

Question 1: Do you agree that public service provision and funding beyond the BBC is an important part of any future system?:

Cumbria County Council agrees entirely that public service provision and funding beyond the BBC is an essential part of any future system.

In particular we believe that it is essential that plurality in news provision at a national, regional and local level is essential to ensure that audience needs in terms of output quality and objectivity is maintained. Our experience with local news provision in our area suggest that the quality of local news output from the BBC has declined significantly leading to the exclusion of large parts of the community served by the BBC's regional news programmes based in Manchester and Newcastle. Alternative provision from the ITV sector has been instrumental in ensuring that the audience's need for news with 'a focus on their local area' is fully met.

It is no coincidence that the Border region has the highest proportion of viewers who say they prefer to get their news from the ITV 1 service, and the highest number of viewers who feels that the BBC should not be the sole provider of news in the future. This is the outcome of a combination of two factors - a failure by the BBC to reflect local communities in its regional output, and a real sense that the ITV Border Look Around programme does address local community issues.

The Council's own research supports this position with 82% of respondents to our Community Voice Survey believing it is important that Cumbria has its own news programme. The survey showed that 46% of respondents regularly watch the Border TV Look Around programme and 52% of respondents rate the programme as excellent or good. In contrast 67% of respondents feel that there is insufficient coverage of Cumbrian stories and issues on the BBC Look North programme

[Cumbria Community Voice Survey July 2008 CN research - 1262 responses to self completion questionnaire mailed to 3000 members of the Cumbria citizens panel - a response rate of 42%]

Question 2: Which of the three refined models do you think is most appropriate?:

Cumbria County Council continues to believe that an evolution model remains the most sensible way forward.

Our experience suggests that - despite the fact that Cumbria is at the forefront of the digital switchover process and has high levels of broadband penetration - there has not been, and in the short to medium term appears to be little prospect of, a rapid shift by audiences in our community to alternative streams of public service content. There remains a strong preference for traditional sources of information. This is likely to be consequence of Cumbria's audience demographic which reflects an ageing population profile.

Inevitably the demographic composition of different communities will have an impact on that community's ability or readiness to adapt to different sources of public service information provision. The danger of moving too quickly to alternative information

streams is that some communities risk being excluded and left behind. The council is of the view that it would be preferable to support existing institutions to evolve and adapt to new circumstances as they remain best placed to meet audience needs within communities like ours.

In reaching this view, the council has been particularly influenced by Ofcom's own research which demonstrates the strength of public feeling about the importance of local news. In particular, it is important to recognise that the provision of local news content is seen by the public to be a vital part of the public service broadcast offering - and one which at least three quarters of the public appear prepared to pay for in the future. It would seem inappropriate to leave such a prized part of the public service broadcast output to the vagaries of the market and competitive forces - and the County Council strongly urges Ofcom to develop clear proposals for how public funding should support existing institutions to provide local news in the future.

Question 3: Do you agree that in any future model Channel 4 should have an extended remit to innovate and provide distinctive UK content across platforms? If so, should it receive additional funding directly, or should it have to compete for funding?:

The consultation document is not clear about the extent of an extended remit for Channel 4. Were this to include the provision of regional news content the council would question how the initial investment in the infrastructure to support this role - presumably through additional public funding - can be achieved in a way which offers value for money.

Question 4: Do you think ITV1, Five and Teletext should continue to have public service obligations after 2014? Where ITV1 has an ongoing role, do you agree that the Channel 3 licensing structure should be simplified, if so what form of licensing would be most appropriate?:

No comments on this section

Question 5: What role should competition for funding play in future? In which areas of content? What comments do you have on our description of how this might work in practice?:

The county council is committed through the Cumbria Economic Strategy to developing opportunities for digital and creative industries within the county. However, the council is not convinced by arguments that there is a viable market for local news provision through alternative streams in a large, predominantly rural, county. Such models may be effective in city regions where audiences are larger and perhaps more likely to seek news content through non-traditional routes ? and where potential advertising revenues are likely to be significantly higher. Embryonic approaches to alternative broadcast news by local newspaper groups through broadband applications has yet to be widely embraced by the community ? and will come under increasing pressure as the economic downturn bites harder. The council is not convinced that a competitive funding model is possible in our context in the foreseeable future. Were this model to be adopted there is a real risk

that communities such as Cumbria will be seriously disadvantaged as the market is unable to fill the void in local news provision created by the withdrawal of traditional providers.

Question 6: Do you agree with our findings that nations and regions news continues to have an important role and that additional funding should be provided to sustain it?:

Cumbria county council is in complete agreement that regional news continues to have an important role and that additional funding should be provided to sustain it.

However the council remains concerned that the concept of 'regional' news needs to be clearly defined as news which meets the expectations of audiences as set out in Ofcom's own research i.e. the public consistently and clearly prioritise the importance of news which has a 'focus on my local area'.

The council is concerned that Ofcom's short, medium and long term agenda for regional news provision has failed to fully address this public expectation. Indeed by acceding to the restructuring of the ITV news regions in the short term, Ofcom appears to be paying lip service to the evidence it has gathered.

The county council remains fundamentally opposed to the reduction in local news provision in the ITV Border region. Whilst the council accepts that ITV has recast its plans to increase the time allocated to local news and maintain a newsgathering presence 'the council does not believe that these proposals go far enough ensure a continued reflection of news and events within England's second largest county.

Cumbria County Council has opposed the move to reduce the service currently provided by the Border TV Lookaround programme on a number of grounds.

- The proposal is rejected by the people of Cumbria who continue to demonstrate a strong affection for the Border TV Look Around Programme.
- Loss of local identity. Our experience of the BBC North East and North West output is that Cumbria is largely invisible in the output which is heavily focused on the main metropolitan areas. The cultural identity of Cumbria is not reflected in programming.
- Despite assurances on a continued newsgathering presence in the region the council remains concerned about a loss of local knowledge and broadcasting infrastructure.
- Loss of civic engagement ' the fact that Cumbria's issues will be competing in a wider news agenda will mean that it will be harder to educate and inform local people on issues which are relevant to them. The council currently works very closely with Border TV to ensure that key issues which will impact on local people and places are properly explained and understood. This capacity will be greatly diminished and, given the pre-eminence of broadcast news in public preferences, a key element of civic engagement will disappear.
- Lack of alternative platforms ' whilst Cumbria has a number of successful weekly and daily newspapers and radio stations there is no other broadcast platform which provides in-depth news coverage about the area. BBC provision has marginalised Cumbria and a further loss of service will reduce the visibility of the county further. Whilst online news provision is growing through local press provision, and public sector agency online media presence improving, Cumbria does not have a great depth

of alternative media outlets. Take up of online services in the county has been slow ? probably as a result of the age profile of the population.

- Digital switchover ? a promise not fulfilled. Cumbria has enthusiastically supported the Digital Switchover and we have been willing participants despite being the switchover guinea pigs. This support is based on the promise of increased choice ? but in the short term at least, all the people of Cumbria see is that choice relating to local public service broadcasting is being diminished.

- Economic impact ? the loss of 51 high value jobs in the region will have a significant impact on the local economy. Invest in Cumbria estimate that by 2016 these job losses could lead to a £5.29m fall in Gross Value Added ? a cost to the local economy of around £100k per job.

The public have responded very clearly to Ofcom's research. Local news content, that is relevant to people and the places in which they live, is highly valued. The evidence demonstrates quite clearly that this is regarded as a central aspect of public service broadcasting which the public are prepared to pay for.

Question 7: Which of the three refined models do you think is most appropriate in the devolved nations?:

No comment on this section.

Question 8: Do you agree with our analysis of the future potential for local content services?:

Cumbria county council is concerned that current and future market conditions will not be conducive to the development of commercial local public service content providers in large rural counties with sparse populations.

We have serious concerns that the prospect of funding such providers through advertising revenues is not sustainable outside the principle urban centres. We agree that public funding support would be essential if such ventures were to be a success in those areas where the potential advertising revenue is comparatively low.

We also have serious concerns about the quality of journalism and news output that would be possible through such providers with low budgets and limited resources. In reality it is questionable whether such provision is a true alternative to well resourced and professionally produced local broadcast news.

We have some evidence of local news providers - particularly local newspaper groups - making some initial efforts to provide broadcast output with some partial success. However, as businesses ? not public service organisations, these outlets will need to see commercial benefits arising from such services before they invest in them further. Our evidence to date, hardened by the prospect of a further economic downturn, is that the business case for such services will be difficult to progress without support through public funding.

Our evidence also suggests that use of digital and broadband platforms in Cumbria has been relatively low. Our assumption is that the demographic composition of Cumbria - an ageing population with pockets of severe deprivation leads to relatively

low levels of IT literacy and accordingly a relatively slow take up of broadband services. Inevitably this pattern will change over time and we are seeing a gradual increase in access to digital services. However there is a definite lag when compared with other areas ? and this does have an impact on the potential audience for broadband delivered local content services.

Cumbria county council is concerned at the suggestion in paragraph 5.75 of the consultation document that Local Authorities might be the source of public funding for such services. The council rejects this suggestion completely. All local authorities face difficult financial pressures, exacerbated now by the prevailing economic climate. Inevitably resources are prioritised for core services ? subsidising local public service broadcasting is extremely unlikely to be a priority for the vast majority of local authorities for the foreseeable future.

Question 9: Do you agree with our assessment of each possible funding source, in terms of its scale, advantages and disadvantages?:

Cumbria County council is in broad agreement with the assessment ? noting in particular the low levels of public support for direct public funding through indirect taxation by central or local government.

Question 10: What source or sources of funding do you think are most appropriate for the future provision of public service content beyond the BBC?:

Cumbria County Council believes that public opinion is important in deciding the way forward in this area and based on the evidence provided would support a mixture of funding through Industry levy, gifted spectrum and as a last resort the licence fee.

Question 11: Which of the potential approaches to funding for Channel 4 do you favour?:

No comment on this section

Question 12: Do you agree that our proposals for 'tier 2' quotas affecting ITV plc, stv, UTV, Channel TV, Channel 4, Five and Teletext are appropriate, in the light of our analysis of the growing pressure on funding and audiences? priorities? If not, how should we amend them, and what evidence can you provide to support your alternative?:

Cumbria County Council has been part of a local lobby against ITV plc?s proposals to reduce local news coverage in the Border TV region. Public opinion in the local area is very strongly against any change to the Border Television Look Around news programme and the County Council is obliged to reflect the views of local people and continue to oppose any changes to the programme.

The council has been party to discussions with ITV plc about the future of Border and the roadcasting presence within the county. The council accepts that ITV have made

some significant changes to their original plans. Their assurances about a continued newsgathering presence in the county and an improved allocation of time in which to air local issues are an attempt to address local concerns.

However, these changes have not had a significant impact on public perceptions and people within the Cumbrian part of the Border region remain strongly attached to a local news programme which they feel properly reflects their local area and the issues which impact on them and the places in which they live.

The local community's experience of the regionalisation of news - by the BBC - has been far from positive and this has had a strong impact on the perception that Cumbria, and Cumbria's issues will become marginalised and eventually rendered invisible by a news agenda centred in and dominated by the North East.

The local community has also been taken aback by the haste with which ITV plc has moved to close down the Border operation in Cumbria - announcing redundancies virtually on the day the Ofcom consultation was published - showing an apparent disregard for the consultation process.

Whilst Cumbria County Council accepts the pressures facing ITV plc, it must reflect the views of local people who have rejected outright anything other than the complete retention of the Look Around programme. The council will continue to support the lobby in favour of this position.

Additional comments:

This response was debated and approved by the Cabinet of Cumbria County Council on Tuesday 4 November 2008.