

## **Ofcom Wales Advisory Committee**

### **Comments on Terms of Reference: Ofcom PSB Review**

The Ofcom Advisory Committee for Wales welcomes the forthcoming Review of Public Service Broadcasting, and believes it could play a vital role in shaping the future of PSB in the UK – and in particular in Wales.

Apart from any other consideration, Wales is amongst the first parts of the UK to undergo digital switchover, scheduled to begin in Wales in 2009. The impact of DSO on public service broadcasting here may well help to shape the debate elsewhere in the UK.

#### **Public service purposes**

In reviewing the provision of public service broadcasting Ofcom must have regard to S 264 (6) (b) of the Communications Act which sets out the purposes of PSB and requires Ofcom to review the provision of PSB with a view to maintaining and strengthening its quality. Ofcom is also required to take account of the matters in S 262 (6) including in (6) (b) that, “cultural activity in the United Kingdom, and its diversity, are reflected...”, (6) (c) that there is “..comprehensive and authoritative coverage of news and current affairs in, and in the different parts of, the United Kingdom..” and in (6) (i) “that those services (taken together) include what appears to Ofcom to be a sufficient quantity of programmes that reflect the lives and concerns of different communities and cultural interests and traditions within the United Kingdom, and locally in different parts of the United Kingdom;”

Although the Act sets out the purposes of public service broadcasting in general terms, relating to PSB for the whole of the UK, the ACW takes the view that these purposes should be considered specifically in the context of the communications market in Wales. The delivery and consumption of media differs significantly in Wales compared to the UK as a whole and Members believe this justifies a modification of Ofcom’s proposed approach in the case of Wales.

The ACW welcomes the recognition by Ofcom that the media needs of Wales are different from those of England, and for that matter, different from the needs of Scotland and Northern Ireland. *“When we talk about “the Nations”, we do so recognising that each has its own market circumstances, culture, identity and language which must be understood and respected.”*<sup>1</sup>

This is reflected in news programming and non-news programming. In relation to news programming, Ofcom has accepted that *“there are separate political and cultural considerations in the UK nations, which are not always reflected in UK-*

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<sup>1</sup> Ed Richards, CEO Ofcom, speaking at the Ofcom Conference on PSB, 29.6.07

*wide news programming*".<sup>2</sup> In relation to non-news programming, Ofcom has stated that "*the needs of the devolved nations of the UK are distinct from those of the English regions*" because of "*the need for broadcasting in the UK to reflect the reality of our devolved social, cultural and political institutions.*"<sup>3</sup>

Wales has its own National Assembly, with steadily increasing powers over many aspects of people's lives, determining policies which are increasingly different from those of England, Scotland or Northern Ireland. In addition, Wales is a bilingual nation, with the percentage of the population speaking Welsh at 20% and rising. Broadcasting policy for Wales must also, however, take into account the 80% who rely on English-language programmes for information about their country, including other ethnic minorities living in Wales.

As Ofcom has acknowledged,<sup>4</sup> different parts of the UK have different patterns of media consumption. Wales has a weak indigenous press and relies heavily on UK national press titles, which do not generally feature devolved policies and issues. There is therefore a greater reliance on the broadcast media, particularly television news, to inform citizens and allow Welsh democratic institutions to be held to account.

Public service content is rated highly by the Welsh public, "*People in Scotland, Wales and Northern Ireland care more about PSB purposes than people in England.*"<sup>5</sup>

The Ofcom PSB Review must therefore start from the proposition that PSB purposes, set out generically in the Communications Act, must be applied specifically to Wales in a substantially different way from other parts of the UK, requiring a different form of PSB settlement for Wales. Members feel strongly that this premise should be a starting point in the Review and not a policy adjunct, for consideration at a later stage. (The same approach may well be required when considering PSB in the other devolved nations of the UK.)

## **Plurality**

In the UK context, there is an extensive range of services available on UK digital television, in addition to those delivered by the PSBs, which taken as a whole could be seen to serve audience needs at this level, particularly in relation to the extensive consumer choice now available. There are, for example, several 24-hour news services in existence that provide UK and international news and factual/documentary programmes are provided by commercial channels such as Discovery, as well as by the main UK PSBs. It could be argued therefore that,

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<sup>2</sup> New News, Future News p6, 4.7.07

<sup>3</sup> Statement on Programming for the Nations and Regions p6, 9.6.05

<sup>4</sup> New News, Future News p24, 4.7.07

<sup>5</sup> Peter Phillips, Partner Strategy and Markets, Ofcom, PSB Conference, 29.6.07

taken in the UK context, plurality may not be as significant an issue as it perhaps it once was. However, this is clearly not the case in the context of Wales, where ensuring the continued range of broadcast voices remains vitally important in the provision of PSB. For example, although at a UK level it could be argued there is virtually a provision of ‘ambient news’, finding television news about Wales remains primarily, an ‘appointment to view’.

The most immediate challenge to that important role of the broadcast media in Wales arises from the commercial pressures on ITV to reduce, or even abandon, their Welsh programming after DSO. The ACW strongly maintains its view that plurality of supply remains important. “*It would not be desirable for PSB in Wales to be left entirely to the BBC*”.<sup>6</sup> It cannot be assumed that in Wales other media will step up to fill any gap created by ITV pulling out of Welsh programming.

Plurality in news and non-news programming is not a theoretical issue. ITV has historically served different socio-economic audiences from the BBC. The loss of ITV programming in Wales would have the greatest impact on those who stand to gain most from public service programming – the most disadvantaged sections of society.

### **The Public Service Publisher**

The ACW strongly supports Ofcom’s proposal for a Public Service Publisher, designed to counter any shortfall in public service content after DSO. Indeed, we have previously argued for a dedicated, bilingual PSP for Wales with its own funding and management.<sup>7</sup> We believe it is essential that a decision on the shape and funding for the PSP is an integral part of the PSB Review, and not left as a potential add-on for the future.

Where we disagree with Ofcom thinking on the PSP is over its preliminary conclusion that intervention to support public service content should be confined to the online market, and that there is broad support for that principle.<sup>8</sup> Such a conclusion makes no sense in Wales. Household take-up of broadband is currently 42% in Wales, and Wales has the lowest levels of intention to get broadband amongst non-users. Take-up amongst C2DEs is significantly lower than amongst ABC1s.<sup>9</sup> Delivery of PSB material by mobile phone in Wales would be an even poorer option than broadband as 3G coverage in Wales is significantly lower than the UK average.<sup>10</sup> Broadband and mobile coverage is not, uniform across the UK with many locations, especially in rural areas

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<sup>6</sup> ACW Response on Ofcom’s Phase 2 PSB Review, 3.11.2004

<sup>7</sup> Ibid

<sup>8</sup> A New Approach to Public Service Content in the Digital Age, 13.6.07

<sup>9</sup> Ofcom Communications Market Report, Wales p55, 24.5.07

<sup>10</sup> Ofcom Communications Market Report, Wales, 24 May 2007, p53. 32% of the Welsh population live in postal districts where four or five 3G operators have at least 50% service coverage, compared with the UK average of 68%.

receiving “low speeds” (circa 512Kbs) and it is therefore unlikely that any public service content delivered via broadband could in the near future reach the same audiences as ITV.

The ACW believes that the best way forward is for the PSP to be platform-neutral. A more helpful starting point for the PSB Review would be that public service content should be delivered by whatever medium is most appropriate in different parts of the UK, whether through television, radio or online.

**Wales ACW**  
**3.10.07**