

Ofcom Consultation on Public Service Broadcasting

South West Screen response to Ofcom's Second Public Service Review – Phase Two: Preparing for the digital future

- South West Screen is the strategic development agency for the creative media industries in the South West of England. Our role is to:
 - Influence opinion in order to shape the decisions and policies which impact on the creative and media industries;
 - Raise awareness of the importance of the creative and media industries to the cultural and economic life of the South West;
 - Invest in creative people to enable professionals, newcomers and young people to expand their skills and horizons;
 - Provide investment to support talent, encourage innovation and develop new ideas;
 - Connect people, businesses and organisations; enabling effective training, networking and knowledge-sharing.
- The South West is a key regional production centre for the television industry in the UK, and, as such, the future of Public Service Broadcasting and the results of the Ofcom Review are of vital importance, with potential impacts on both the economic and cultural landscape on the region. We welcome the thinking proposed within the consultation document and the opportunity for a public debate of issues with considerable ongoing implications for both media industries and audiences in the South West.
 - We are delighted to have played an active part on the consultation through our production with Ofcom of "The View From Here", an event held in Bristol on the 28th October. Over the course of the day we explored the key issues within the Public Service Review from an out-of-London perspective, from the potential impacts of new models to the opportunities provided by new digital platforms, from the practical impact of quotas to the reduction of regional programming and news.
 - As noted in our response to Ofcom's Phase 1 consultation, South West Screen (and other Regional and National Screen Agencies colleagues) already provide an infrastructure for investments in PSB content. We are highly connected to, yet work beyond, traditional broadcasting, having grassroots relationships with a host of commercial, community and social entities and bringing together both cultural and economic impacts. In considering propositions which have the potential to extend public service content provision beyond the current supply model, for example through competitive funding, we would encourage Ofcom to exploit the opportunities offered by this existing public architecture rather than invent new structures.
 - The document below represents our overall thoughts on the Phase Two consultation document, followed by specific answers to the questions posed.

Overview

1. We would agree with the assessment made by Ofcom that, at least in the short term, television will continue to have an essential role in delivering the core purposes of public service broadcasting. But the current funding model, predicated as it is on linear TV broadcast, does not have the flexibility that is needed to take account of changing viewing habits and the impact of new platforms and technologies. Given the rapid and fundamental changes to patterns of communication and consumption of information and content, an evolution of the current position would represent a complacent response; South West Screen believes that a more radical approach should, at least in part, apply.
2. We agree with the proposition that the BBC is the “cornerstone of public service content” and should be highly valued as such. However we also agree with the proposition that plurality of supply, providing a competitive mechanism, is a vital component in delivering quality content to audiences. We would therefore conclude that any future model should at least support BBC and Channel 4 in the supply of public service remits.
3. South West Screen has a highly productive relationship with Channel 4; we support the vision and ambitions set out by Channel 4 in their plan “Next on Four” and would endorse the role they are playing as a creative and cultural investor. Their commitment to the new and innovative, as well as their efforts as a creative catalyst, have done much both to open supply to PSB and to reflect regional and cultural diversity. Furthermore, we believe that the role of Channel 4 is central to the PSB landscape offering as it does a chance for new voices, new approaches and, in particular, an eagerness for experimentation. We support a publicly owned Channel Four, however, it is clear from the evidence presented by both Ofcom and Channel 4 that a new funding model is required to underpin the channel. We would support some form of direct subsidy in return for further PSB commitments from Channel 4, particularly with regard to the development of talent outside London and a real commitment to developing regionally-based independent suppliers.
4. South West Screen is supportive of the proposal to create an element of competitive funding within PSB provision. We believe that competitive funding could provide a new dynamic to public service content, especially where aligned to digital technologies or platforms. For example, an investment fund could be structured in order to address supply chain issues out of London, creating commissioning hubs in key production centres. In addition a competitive fund could look to source content, across platforms, which would bring in non-traditional production partners, including smaller producers and community media.
5. South West Screen understands the economic pressures currently affecting the provision of regional programming and news. We believe that audiences are strongly supportive of locally produced content and that a vital plank of cultural awareness and diversity will be lost if the present decline is allowed to continue. If, as appears to be the case, ITV no longer wishes to provide local linear services, we would support Ofcom’s proposition to introduce competitive funding for provision.
6. In addition, South West Screen believes that the opportunities for highly localised content services, enabled by new technologies, represent significant potential. Whilst agreeing with the proposition that business models are still immature,

services of this kind are an inevitable consequence of increased access to information and personal technology and, as such, should be encouraged by the regulator. We do not believe that this segment of the market should be protected in order to underpin the local newspaper industry. Indeed we would maintain that, central to the new PSB settlement, should be a commitment to ensuring that high speed broadband underpins any new strategy. Improving and strengthening broadband infrastructure is core to the key principles of delivering public access and market competitiveness.

7. We welcome the proposed increase in quotas for out of London production, believing that a more effective distribution of investment has both economic and cultural benefits for the UK. We would however flag a concern that a focus on generating increased production in the Nations should not be achieved at the expense of the Regions. As highlighted at the Ofcom PSB consultation event in Bristol, (October 2008), there is serious concern that the provisional BBC decision to move *Casualty* to Cardiff is a response to this policy and, should it go ahead, would damage a strong existing creative centre in order to seek to artificially generate another for political, rather than creative or economic, reasons.

Questions

Models

8. We agree that public service provision and funding beyond the BBC is important in order to guarantee plurality of supply and to improve service through competition.
9. In our opinion public service provision should be supplied by, at least, the BBC and Channel 4. South West Screen also believes that the concept of competitive funding offers real potential and would support some of the early thinking emanating from initial proposals circulated by Ofcom regarding a Public Service Publisher. We believe that any solution needs to be “future proofed” rather than a re-arrangement of existing parties and would hope that the solution arrived at contains the flexibility to respond to future changes and developments. In particular, we would note that the introduction of commercial television in the 1950s and Channel 4 in the 1980s significantly enriched the broadcasting offer to the public.
10. South West Screen would note that Channel 4 has played a significant role in the development of the production base in the South West and the provision of opportunity for innovative content and voices. We would comment that in the rapidly changing media landscape an evolution of the current landscape would be complacent, a more radical approach is imperative. We support the direction outlined by Channel 4 in “Next on Four” and in particular their commitment to the development of new digital content as exemplified by their investment initiative 4IP. We would repeat our comment that a key challenge remains ensuring that the right architecture is in place to ensure access to fast broadband and good signposting to public service content.
11. South West Screen notes that, if ITV is to play a continuing public service role, we would express concern at its gradual exit from regional programming and news. We would also ask Ofcom to thoroughly investigate the impact of the decline of ITV commissioning from regional independents which, we believe, will have a significant long term impact on the sustainability of the regional television sector. This has consequences in turn for other parts of the creative industries outside London and is leaving a gap that to date has not been filled by either BBC or

Channel 4. This scenario is in direct contradiction to the broad thrust of current public policy which encourages the development of creative, dynamic and diverse regions and nations.

12. South West Screen believes that competitive funding could provide a new dynamic to public service content provision. Any investment fund could be structured in order to address supply chain issues out of London, creating commissioning hubs in key production centres. In addition a competitive fund could look to source content, across platforms, which would bring in non-traditional production partners, including smaller producers and community media, and address key issues.

Long term: Nations & Regions

13. We agree that Nations & Regions news continues to have an important role and is highly valued by its audience. We are concerned at the erosion of service and would urge Ofcom to act in support. South West Screen also believes that alternative provision, including local TV and online services, should be encouraged; we do not believe that these services will be provided solely by the adaptation of current local newspapers to a new reality, although the local and regional press, with its access to content and advertisers, will have a part to play.
14. We have no opinion, but would comment that Ofcom should be wary of a structural focus on the Nations at the expense of the Regions.
15. South West Screen believes that alternative provision, including local TV and online services, should be encouraged, but we do not believe that these services will be provided solely by the adaptation of current local newspapers to a new reality.

Funding

- No comment
- No comment
- No comment

ITV

16. We are not supportive of ITV's changes to regional provision. The significant reduction in both news and regional programming has removed a valued service from South West audiences and also, whilst a small component, nonetheless a significant transition point for regional talent. Limitations on the ability of audiences to understand the news and voices of their own locality merely exacerbate a cultural homogeneity and the London-centricity of news services in particular. The South West is the largest English region and, whilst the plans currently being put into operation are less drastic than first proposed, the merger of West and West Country and massive reduction in staffing in Plymouth leaves a large part of the country with no significant coverage or presence.