it up. What happens if I say to the smart speaker, "Find me a station with new artists"?

Martin Mumford: It would depend on how you had configured that smart speaker device. Believe me, I regularly—I know this sounds terribly sad—sit there checking all 20 radio stations. We run a station called Nation 00s; Nation zero zero, with music from the decades starting zero zero. It is almost impossible for 00s to be recognised by smart speakers. This is the territory that we are moving into, but I am not the custodian of it. The tech companies are the custodians.

In the same way, in fairness, if you look at a radio station, all you have to go on, on an EPG, is the name of that station and the type of music it plays. If you got in your car and looked at your EPG on an FM DAB radio, you would not be able to answer the question about how to find new music currently.

Q172 **Rob Roberts:** Can we talk a little bit about money—revenue in



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commercial radio, revenue per head? In 2021, it was £6.65 in England and £8.40 in Scotland, which is almost double the only £4.50 in Wales. Why is that?

Martin Mumford: I was scratching my head looking at those figures yesterday. I think those figures are for 2021-22. We had a tremendous year in 2022, but there are fewer radio stations per head in Wales compared with other areas in England. The simple answer is that I do not know. I can only talk about the radio stations I operate. However, the ecosystem for advertising is changing dramatically and will be helpful, potentially, to community and smaller stations in future.

If you spin back about five years, 90% of our revenues came from local advertisers—we had an army of salespeople going out to advertisers in the local marketplace to sell our advertising—and 10% came from what is known as national advertisers purchasing through advertising agencies. Typically, those agencies are based here in London. Across the pandemic, that shift has changed. It is about 50:50 now for us and that opens up further opportunities for the future.

Our other income source is what is known as programmatic advertising. That is advertising through a smart speaker that is tailored to the listener, the holy grail for radio. We know exactly how many people are tuned in on a smart speaker and, depending on cookie consent, we know some of their characteristics. Instead of going to a car dealer in Pembrokeshire and saying, "Would you like to advertise on the radio? Here is our audience"—splatter—we can in a pragmatic world say, "We can reach people who have been searching for a new car in the last six weeks", potentially, or people in a very specific geographic area. The returns on that type of advertising are much higher than either national or local advertising, so it is of increasing importance to us.

Q173 **Rob Roberts:** Nationally, local commercial radio revenue was £160 million in 2012 and it was only £96 million in 2021. It has been falling relatively consistently. Why is that?

Martin Mumford: I cannot answer that. I can say that Nation Broadcasting continues to make a profit and that is what we exist for. I saw the same figures yesterday in Ofcom's latest report and I scratched my head a bit. I have been asked this question previously in other committees but I genuinely cannot account for it other than to say that national advertising per head in Wales is lower than in England, for example, but again, I do not know the reason why.

Q174 **Virginia Crosbie:** I am sure you have an encyclopaedic knowledge of the Government's 2022 White Paper on broadcasting, and it would be fantastic if you would share your thoughts with the Committee, particularly relating to the reference about removing some of the requirements on locally-based programmes.

Martin Mumford: It is completely bonkers that a radio station such as Radio Pembrokeshire, which would have been first licensed 20 to 25



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years ago, still has a requirement on the music it plays. It is completely crackers.

Q175 **Chair:** What is the requirement?

Martin Mumford: A broad range of pop music, so if I wanted to play classical music, I couldn't. By the way, I don't, but not to have the freedom to do that—we have been constrained not just on frequency but on what we can do with that frequency. If you look at Nation Radio's progression—originally licensed as a rock music service—most FM services had their hands tied behind their backs from when they started. If you start a DAB-only station, you can play whatever you like but we still have these music requirements on FM. They should absolutely disappear. They should have gone already and they are still there. I fully accept that there should be requirements to deliver local news and local information on commercial radio stations. I completely accept that, but music-format regulations? Completely crackers.

Q176 **Virginia Crosbie:** My last question relates to competition. Do you believe that competition is healthy for the sector and should we see more of it?

Martin Mumford: Yes, I do, absolutely, although you have to remember that I have a publicly-funded competitor, the BBC. When people choose what radio station they want to listen to, they don't wake up one morning and go, "I must listen to my local community radio station today". They listen to what they enjoy hearing. I have a massive competitor that is publicly funded.

There will be more competition. We have seen that in markets where we operate that already have small-scale DAB multiplexes, so you are seeing broadcasters come to market in a way that we have not seen previously. However, as was said in the previous evidence session, they are not really competing with all the advertisers that we are after, so I think there is room for them all. Increasingly, our competitors are the big commercial competitors. They want to move the dial even further towards taking national revenue, which, again, is fine for us, because we still have an army of salespeople persuading local advertisers to take space on our stations.

Q177 **Chair:** I was surprised to hear about the music requirements that you have just described. Instinctively, I agree with what you said—that they should go—but you said that the requirement around local news should absolutely remain. What is your definition of local news? Is it for stations broadcasting in Wales, Wales-wide news?

Martin Mumford: Good question. We are currently Wales-wide. Wales is a single, what is known as, approved area, in Ofcom terms. It is possible—

Chair: That might not feel very local.



Martin Mumford: No. It is possible to delve one level down from that because there are five local multiplexes in Wales, so it would be possible to deliver at that scale. However, I would say, "Hang on, the BBC is not doing that. Why should we? Can't we start with the one that everyone is paying for?"

Q178 **Wayne David:** I want to look at the big picture for a second. You mentioned the BBC. The other day I visited Global's headquarters in Leicester Square. There are 600 people there working on a multiplicity of stations. Their penetration into all parts of the United Kingdom, including Wales, is huge, and it is growing. I wonder how you counter that.

I don't know if you have done this, but the local production level in Northern Ireland seems to be much healthier than it is in Wales. Are there any lessons to be learned about how we have more regional and more local production as appears to happen in Northern Ireland?

Martin Mumford: I would say: regulate the quality of what comes out of the speakers. That is my instant response. Global is a UK broadcaster headquartered in London but it still has staff here in Wales. We are a UK broadcaster headquartered in Wales and the majority of our staff, actually about half, are based here in Wales. We are sustaining lots of employment still, at no cost to the public purse. That has to be a great thing, hasn't it?

Q179 **Wayne David:** Could you go a little bit further than that? Looking ahead, it is quite possible that a scenario could be big players based in London totally dominating and things would get progressively harder for your company and other local producers.

Martin Mumford: I don't think so, I really don't. I think there is a place for us both with audience and advertising. Our business revolves around advertising. You mentioned Global. Global and Bauer between them account for the majority of commercial radio, and their models are moving increasingly towards a national platform of one broadcast service selling UK-wide. Ours is not. It is still regional. We absolutely have some challenges with the work-from-home model as to how we bring in some production resource.

We tend to get bad press, but I think we contribute and deliver a lot more than we are given credit for, given the extraordinary amount of funding into the BBC. We are sensible enough to recognise that for a business like ours—I can't speak for the competitors, we run Nation Radio—it does not make sense for us to broadcast just one news bulletin, because that news bulletin might not be relevant to the people hearing it in Scotland or Wales. We are already doing those things because it is the sensible thing to do, in line with audience expectations.

Q180 **Wayne David:** You mentioned the importance of commercial advertising. It is quite possible that that will become a more difficult source to tap into for a host of different reasons.



Martin Mumford: I think it has become a slightly easier proposition across the last few years. There was a change of national sales house for the smaller commercial radio stations in the last round of consolidation. Bauer represents our audience nationally and will sell our audience alongside all of their radio stations. Similarly, we are now able to access programmatic advertising where we get paid for the audience we deliver. With those two elements, our income has become easier but we stand or fall absolutely on the audience we deliver. Local advertising has become significantly more difficult. Revenues are nowhere near what they were pre-pandemic, for a host of pretty obvious reasons.

Q181 **Chair:** Mr Mumford, are you optimistic about listening trends? We had a bit of discussion about that in the first panel with Terry Mann and Toby Ellis. Are you confident that future audiences will stick with radio? I think about the youngsters in my household and the way their attention is diverted.

Martin Mumford: As my 16 year-old says, "It's a bit old-fashioned, Dad, what you do, isn't it?" Yes.

Chair: My 21 year-old spends a lot of time listening to rugby podcasts and all sorts of other things. There is only a finite amount of time and attention that people can give to a particular output, isn't there? Are you worried that the podcast trend will be eating into your listener base?

Martin Mumford: Not particularly. I think that people enjoy curated content as opposed to a playlist. There is absolutely a place for podcasts but sometimes knowing what the travel news is on the road you are driving on is really helpful—local news and information. I don't think that the sense of day and company that radio delivers has disappeared. Commercial radio is going through something of a renaissance. We have been able to attract talent from the BBC, for example. Radio as a whole, as Toby Ellis said, is still attracting people; about 90% of people tune into a radio station every single week. I think there is a generational issue—I am not going to deny that—and that is why Nation Broadcasting tends to appeal to adults; we are probably growing old disgracefully as that audience ages. This, by the way, is exactly the same problem the BBC has, and that is why, I suspect, it is repositioning Radio 2 currently.

Q182 **Chair:** Within your stable of station brands, where would someone hear Welsh language?

Martin Mumford: You would hear Welsh language on Radio Pembrokeshire, Radio Carmarthenshire, Bridge FM—

Q183 **Chair:** When on Radio Pembrokeshire would one hear Welsh language?

Martin Mumford: On Sunday night at 9.00 pm, we do an hour of Welsh language. We are mandated to do that hour of Welsh language as part of our licence obligations. I don't think that the stick approach is particularly great. As I mentioned earlier, it juxtaposes with what Radio Pembrokeshire does the rest of the time, so our audience expectation is



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not that we will be broadcasting in the Welsh language. I have long campaigned—I think this was mentioned earlier—that some of the public funding going to community radio could be better spent on things such as Welsh language output on commercial radio.

We successfully applied for the audio content fund to deliver some programming in both English and Welsh around the rural communities of west Wales. We would never have done that if it had not been publicly funded, but along with a huge number of other innovative projects across commercial radio, that fund has been closed. I think the carrot approach would be much better, but you would expect me to say that, I am sure.

Chair: Rob Roberts, I think you had a final supplementary.

Q184 **Rob Roberts:** Yes, very briefly, as we have been talking about the BBC. In the time that we have been sitting here, 83% of BBC staff belonging to the National Union of Journalists have voted to go on strike on Budget day, apparently around the lack of resource going into BBC local radio and how the BBC is centralising everything. Do you have any comment about that? Does it make any difference to you? Will it impact you in any way? Does it change anything as far as you are concerned?

Martin Mumford: I don't run the BBC, but I think if I did, it would look very different. My understanding is that is predominantly around England. I may be wrong. I don't know if it impacts national services as well as local radio in England. The BBC is in a difficult place because its licence fee income is flat. Transmission costs and people costs are likely to be running close to double digits; certainly transmission costs will be. There is an issue there with its own funding, but that is a BBC issue, not my issue.

Q185 **Geraint Davies:** My understanding is that people are going on strike because there has been a sudden cut in local journalism and a move towards digital. I suppose the concern for us might be that we want to see local communities getting local news. However, this is a trend that you are already absorbing, isn't it? What hope do you see for a renaissance in local journalism?

Martin Mumford: I think that would be driven by the stations that end up on small-scale DAB, I really do.

Q186 **Geraint Davies:** Is there an opportunity for more of them? You have described a picture of centralisation and commercial focus, which we understand, but is there an opportunity in the marketplace for more and more small stations with localised news to emerge or not?

Martin Mumford: They do not exist yet because that sector, as Toby Ellis said in his evidence, is just beginning to emerge. That will be a fragile sector and will be very hard work for people starting. However, that is where I think you will see a lot more niche services, including speech, potentially Welsh language. Time will tell whether or not they will



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succeed, but I think that there is a big opportunity coming as Ofcom opens up these smaller DAB areas.

Q187 **Geraint Davies:** Will they provide seedcorn funding to get people off the ground or not? You do not seem to be a great advocate of public sector involvement.

Martin Mumford: I am not a wild advocate. We have so many interventions. We have the BBC receiving public money; we have community radio receiving public money. How you guys spend public money is a matter for you and I have not got my begging bowl out, other than to say that I think the carrot approach towards things such as Welsh language, for example, might be money well spent. However, I do not think there is loads of money washing around to suddenly promote starting up niche radio stations.

Geraint Davies: Yes, okay. I understand.

Chair: Thank you very much. It is about 11.00 am, so that is the time we had allotted for this session. Thank you very much, Martin Mumford, from Nation Radio and to our previous panellists, Mr Terry Mann from GTFM and Mr Toby Ellis from Pure West Radio in Pembrokeshire. Thank you, too, to my colleagues for making this a most interesting and insightful session.