

## **Introduction**

On 25<sup>th</sup> September 2008, OfCom published its proposals for changes in the provision of regional news as part of the PSB requirements in the Channel 3 franchises held by ITV plc.

This response points out fundamental concerns about the proposals as set out to combine ITV Border's regional news operation with ITV Tyne Tees and ITV Westcountry's regional news operation with ITV West.

## **OfCom's position**

Throughout the debate leading up to the publication of OfCom's report in September 2008 and reiterated at OfCom's PSB workshop in Bristol on October 28<sup>th</sup> 2008 (which I attended) is the regulators statement that it is not there to dictate to ITV how it runs its business. On the same basis, it is not OfCom's role to pander to ITV by rewriting its licence obligations because of commercial difficulties the company may be facing at any given time.

Many of ITV Plc's problems are self inflicted. Poor commercial judgement and the inability to adapt to a changing marketplace are fundamental weaknesses which the board of ITV Plc has failed to address over a number of years. While this is not the concern of OfCom as such, it does have a bearing when the regulator uses ITV's commercial problems to justify the changes it is prepared to sanction and which may not have been so acute if the company was better managed.

## **Consultation on PSB on ITV1**

i. As part of the consultation process leading up to the publication of OfCom's report on the 25<sup>th</sup> September, it asked for interested parties to make their views on its proposals for regional news on ITV1 to come forward. In an unprecedented response, thousands of people objected to the plans for merging regional news provision but their concerns appear to have been completely disregarded. In effect, this makes the consultation process of no value and places the regulator – as a public body designed to reflect the views of the people it is there to serve – at potential risk from legal action. It is not OfCom's job to disregard public comment because it is convenient to do so, particularly when expressed in such overwhelming numbers.

ii. Not only is OfCom proposing to allow ITV to reduce its provision of regional news, it is also allowing it to change the way in which it is delivered. In effect, this will make the product on offer to people in the South West of England and the far north of England / Scottish borders vastly inferior to every other part of the country where ITV holds the Channel 3 franchise. Under the proposals, a large amount of the regional "news" will be pre-recorded. In order to facilitate it being pre-recorded, much of the 'on the day' news currently gathered will no longer be viable. In effect more and more "news" will be gathered on the day **prior** to broadcast and not therefore be news at all.

iii. As part of the proposals to provide regional news in the South West of England, ITV plc has arrogantly pressed ahead with its plans to close ITV Westcountry and move all operations to ITV West in Bristol without waiting for the outcome of OfCom's final report, presuming the regulator will not be swayed by public opinion or reasoned argument. The company has also given assurances to the regulator that it will continue to provide adequate news provision for the area served by ITV Westcountry. This statement is suspect on the basis that the company has appointed a news executive team almost wholly based around editorial staff working for the existing Bristol based operation and who have very little if any knowledge of the ITV Westcountry transmission area or the historical, current and ongoing stories which underpin the news service it currently provides. What makes this decision particularly unpalatable is OfCom's statement published on the 2<sup>nd</sup> December 2008 regarding a request to co-locate the Heads of South Wales Valleys radio and rejected. If local radio news provision in South Wales is considered so important the editorial teams are required to remain in the areas they serve, then surely the same must be true for regional news provision on ITV1.

iv. Financial imperatives have always been the driving force for ITV Plc's request to change its licence conditions with regards to the provision of regional news. However, even within a model where provision for regional news was subject to a 40% cut in budget as per ITV Plc's proposals, alternative options for retaining the existing ITV Westcountry news service have been fully costed but not acted upon. Surely in a situation where the proposals for change to regional news provision are so fundamental, the regulator should at least have been made aware of these proposals and ask for a justification as to why they were not pursued further. They would still have required substantial staff and building savings but would have enabled the ongoing provision of a dedicated news service with all output live and not pre-recorded. Once again, the regulators decision not to even consider these proposals is in direct conflict with its primary function to represent the public and may again put it at risk from a legal challenge.

## **Summary**

Throughout the consultation process and in the publication of OfCom's proposals for regional news provision on ITV1 which were made public on the 25<sup>th</sup> September 2008, the regulator has put the commercial needs of ITV Plc ahead of viewers' interests. OfCom is there to protect the public interest, not to provide economic benefits to a company which was well aware of its licence commitments when it acquired the Channel 3 franchises for England and Wales.

An unprecedented number of interested parties took the trouble to contact OfCom during the consultation period. It has ignored the vast majority of respondents.

As a public body, it has failed to protect the interests of the public and in failing to follow up viable alternatives to the model proposed by ITV Plc which would enable regional news to remain live within the current regional structure while still achieving ITV's stated cost savings, it has negated its responsibility to the public and put itself at huge risk from a legal challenge on that basis.