



Ofcom Consultation - Channel 3 and Channel 5: proposed programming obligations

May 1, 2013

The National Union of Journalists is the voice for journalism and for journalists across the UK and Ireland working at home and abroad in all sectors of the media as freelancers, casuals and staff in newspapers, news agencies, broadcasting, magazines, online, book publishing, in public relations and as photographers. The NUJ was founded in 1907 and has more than 30,000 members.

The NUJ response will focus on question 2 of the consultation: Do you agree with ITV's proposals for changes to its regional news arrangements in England, including an increase in the number of news regions in order to provide a more localised service, coupled with a reduction in overall news minutage?

Brief responses to the other questions are at the end of the submission.

1. ITV is proposing that it almost halves its news output in the English Regions from just over four hours per week to two hours, 30 minutes. The *quid pro quo* for this is that they will reinstate their old regional production by creating 14 news regions/sub-regions.
2. This is against a backdrop of ITV increasing its pre-tax profits by 6 per cent in 2012, paying a full-year dividend and a special dividend – only the second year ITV has paid a dividend since the merger of Carlton and Granada in 2004.
3. ITV maintains that regional news is a considerable net cost to the business; however over the past decade ITV have reduced its spend on regional news by over a half (from £120 million to less than £60 million).

Programme content is always a net cost to broadcasters. Regional news remains a major part of ITV's brand and in many areas the historic ITV regions are what keep viewers tuning in – associating ITV with the old regional company's quality local news, and with their own sense of regional identity.

4. At a time when ITV has turned its fortunes round by, amongst other strategies investing in new drama and other production, the NUJ believes that a similar reinvestment should be made in the regional news service.
5. The NUJ believes that the creation of 14 regions is a positive step towards ensuring that ITV regional news maintains a strong sense of local identity, but to do this with massively reduced staff levels and by penalising the viewers with reduced minutage will do much to damage that strong regional brand.

14 Regions

6. The creation of 14 regions is something the NUJ would like to welcome, but our members have flagged serious concerns about these proposals.
7. For 6 of the news centres: Anglia; Yorkshire; Central, Meridian; West & Westcountry and Border/Tyne Tees there will be two 6pm shows, with one being pre-recorded. Leaving aside Border/Tyne Tees, our members in these centres believe the two shows will contain a lot of the stories from their neighbouring region – for example, East Midlands stories in the West edition and vice versa. This set-up would not be providing more “localised services” (Ofcom consultation, 1.10(a)).
8. Journalists were led to believe that they would provide a dedicated news service for each new region, but are now told stories will be “tailored”, and that they will be “predominately about events and issues in that part of the region” (page 20, ITV's proposals). **The NUJ asks how local can these services actually be?**
9. Staff will be asked to produce 28 minutes of news every weekday for each sub-region (a total of 56 minutes for each centre, having to fit in an early pre-record for one sub-region), with the same staffing, in which they produce 58 minutes 30 seconds, including only a small amount of localised material. This will increase pressure on an already overworked staff, inappropriate resources to make the quality programmes required in both the areas they cover and less time to gather the news.
10. ITV states that it will “preserve an effective newsgathering machine” (Ofcom consultation, 3.20(c)) and that “it is important to emphasize that each of the regions and sub-regions – both currently and in the future –

will be appropriately staffed and resourced to deliver the services described to a high degree of quality. ITV is fortunate to have a highly talented, dedicated and flexible staff in the nations and regions who are committed to making and broadcasting programming of the highest quality. ITV is committed to investing in them and the equipment they need to do their jobs well.” (page 5, ITV’s submission).

11. Members are concerned about their health and safety and work-life balance because of the amount of work they are being asked to do, coupled with the difficulty in taking their legal and contractual breaks. This will only get worse under the new proposals unless more staff are hired to resource the programmes. **The NUJ has real concerns about ITV’s ability to produce more localised services with their current staffing levels.**

Shared content/content from outside the region

12. The flagship 6pm programme will be made up of 20 minutes of “local content” with 10 minutes of shared material from outside the region, i.e. a generic issue, but filmed by another ITV region/a shared content reporter based in London. Regions will not be forced to take this content, but with less resources/staff they may be forced to do so in order to fill the time. So a feature such as “daffodils in Norfolk” will be offered elsewhere in the network. This is in direct contradiction with what ITV suggests its proposals will achieve: “create a more focused news agenda with a high proportion of hard news, as there would be less need to fill programmes with softer material on slow news days” (Ofcom consultation, 3.20(b)).
13. NUJ members believe that including shared content is conning the viewers into thinking they’re getting a dedicated regional news service when in fact the content will be more like national news, either coming from London or a story of national interest from another region. Again this contradicts what ITV suggests the proposals would achieve: “increase the local focus of programmes in the majority of licence areas, providing news coverage of more interest and resonance for the audience” (Ofcom consultation, 3.20(a)). **The NUJ believes this diminishes the role and quality of regional news provision on ITV.**

Minutage

14. The reduction in minutage could be acceptable in areas where ITV intends to provide more localised services, as long as they invest in the resourcing and quality. But ITV London and ITV Granada will have their news cut without “gaining” anything.

15. ITV's position seems contradictory. It starts by claiming that: "The needs of the audience have been the key starting point... in devising our proposed changes." (Page 1, ITV's submission). Yet where it serves some of the biggest areas of population, it proposes cutting the news minutage and giving viewers nothing in return. **The NUJ does welcome ITV's decision to maintain current news provision in Wales, but if they can do this in Wales, why not ITV Granada and ITV London where the populations are much greater?** A one-size fits all 20-minute approach to be applied to the regions in England makes no sense. Ofcom needs to ensure that every corner of the UK is properly served by its C3 licensee.
16. ITV Granada - The Granada region, in the North West of England, based on the last census in 2011 has a population of 7.1 million. It serves arguably the two most cosmopolitan, thriving and ethnically diverse cities in the UK, outside London. With viewing figures often in excess of 500,000, it could be said Granada Reports serves its ITV audience well. This is despite having to appeal to area spanning south Cheshire, the Isle of Man and Lake District.
17. These audiences share an identity pitched primarily around the vicinities of Manchester and Liverpool, as bases of the former Granada TV. Simply because all has now been subsumed by ITV does not mean many in "Granadaland" do not still feel a cultural resonance with an area defined now by an historic broadcast license zone. Despite being content to be part of a broader network this community also wants the liberty to see itself as it thinks. [this part needs reworking]
18. Under the proposals being considered by Ofcom, Granada Reports' viewers will lose out. They will do so because ITV has only one transmitter at Winter Hill. The historic absence of a demand to broadcast sub-regionally (reflected also by the comparable BBC TV news service) means that the region's audience may be fractured for nothing more than an accident of infrastructure.
19. Given the intense interest generated locally in major news events such as Hillsborough there can no doubting the significance of regional output in national coverage and their differing functions. Members passionately believe by reducing locally-produced content to a minimum 20 minutes at 6pm, the Granada Reports' audience will be less well served than every other region, barring those deemed already as having a valid exception.
20. Michael Jermy, ITV's director of news, current affairs and sport, admitted to staff that ITV Granada viewers will be worse off and more-poorly served by a reduction of staff and minutes; no new sub-region and content broadcast from outside the region under the guise of a regional programme.

21. MPs have raised their concerns about the plans for ITV Granada in an Early Day Motion: Early Day Motion 1261: ITV News Broadcasting InThe North West. That this House calls on Ofcom to insist that ITV continues to maintain the same level of local news broadcasting in the North West as previously required as part of the renewal of its licence conditions; and further calls on ITV to increase resources for local news and current affairs programmes in the North West and to continue its commitment to programme-commissioning in the North West.
22. Local TV: part of the reason ITV and Ofcom are justifying a cut to services for viewers in London and the North West is the introduction of Local TV services. ITV's submission claims that ITV Granada and London areas are "most likely to be well served by local TV". One look at where Local TV franchises have already been awarded will show that London is served by only one service and the North West by three, which is no more than the services ITV Yorkshire will have to compete with (in Leeds, Grimsby and Sheffield), or those ITV Meridian will be up against (Oxford, Southampton/Portsmouth and Brighton/Hove).
23. Additionally whether Local TV will actually prove to be viable has still to be demonstrated. The NUJ is extremely skeptical that it will be so. Therefore the justification of using local TV as a reason to reduce ITV's PSB obligations at this time does not stand up.
24. Local TV in London will be produced by London Live, staffed by journalists at the Evening Standard and Independent. The current news operation does little to cover the outer London boroughs and having been through a round of redundancies, the company is not planning to hire anyone new to staff the TV station. The management is in the process of screen testing its newspaper journalists. This will be a service aimed, mostly, at what happens in inner London and will not be in direct competition for ITV London, which covers the whole of London much more effectively.
25. The Local TV services in Manchester, Liverpool and Preston/Blackpool will be very localised services. Large areas of the North West including Cheshire, Merseyside, Cumbria and large parts of Lancashire will not have local TV. The loss of almost half of ITV's local news will have a big impact on the regions sense of its own identity.
26. The House of Commons Communications Committee in its second report said "A very important issue, which we received some evidence on, but were not able to do justice to in this inquiry, is plurality—ensuring a range of viewpoints and that no one voice holds too much influence. This will be the subject of our next inquiry." Arguing that local TV will mean that ITV doesn't need to provide a plurality of voices in London and the North West

seems at complete variance to this idea of plurality, and fails to address the concerns raised by the Secretary of State about this issue in the Border area: "I consider both the quality and plurality of news provision to be of the utmost importance and look to you to find a way forward with ITV plc which addresses these concerns."

27. The NUJ believes that if ITV is allowed to cut services at ITV Granada and ITV London, then in a few years' time Ofcom will have to address this deficit, just like it has had to do for ITV Border. We fear a reduced ITV news service in these regions could lead to a democratic deficit.

Sustainability of regional news

28. BECTU's submission to Ofcom in 2009 said of the reduction in the regional structure: "This is a fundamental - potentially terminal - erosion of ITV's distinctive characteristic of a strong regional structure. It will result in a regional news structure which is meaningless to viewers (with regions extending, for example, from Penzance to Worcester and Dumfries to Yorkshire). It flies in the face of consistently and strongly expressed audience preferences - as indicated in Ofcom's own research - for a high value on regional news output and a plurality of supply of that output." This view has consistently been fully supported and echoed by the NUJ over the past decade. The joint unions' predictions appear to have been borne out, as demonstrated by the return of more localised services as proposed in this consultation.
29. In part regional news is made more sustainable by remaining in touch with its audience and providing a good local service. Advertising slots taken by local companies in their regional news programmes used to be a big money spinner for ITV and its return to 14 regions might provide this opportunity anew. It would be interesting to know what are ITV's plans are for this? Does it plan to use such revenues to invest in regional news provision and make it more sustainable?

Conclusion

30. In general the NUJ welcomes the recognition by ITV and Ofcom that viewers are best served by localised regional news services. However the union believes such services can only be provided at the appropriate quality if they are properly staffed and resourced. Excluding the changes planned in Border, we see no such evidence of ITV's intention to provide these resources.
31. The NUJ believes the cut in news minutage across the English regions will damage the quality and plurality of local news and will not do enough to

address our members' concerns about being stressed and overworked. In the North West and London viewers will receive a cut in local news and Local TV will do nothing to address the consequent democratic deficit.

32. When services were cut by ITV in 2009 that was against a backdrop of severe financial issues: no such situation applies now. ITV is hugely profitable, yet it is making further cuts to regional news, which is a key part of the brand that helps makes it successful. The NUJ believes that only by investing in regional news will ITV create a sustainable and profitable brand for the future.

Other questions

Q1 - Do you agree that the existing obligations on Channel 3 and Channel 5 licensees in respect of national and international news and current affairs, original productions, and Out of London productions should be maintained at their current levels? If not, what levels do you consider appropriate, and why?

Yes. ITV has already had its PSB obligations considerably reduced over the past decade and consequently the cost to ITV has been reduced. Therefore the NUJ does not believe that there are issues of sustainability especially given ITV's current profitability. Given this the NUJ believes the various PSB obligations should be maintained at their current levels - they can always be reviewed should circumstances change.

The erosion of ITV's PSB obligations has happened concurrently with a massive decline in local newspapers, with titles closing and some towns being left without a local paper. This is coupled with a similar decline of local news services in Independent Local Radio, where news hubs covering significantly large geographical areas provide supposedly "local" content to ILR stations.

The maintenance of PSB obligations on broadcasters are critical to ensure that the public are properly informed, so that they can have access to, and properly engage with local, as well as national, democracy. It is also vital that there is a plurality of services, so that different voices and opinions are able to be heard. The NUJ therefore believes, given this, that ITV's PSB obligations should be at the very least maintained, if not strengthened.

Q2 - Do you agree with ITV's proposals for changes to its regional news arrangements in England, including an increase in the number of news regions in

order to provide a more localised service, coupled with a reduction in overall news minutage?

See above.

Q3 - Do you agree with UTV's proposal for non-news obligations should be reduced to 90 minutes a week? If not, what alternative would you propose and why?

“UTV currently delivers more programming than required under its quota and was likely to continue to overproduce even with a lower regulatory limit” (Ofcom consultation, 3.30(c)). If this is the case, then there is no need to reduce their non-news obligations.

It is also important to emphasise the points we made in answer to Question 1 about the decline of the local press and the creation of news hubs in local radio. The requirement to have a plurality of voices is just as important in Northern Ireland.

Q4. - Do you agree with the proposals by STV to maintain overall minutage for regional content in the northern and central licence areas of Scotland at 5 hours 30 minutes a week, as detailed in Annex 3? If not, what alternative would you propose, and why?

Yes, they should be maintained at their current levels.

Q5 - Do you agree with the proposals by ITV to maintain the overall minutage for regional content in Wales at 5 hours 30 minutes a week, as detailed in Annex 3? If not, what alternative would you propose, and why?

Yes, they should be maintained at their current levels.

Q6. - Do you agree with the proposals by ITV to reduce the overall minutage for regional content in the Channel Islands from 4 hours a week to 3 hours 20 minutes as detailed in Annex 3, while maintaining the present provision of a 30 minute early evening regional news programme? If not, what alternative would you propose, and why?

Much like the Border area, the Channel Islands is serving specific geographical and constitutional circumstances. Cutting their services will have an impact on the community's understanding of the issues and cause a democratic deficit. Rather than create a situation like that in Border, where services have to be improved after cutbacks deny viewers quality and plurality, Ofcom should ensure services are maintained as it is.

Q11 - Do you agree that the Border licence should be amended to reduce the proportion of regional production required to a sustainable level? If not, what proposals would you like to make?

The NUJ believes that the Border audience should be entitled to the same volume of locally inspired content as other parts of the England. Where the production is physically done is not necessarily critical and continued

production from Tyne Tees is not seen as problematic, however we cannot support any overall reduction in production.

Q12 - What views do you have on the proposal by STV and UTV to extend peaktime to 11pm, which would extend the window in which they could schedule regional content that must be shown in peak time?

ITV has in the past placed PSB programmes in what are known as “graveyard slots” and subsequently used the lack of viewers to justify a reduction in its PSB obligations. The NUJ would therefore be strongly opposed to STV and UTV being allowed to do likewise.