

# **SCOTTISH COUNCIL FOR DEVELOPMENT AND INDUSTRY**

## **PUBLIC SERVICE BROADCASTING REVIEW – PHASE 3 CONSULTATION**

### **Introduction**

1. The Scottish Council for Development and Industry (SCDI) is an independent membership network, which strengthens Scotland's competitiveness by influencing Government policies to encourage sustainable economic prosperity. Its membership includes businesses, trades unions, local authorities, educational institutions, and the voluntary sector.
2. SCDI submitted a response to the Public Service Broadcasting (PSB) Review Phase 2 Consultation and welcomes this consultation dedicated to Public Service Broadcasting in the Devolved Nations and Regions, giving the opportunity to put forward its views on the future of broadcasting in Scotland. PSB provision in Scotland is clearly important to the economic development of our creative industries and to its role in the promotion of Scottish culture, society and current affairs.
3. Scotland is in the unique position of being a devolved nation served by multiple regional broadcasters. SCDI welcomes Ofcom's commitment to reflecting Scotland as a nation, separate from the regional arrangements, with its own distinct identity and political, legal and health systems, and SCDI is largely supportive of the proposals contained in Ofcom's Review of Public Service Broadcasting, Phase 3 – Competition for Quality.
4. However, SCDI was disappointed to see in Ofcom's report that the level of ITV1 network production in the devolved Nations has declined every year since 2000. By 2003, just 2% of total network programme spend went to the three Nations combined. Whilst encouraged to note that almost all of this was in Scotland, SCDI feels that this is an area requiring much improvement. SCDI supports Ofcom in its wish to see a return to the levels of the late 1990s for network production in the Nations.
5. SCDI welcomes the proposal for a new production partnership fund as a mechanism for achieving this increase in production outwith London.
6. The contribution below answers a selection of the consultation questions, which we hope will help form a PSB provision for Scotland which meets the needs and expectations of viewers, but is also economically sustainable.

### **I Do you agree with our proposals for non-news programming for viewers in Scotland, Wales and Northern Ireland?**

7. SCDI agrees that the evidence produced demonstrates clearly that the existing arrangements for offsetting the costs of PSB obligations with access to the analogue spectrum will be unsustainable as the value of access falls. However, we also welcome Ofcom's commitment to ensuring a plurality of PSB provision in Scotland, thus avoiding a situation which would see BBC as the sole PSB provider. We believe

that this choice is important to viewers and that funding and support should be put in place to ensure it is retained.

**Until the first UK region switches to digital:**

**(a) in Scotland, for Scottish TV and Grampian TV to be required to broadcast four hours per week of non-news regional programming, including one hour unique to each region – Scottish and Grampian – with a further three hours of shared content across the two regions, including one hour of Gaelic programming;**

8. SCDI believes that viewers in Scotland should continue to be provided with additional PSB to that provided in England, but is aware that the economic situations in the English regions and Scotland are comparable and that there is no clear economic rationale for Scotland having a higher level of PSB obligations. SCDI would welcome the proposal of four hours per week of non-news regional programming provided the necessary funding is put in place. In our response to the phase two consultation SCDI called for additional funding to be made available for any greater requirement placed on broadcasters in Scotland to ensure that they are not placed under increased financial pressure in comparison with English counterparts. As such, SCDI welcomes the attempt to ease the financial burden by allowing Scottish and Grampian to share content. Whilst it is important for news to have a localised dimension, with some non-news regional programming it is appropriate to have a Scotland wide approach. However, this measure alone will not meet the funding gap and SCDI would wish to see more concrete proposals on how PSB in Scotland should be funded. Should the funding support not be made available SCDI could not support proposals which would see an increase in obligations taking place in a climate of PSB reductions. SCDI would question whether this added pressure on the licensees could be sustained by them alone.

**(b) ITV1 Border's Scottish service to show two hours of Scottish/Grampian shared programming simultaneously with the Scottish licensees, and for this to be provided at no cost to ITV1 Border by the Scottish licensees.**

9. As stated above, SCDI welcomes the proposal to share content between Scottish and Grampian as a way of ensuring the continuation of regional programming for Scotland in an increasingly difficult economic situation. However, the sharing between Scottish and Grampian would be a two-way process and SCDI would question the proposal to allow Border to show the same content at no cost. SCDI feels that it is unrealistic to expect a commercial company to give content at no cost. It understands that a commercial arrangement is currently in place to allow Border to buy content from the other Scottish licensees. It would seem more appropriate to allow this arrangement to be continued.

**Once the first UK region achieves digital switchover:**

**(d) a reduction in the requirement for non-news programming for Scotland and Wales to three hours per week and for northern Ireland to two hours per week, plus one hour per week which be either news or non-news.**

10. Whilst SCDI supports the highest level of regional programming possible, it understands that as digital switchover occurs the climate of reductions in PSB obligations will increase. SCDI therefore accepts the proposal for non-news

programming to be reduced to three hours per week once the first UK region achieves digital switchover.

## **II Do you agree with our proposed amendments to the ITV Networking Arrangements:**

**(a) the introduction of a ‘no-play, no-pay’ clause for network programmes for national licensees, which enables national licensees to opt out of the network schedule in order to meet their regional programming requirements without having to pay for the network programme that they have opted out of; and**

11. SCDI is fully supportive of the introduction of a ‘no-play, no-pay’ clause as vital to ensuring the continuing provision of regional programmes. It is entirely sensible that those regions with higher obligations and thus a higher financial burden should not have the added cost of paying for programmes which they are unable to screen.

**(b) a requirement on the ITV Network Centre to take into account the higher level of regional programmes in the three Nations when devising its network schedule.**

12. It is clear that the regional programming of requirements should be taken into consideration when the network is devised. In a climate which puts increasing pressures on licensees in the Nations to meet their obligations, all help possible should be given to ensure the continuation of a service which is very important to the people of Scotland.

## **III Do you favour or oppose SMG’s proposal that it should lose its requirement to broadcast a news bulletin at 1400, instead developing sub-regional opt-outs within its regional news service and a tailored Scottish version of the 2230 national and international news bulletin?**

13. SCDI supports the proposal for a Scottish version of the 2230 national and international news bulletin, providing that appropriate account continues to be taken of national news and international news, which remain of high importance to Scottish viewers. The interactive features supplied by digital television will allow greater choice for the viewers and sub-regional opt-outs will make good use of the technology available. News bulletins are the programmes which demand the most localised content and research clearly shows that viewers are interested in news from their area. This is especially true of those living in rural areas who have expressed a wish for more ‘non-urban’ news. Losing the Scottish news at 1400 will allow additional resources to be put into the evening news at 2230; a service which is watched by over five times the number of viewers and receives over double the audience share.

**V Have we set out the right options for the future of indigenous language broadcasting in Scotland?**

14. As SCDI detailed in its phase 2 submission, we are supportive of the creation of a dedicated Gaelic language channel. This will allow a broader range of material to be shown in Gaelic and will also take into account the growing cost of Gaelic programmes being shown by the ITV1 licensees in Scotland. The new channel will also allow Gaelic to be available at peak times, as opposed to being screened in the less expensive, and often less convenient and accessible, slots of ITV1.
15. SCDI is also highly supportive of the proposals to continue Gaelic programming as part of the regional PSB obligations. It is important that the Gaelic speaking community continues to receive a quality service up until the establishment of a dedicated channel. Gaelic is valued as having high societal importance even by those who see it as having very little or no personal importance.

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