



March 2021

NUJ submission to Ofcom's Small Screen: Big Debate – the future of public service media

Question 1: Do you agree that a new regulatory framework for public service media (PSM) delivery should support a more flexible, “service neutral’ delivery approach that is more outcomes-focused?

The NUJ is in favour of a well-funded public service broadcasting media (PSB/M) sector – it is the heart of the UK’s creative success. The NUJ agrees with Ofcom that PSB/M agreements need to shift from terrestrial television towards a broader, more service-neutral approach, embracing and increasing the digital services they already provide plus other forms, current or future, of delivery. Public service media (PSM) providers should have the flexibility to decide which services are best suited to deliver their obligations and remits, and this should be reflected in the industry’s regulatory framework.

Question 2: Do you agree with our proposals for a clear accountability framework?

There is no doubt that the world of TV and broadcasting has moved on since the rules were last updated in 2003. There has been a large increase in content accessed via the internet, whereas the existing regulations deal largely with terrestrial/satellite/cable TV and radio. Many of the current regulations date back decades and were drawn up at a time when there was limited choice and online was in its infancy. It is paramount that all public service broadcasters providing national TV coverage should continue to be required to produce a minimum number of hours of high-quality news and factual programming.

Ofcom has a history of being a light-touch regulator and that is not always welcome. Previously it has allowed ITV local news production to be reduced by around a third and its approach to regulating the provision of commercial local radio news has led to its virtual demise. For example, Global Radio replaced its 40 local breakfast shows across the UK with just three nationwide programmes, all out of London. This has had a knock-on effect for BBC local radio which, in turn, feels it can offer less news. More news and journalism on offer from commercial radio will result in more news in BBC local radio and vice versa.

Any changes to existing regulations need to be simple and should avoid red tape. PSBs should not be subjected to more complex rules than any other broadcaster but any regulatory structure must allow its leaders to react quickly as technology changes.

Question 3: What do you think should be included in the PSM “offer”?

The NUJ supports a vibrant, creative and well-funded PSB/M sector which is accessible and affordable and reflects the interests of the public it serves. The purpose of the PSB/Ms – whatever platform or technology delivers them – should remain largely as set out by the Communications Act 2003: to inform our understanding of the world; to stimulate interest in knowledge of the arts, science, history and other topics; to reflect our cultural identity through original programming; and to represent diversity and alternative points of view. PSB/M programmes should be trustworthy, innovative, challenging, of high quality, well-funded and original with new UK content.

All democracies require balanced, impartial news coverage which does not depend on the personal prejudices and foibles of media moguls, react to commercial pressure to appease shareholders or permit government interference. A functioning democracy cannot exist without a plural, trusted and vigorous media; the UK’s PSB/Ms should provide the bedrock for this.

As Ofcom has said, PSB/Ms should support a tolerant society through the availability of programmes which reflect the lives of different people and communities in the UK. PSB/Ms underpin the UK’s creative economy and spend nearly £3 billion per year on content production. The quid pro quos for providing this universal service should be: sustainable public funding; for the BBC, ITV and other public service broadcasters to appear prominently on online television platforms; and on-demand streaming services, such as iPlayer and ITV Hub, given “prominence” on smart TVs by law.

New providers of PSB/M content should be welcomed. They would bring fresh ideas and innovations. There is little doubt the existing broadcasters struggle to attract a younger audience and more needs to be done to change this. Many younger viewers are turning to YouTube rather than BBC Sounds or All4. The BBC is doing its best to attract younger people but is failing to stop the slide. Although many viewers are turning to online services, the NUJ would be concerned if news services moved to online-only. The public service providers must offer a mixture of new and old traditional platforms and innovation.

If PSB/M is to be representative, it also needs more inclusive governance. The NUJ believes staff, viewers and listeners should have consultative rights and union representation on the BBC board.

Question 4: What options do you think we should consider on the terms of PSM availability?

It has to be available and affordable to everyone – this is the heart of PSM. The current pandemic has shown how vital public service broadcasters are. Viewing figures for BBC and ITV news have never been higher and has shown that it is PSM that the public trusts and turns to when there is a crisis.

Ofcom should also consider obliging online platforms to provide a greater focus on localised content from public service providers. This already happens in Canada and Germany.

Although TV viewing via traditional platforms is declining and more are accessing services via the internet/online, there is still a large proportion of the public who cannot access online services. In 2018, the Lloyds Consumer Digital Index showed 11.3 million people lacked at least one basic digital skill. Research from the digital inclusion charity, Good Things Foundation, suggests that, at current rates of progress, 6.9 million people will still lack digital skills by 2028. So for the foreseeable future accessibility must be via a mixture of new and old technology.

PSBs should operate on a variety of platforms. Technology changes fast and so what feels modern today won't be for long. Any plans for the future have to be nimble and flexible in order to adapt and change as technology and needs change. It is vital to maintain universality in PSB, so high-quality broadband must be universally available. That is the only way for PSB to remain relevant.

Question 5: What are the options for future funding of PSM and are there lessons we can learn from other countries' approaches?

At the core of PSB must be a strong, independent BBC. This can only be guaranteed if the licence fee is protected and continues in some shape or form. The BBC would not survive a subscription-only service. Consensus is growing towards the introduction of a household-style tax, possibly based on utility bills, with a progressive element, similar to the model used in countries such as Greece. While PSB remains a vital cornerstone of broadcasting in the UK, it needs government support but must also be independent of the government. More should be done to explain what good value the licence fee really is. The BBC generates £2 in economic value for every £1 of the licence fee it receives. It is responsible for 42 per cent of all investment in original UK TV content: 91 per cent of adults use BBC TV, radio or online each week.

The BBC already provides the majority of S4C's funding and will fund it entirely in 2022. At present BBC licence fee money is also used to prop up commercial newspaper groups by funding 150 Local Democracy Reporters who cover district, borough and county councils. Even before the pandemic, broadcasting faced a difficult challenge as Facebook and Google hoovered up vital advertising revenue. The market has also been massively disrupted by new players such as Netflix.

However, what is not new is that news and investigative journalism does not come cheap. The market has never provided children's programming, education or religious programming. The market will not supply specific programming made for the UK's regions. When Netflix CEO, Reed Hastings, defended his company's decision to pull an episode of Hasan Minhaj's Patriot Act from its Saudi Arabia service, he stated Netflix wasn't in the "truth to power business". Netflix does produce some good documentaries, but it will always put profit before the "truth to power business", that is why we need PSBs and any future funding model for, say, the BBC, must allow independence from political interference.

For the commercial PSB/Ms, the largest source of income is through advertising and when audiences fall, so does revenue so they are having to look at other ways to raise income. A combination of different options for the commercial PSB/Ms may well be the best way forward. Indeed, ITV is already raising cash via advertising and subscription services such as sBritBox. More collaboration in the future will be necessary.

The NUJ's News Recovery Plan proposes a windfall tax of 6 per cent on tech giants based in the UK which could help fund PSBs.

Question 6: What do you think about the opportunities for collaboration we have referred to? Are there other opportunities or barriers we haven't identified?

PSM should not just be restricted to large established outlets, such as the BBC and Channel 4. Consideration should be given to forming community partnerships with companies joining up with local news enterprises to offer training and opportunities to have their work showcased on air. Such partnerships, managed and regulated sensibly, would help increase the range of views and people represented in their outputs.

One potential barrier is the various different platforms that companies use. BBC Sounds, Apple TV, Sky, Spotify, YouTube, Facebook all use different ways to reach their audiences – which can make any collaboration challenging – but Channel Four News' partnership with Facebook shows these obstacles can be overcome.

Question 7: What are your views on the opportunities for new providers of PSM?

There is no reason that the future cannot be bright for existing and new PSBs. Although younger PSB audiences are declining, much of this can be put down to platforms rather than content. Fewer people listen to Radio One on an actual radio but many still listen to its content via BBC Sounds and many also watch BBC programmes on YouTube. They are still reaping the benefits of PSB, just not the way previous generations would have. The key is to evolve both content and the technology to access it. The BBC iPlayer has been a great success with all ages. Fewer of us now watch TV programmes "live". We use technology to watch them at a time that suits us. Does this matter? So long as PSB material is viewed, it doesn't matter if it is on a TV, laptop or phone. The issue is to make sure it is available in as many forms as possible. The BBC spends a lot of time repackaging material and what would have been a two-minute piece on the news can be repackaged into an easy to watch, 20-second film for younger viewers. We know short videos via YouTube are popular. The challenge for the PSBs is to make sure it is their footage that the younger audience is watching on YouTube.