



UNITED FOR LOCAL TELEVISION

Briefing Paper

*A 'sixth' public service network for the UK
- How 'Channel 6' would work
4 December 2008*

Meeting audience demand

Providing a voice to local communities

The size, scale & support to be viable

Channel 6 – local TV for all

Meeting audience demand

- Addressing demonstrable market failure in local programming on Freeview:

Ofcom's 2008 PSB research shows **86 per cent** of all adults want more non-news programming about their region/area than shown on the main channels

"Local TV on Freeview" was the **number 1** new application demanded by consumers in Ofcom's DDR Research

Providing a voice to local communities

- Local news, local programming & local advertising, creating hundreds of new jobs throughout the UK:

Programming focused on local news, current affairs, sport, arts and culture

Providing an outlet for charities, community groups and citizens – including many groups underrepresented in media

For the first time, cost-effective Freeview advertising for local businesses

The size, scale & support to be viable

- Channel 6 licensees granted 'must carry' on Freeview & cable:

By way of example, regulatory assets valued at £15m apportioned between 50+ local TV stations could provide support of c.£200k per annum for a typical station

UK-wide scale including network programming and advertising – important to the success of local TV worldwide

The ability to exploit synergies between contiguous licences and develop partnerships with existing media

A sixth public service network for the UK – how Channel 6 would work

Over recent months, United for Local Television (ULTV) has met with officials from Ofcom and DCMS to present the case for a 'sixth' public service network focused on serving local communities throughout the UK. The following is a summary of how ULTV envisages the 'Channel 6' proposal would work in practice and includes much of the information submitted to Ofcom and government.

What is the “Channel 6” proposal?

1. In March 2008, ULTV published “*The Case for Channel 6*” and circulated it to Ofcom, government, MPs and policy advisers. Under this proposal, ‘Channel 6’ would be a new 24-hour TV service available to all UK citizens. Wherever a person lives in the UK, they would have access to a ‘free-to-air’ channel on both Freeview and cable as a specially designated ‘local’ channel – focused on local news, local programming and local advertising.
2. ULTV does not necessarily argue that all stations would be branded Channel 6 on-air (indeed it is likely local brands would be developed). Channel 6 need not even necessarily be the sixth service on the EPG, although priority EPG status is part of the proposal. Rather, ULTV refers to ‘Channel 6’ as a new category of ‘PSB’ licence to follow on from the Channel 3, 4 and 5 licences referred to in the Communications Act 2003.
3. ULTV proposes there would be at least 50 local Channel 6 ‘franchise’ areas across the UK (and potentially many more subject to consultation). Channel 6 would be radically different in structure from any of the incumbent PSB operators. Channel 6 would not consist of just one channel, but of 50+ local channels. Each would commission its own local content. No longer would production contracts be determined by a handful of network centres, based in London. Channel 6 would have a clear remit to boost opportunities to participate in the creative industries throughout all parts of the UK.
4. Every part of the UK would have a different ‘Channel 6’, separately licensed by Ofcom. The main characteristics of the proposed new free-to-air service are that it would be:
 - an explicit public service channel, with a core commitment to local news and current affairs;
 - promote local production and participation, supporting voluntary organisations and providing airtime to groups within the community; and
 - enhance TV advertising opportunities for local businesses.

What regulatory benefits would be provided to Channel 6?

5. ULTV proposes the following regulatory benefits are afforded to Channel 6:
 - gifted access to Freeview spectrum;
 - EPG priority status;
 - ‘must carry’ status on cable; and
 - general credibility and benefits associated with ‘public service’ status e.g. the opportunity to participate in discussions to access BBC resource sharing if such proposals were to be developed in the future.
6. Based on Ofcom’s estimates of the value of regulatory assets to other commercial broadcasters, the total value of these benefits may be estimated to be £10-15m per annum in

the open market.¹ This would equate to £200k on average if distributed amongst 50+ Channel 6 licensees. Regardless of this 'open market' value, ULTV believes there is a further important value to the Channel 6 proposal – the value of the network.

7. The Channel 6 proposal creates a federal structure to support both regional and UK-wide programme-sharing and advertising sales. As recognised by Ofcom/DCMS analysis, access to a network is a vital element of providing local TV.² Local and network programming are two sides of the same coin – both can support and enhance each other.

How would Channel 6 licences be awarded?

8. ULTV proposes that Channel 6 licences would be awarded by a comparative selection process overseen by Ofcom.³ Licences would be awarded on a geographic basis, enabling local groups (both commercial and not-for-profit) to apply. Licence terms would need to be long enough to allow for a return on investment in the marketing and development of new stations (for instance, in the DDR, Ofcom suggested licences of 18 years minimum duration).
9. Channel 6 operators would have local 'PSB' commitments enshrined in their licences and be subject to regular review and monitoring by Ofcom.
10. Consideration would need to be given to those who may be permitted to hold a Channel 6 licence. By way of example, ULTV would be concerned if an existing Channel 3 licence holder were to become a Channel 6 licence holder. One of the purposes of Channel 6 is to create new competition for TV advertising spots in local markets, not to allow existing operators to entrench their local monopolies.⁴

What licensing conditions would be necessary?

11. In return for gifted regulatory assets, ULTV would expect Channel 6 licensees to be required to meet a range of positive programming requirements focussed on local content. These would need to be determined by public research and consultation but would be likely to include a requirement to provide a minimum quantity of local news and other local programming.
12. Each local TV operator would be expected to offer public service obligations at least to the value of the regulatory resource granted to them. The possible public purposes of local TV have already been sketched out by Ofcom in *Digital Local*.⁵

Who would be expected to apply for Channel 6 licences?

13. The Channel 6 proposal offers opportunities to existing media operators (both commercial and third sector) and others active within the community, such as local authorities or public bodies. Existing RSLs and independent producers might be expected to apply, as might other media operators such as local newspaper or radio groups (commercial and/or community).⁶
14. In radio, there is a clear distinction between 'commercial' and 'community' stations. In local TV, the distinction is unlikely to be so obvious – it is possible services will reflect a hybrid model and a number of stakeholders. Today, many commercial TV RSLs commission productions from local community organisations and universities. It is likely that partnerships would also be

¹ This compares to the value of the regulatory assets provided to Channel 4, which Ofcom estimates at £80m at DSO.

² All references to Ofcom/DCMS analysis relate to Spectrum Strategy Consultants (November 2005), *Final Report Ofcom and DCMS – The economics of delivering local digital audio-visual and interactive services*, London: Spectrum Strategy Consultants (now Spectrum Value Partners).

³ Rather than 're-invent the wheel', ULTV would suggest Ofcom and government use the RSL licence application template as a starting point. This process enabled both commercial and community groups to successfully apply for licences.

⁴ ULTV understands that Ofcom intends to review media ownership regulations in 2009 and would expect early work to help inform the licensing process for Channel 6.

⁵ Ofcom (January 2006), *Digital Local - Options for the future of local video content and interactive services*, London: Ofcom

⁶ ULTV would suggest that holding a Channel 6 licence should not jeopardise independent producer status.

formed between Channel 6 licensees and other local media providers, such as local newspapers, as occurs in other countries.

Would Channel 6 require primary legislation?

15. The Communications Act 2003 (CA03) foresaw there could be a future requirement for a new category of TV licence focused on serving the interests of local communities. The Secretary of State for Culture, Media and Sport (SoS) has the power, under section 244 of the CA03, to present an order to Parliament introducing a framework for local digital television.
16. The SoS also has the power to make an order under section 243 of the CA03. Such an order may specify modifications to sections 7 to 16 and sections 18 and 19 of the Broadcasting Act 1996 (BA96). The requirement to obtain a multiplex operator's consent for new service obligations under section 12(2) of the BA96 is something that falls within the category of modification measures that may be covered by such an order.
17. These powers are known to Ofcom who, by way of example, have recommended the SoS use them to enable the Irish language service, TG4, to gain access to Freeview capacity in Northern Ireland. The same powers could be used to enable local TV to gain reserved access to Freeview in a similar manner.

How much might it cost stations to supply local news?

18. The BBC management's proposal for local video services (rejected by the BBC Trust⁷) were intended to cost £23m per annum once established. This equates to an annual budget of approximately £350,000 across 60 areas (5 areas were also to have a Welsh language service). ULTV members are not privy to the full break-down of the BBC's budgeting and may propose very different cost structures for their own services. However, the BBC has said it intended to employ six video journalists per area creating 25 minutes of new daily content.
19. The business models advocated by ULTV members will inevitably differ from area to area (larger stations might well adopt higher local programming budgets). However, the principle that a small number of qualified video journalists are able to produce an attractive, high quality, daily news magazine is proven overseas and strongly reinforced by the BBC's own proposals. In rejecting the proposals of the BBC management, the main finding of the BBC Trust was that public value is likely to be maximised by a linear service on Freeview, rather than a broadband-exclusive service.
20. The local programme schedule for Channel 6 licensees would be developed following local research and consultation. However, there is a wealth of evidence demonstrating the demand for local news, supplemented by current affairs, sport and information. ULTV envisages that a local news magazine would be one of the flagship programmes produced by Channel 6 licensees. It is possible that a local news programme would be shown several times during peak-times (given the nature of local news, it might be legitimate for this often to be pre-recorded rather than broadcast live).

What else would Channel 6 show?

21. The nature of local TV is that it is not difficult to supplement local news with other programmes at marginal incremental cost. If suitable facilities are available then filming additional programmes, for example interviewing local politicians, sports personalities or other members of the community, becomes a possibility. A local TV station is therefore able to become part of the fabric of a community, providing resources for citizens to produce programmes both for a linear service and for online.

⁷ BBC Trust (November 2008), *Local Video – Public Value Test provision conclusions*, London: BBC

- 22. Crucially, there are often dozens of community organisations, universities, small independents and individuals able and willing to contribute to local TV. Public service content of this nature is not easily discoverable if it is not part of a schedule. The primary benefit of a linear service is that local news acts as a ‘magnet’. A local newscast draws a high reach every day and then allows this to be inherited by other programming.
- 23. A UK-wide network would be able to attract advertising to fund additional programmes, both sourced from its own local station members and acquired or commissioned.

The local TV business model summarised

- 24. Whilst the cost of local news may vary, it is easy to see how a high quality news magazine programme can be produced by only a small number of multi-skilled journalists.
- 25. A news programme could be made up of short packages that are generally gathered and edited that day, and linked by a ‘live’ studio-based presenter. Packages could be expected to contain local interviews that are recorded in ‘real time’, generally eliminating the need for substantial post-production.

Potential costs of a local TV service

- 26. Ofcom/DCMS analysis suggests that a base ‘local news’ channel could break-even on a cost base of as little as £461,000 per annum, breaking down as follows⁸:

| | |
|---------------------------|-----------------|
| Programming costs | £227,000 |
| Distribution costs | £73,000 |
| Sales and marketing costs | £49,000 |
| Staffing costs | £111,000 |
| Total costs | £461,000 |

- 27. The Ofcom/DCMS analysis suggested there could be significant additional cost-savings and synergies by operating a ‘cross media’ and/or ‘network affiliate’ business model. For instance, smaller local TV channels might have field journalists reporting to a news ‘hub’, sharing management, sales staff and premises with the neighbouring local TV station. These all represent cost savings which could be reinvested in programming. Indeed, ULTV anticipates that revenues would permit a significantly enhanced investment in local, regional and UK-wide programming by the Channel 6 network as it becomes more established.

Who would advertise on Channel 6?

- 28. A typical local station business model can be expected to rely, to a significant extent, on local advertising. This is because UK advertising agencies already have cost-effective access to a number of established UK-wide TV services. In contrast, small-to-medium sized local businesses, operating independently from UK chains, do not currently have access to a choice of TV advertising opportunities. It is not generally cost-effective for a local business, targeting consumers within a 30 mile radius, to advertise on any existing digital TV channel.

Almost every country in the democratic world intervenes to ensure there is plurality of TV advertising outlets for local businesses

- 29. Although ITV1 does sell individual transmitters as ‘micro regions’, the vast majority of airtime is bought in bulk by media agencies on behalf of UK brands. A single agency will often commit to acquire airtime on an annual basis. This mechanism ‘crowds out’ local independent advertisers. Advertising in micro regions on ITV1 is generally sold to local firms at a substantial premium to that paid by agencies.

⁸ All references to Ofcom/DCMS analysis relate to Spectrum Strategy Consultants (November 2005), *Final Report Ofcom and DCMS – The economics of delivering local digital audio-visual and interactive services*, London: Spectrum Strategy Consultants (now Spectrum Value Partners)

30. The UK is almost entirely alone in failing to offer independent businesses a plurality of TV outlets from which to choose to place their local advertising spend. This has the effect of pricing television out of the budgets of the vast majority of independently owned businesses.
31. The Channel 6 proposal would address the fact that not one single channel (out of 30+ on Freeview) offers realistic affordable advertising solutions to local businesses seeking to enhance their own profitability.

What might it cost to advertise on Channel 6?

32. Local advertising rates would be set and sold by local stations. As is common in other broadcast media, the best value advertising is likely to be offered to clients signing up to an annual airtime package. This would ensure clients are rotated across all 'time zones' over the course of a week. By way of example, if just 100 companies were to sign up to a 12 month advertising campaign at an average rate of £200 + VAT per week, this would produce a gross annual turnover of £1m from spot advertising alone.
33. Local TV would significantly enhance the range of options for local display advertising, for the first time making TV affordable for many businesses. The modest levels of advertising revenues set out above reflect reasonable expectations for local TV in some smaller areas. Even allowing for sales related costs (e.g. staff commission and commercial production), as well as fixed costs, it is clear local Channel 6 stations can reasonably be expected to deliver a service which is financially viable once established.

Supplementary income for a local TV service:

34. Core local airtime sales would be supplemented by other sources of revenue such as:
 - national advertising;
 - sponsorship;
 - commercial production;
 - teleshopping;
 - network commissions and programme sales;
 - on-screen local listings: births, marriages, deaths, birthdays; property, motors, services;
 - facilities – corporate production and facilities hire to third parties;
 - brand extensions (e.g. events);
 - other platform revenues e.g. internet; and
 - local authority support and public funds (e.g. RDAs, Regional Screen Agencies, lottery funding all of which, in the DDR, Ofcom strongly argued were appropriate bodies to become active in supporting local broadcasting).

Competition between TV, radio and press

35. ULTV recognises the concern of the RadioCentre that local TV could have considerable impact on the revenues of larger commercial radio stations. Of course, for many years these radio stations have benefited from gifted spectrum and it appears unreasonable to suggest localness is not equally worthy of protection on TV. ULTV would welcome partnerships between local TV and local radio (as happens in many countries) which could help enhance the coverage of local

radio news provision. Some radio stations (in both the commercial and community sectors) may wish to apply for local TV licences, either by themselves or in partnership with others.

36. Similar arguments apply to local newspapers. ULTV appreciates the challenges facing the traditional local press business model. There is little doubt classified revenues will continue to be threatened by the growth of internet advertising. The principle of using regulatory assets to encourage local broadcasting is well established worldwide (including the UK, where assets have always supported local and regional broadcasting on ITV1, RSLs and radio). A number of newspaper groups have expressed an interest in identifying a viable business model for video news. Indeed, Trinity Mirror and DMGT have both invested in local cable channels in the past and Newsquest's parent company is a major owner of local TV stations in the US. Local TV offers a new opportunity for local newspapers to develop business models and partnerships centred around local news.
37. Ultimately, fair competition between local TV, local radio and local press is a sign of an effective functioning market. If local display advertisers are able to buy campaigns across a number of different media and platforms then that is an example of public policy working as intended. It is not reasonable to suggest local viewers or advertisers should be denied access to a local channel on Freeview in order to protect the interests of existing local media operators. However, ULTV accepts that ownership regulations should not unfairly disadvantage existing media operators.

The Ofcom/DCMS analysis is prudent and credible

38. ULTV believes the general conclusions arrived at in the Ofcom/DCMS analysis are prudent and credible. By way of example, the chief conclusion that stand-alone local TV services could become profitable reaching a potential population of around 750,000 deliberately ignored:
- the potential benefits of gifted regulatory resources such as reserved multiplex capacity and EPG priority status;
 - the efficiencies and synergies from being part of a UK-wide network sharing resources, programming and region/UK advertising (including the ability to share presentation talent across several news programmes as well as studio and other resources);
 - a wide range of possible synergies and benefits from partnerships with local organisations e.g. cross media cooperation between newspapers and radio or local authorities, public agencies, universities and community groups (the latter potentially supported by forms of public funding);
 - the ability of a local channel to provide targeted programming by scheduling a programme for one area followed by a neighbouring area, enabling smaller DTT transmitters to be aggregated to provide a viable service;
 - the likelihood that the decline in ITV1's audience for existing regional programmes will accelerate as a result of further cut-backs; and
 - the evidence from other countries is that, unlike most UK TV, local TV is not just sold on CPTs to agencies but, frequently, on fixed annual contracts with independent local businesses (as is commonly the case in local radio). Whereas national advertising agencies have access to dozens of digital TV channels, a local advertiser will generally only have access to a small number of effective local TV channels, enabling these channels to charge a significant premium to the CPTs obtained by digital channels operating in the UK advertising market.

Local TV could be viable anywhere

39. The Ofcom/DCMS analysis did not seek to provide any advice on how a local TV transmission map might be configured to cover the UK's metropolitan, urban or rural areas. However, it goes

without saying that some DTT transmitters could be combined with neighbouring transmitters to generate larger audiences in rural and semi-rural areas, should this be considered beneficial.

40. As the Ofcom/DCMS analysis concluded, it is access to DTT which makes or breaks the local TV business model. As the analysis also suggested, a handful of stand-alone channels operating in isolation on an 'ad hoc' basis is the **least likely** model to achieve the true potential of local TV. With coordination and planning, a UK-wide network could be established enabling resource sharing and sales synergies of substantial benefit to operators.

There are a variety of business models for local TV

41. The reality is that there is a variety of business models for local TV which are robust. These include fully commercial models, third sector including access to grant or voluntary funding and municipal-supported models (such as KENT TV). These models are not mutually exclusive. For example, existing commercial RSLs often work with universities and community groups.
42. Ofcom is aware that considerable funding is already available which could, potentially, be used to support the production of content for local TV services. Over the years, there have been a wide range of examples of media projects which have been funded from different public sources including local authorities and the National Lottery (on example being the Youth FM initiative awarded a lottery grant approaching £1m in 2000).
43. ULTV would welcome a Channel 6 licensing regime which encourages a variety of business models to develop, suited to the individual locality. The benefits of a network sustaining service is that it enables local Channel 6 stations to offer different levels of local output to suit their local circumstances.

Facilitating citizen journalism and programme-making

44. In many parts of the UK, there is already an existing informal network of community media makers and facilitators, often with a background in professional media, bringing community development as well as media skills to local community production groups. Already, there is a range of community-produced programming (rarely broadcast) which has been the recipient of awards, its value in supporting citizen voice and empowerment recognised by a large number of funding bodies.
45. ULTV's ambition is to develop a network of citizen reporters. Local TV can be expected to engage significant numbers of volunteers in the development and production of content, including forming partnerships with community media groups and networks such as CSV to provide training and support for a UK network of community based reporters.

What would be the role of the Channel 6 network centre?

46. ULTV envisages Channel 6 licensees would be equal members of a not-for-profit company (or possibly form or work with a trust) responsible for operating the network centre.
47. The main purposes of the Channel 6 network centre would be to:
 - work with relevant stakeholders to represent the interests of Channel 6 licensees;
 - coordinate UK-wide press and publicity;
 - assist in negotiations with suppliers;
 - provide network programming and a sustaining service;
 - sell national agency advertising (probably contracted to an existing sales house) on behalf of participating licensees;

- establish partnerships with third parties, for instance potentially facilitating opportunities for UK/global news networks to feed into Channel 6 licensees for 'breaking news' and distributing formats and programmes on behalf of licensees;
 - coordinating training including opportunities to develop a UK-wide network of citizen reporters and grass roots accessibility to the network structure;
 - forge a close alliance with the BBC and establish partnerships where relevant and appropriate; and
 - offer commercial services to members such as web streaming.
48. It is likely there would be additional network synergies agreed between Channel 6 licensees themselves (e.g. resource sharing, shared studios between neighbouring licensees, shared presentation talent) independent of the network centre.⁹

Who would run the network centre?

49. ULTV envisages the network would be overseen by a board of directors made up of executives and non-executives with appropriate broadcasting experience.
50. In order to minimise initial set-up costs, it is obviously an option for the running of some or all of the network's functions to be contracted to a third party including, potentially, an existing broadcaster or producer. For example, the likelihood is that sales would be contracted to a third party but it is also conceivable that partners would be appointed to oversee other management functions on a revenue or profit-share basis. Whilst this would have parallels with the 'affiliate' system in the US, it is perhaps reasonable to expect Channel 6 stations to choose to maintain significant elements of control over the running of the network.
51. ULTV envisages that the BBC could play an important role in supporting the Channel 6 network centre, subject to appropriate oversight. ULTV would welcome the opportunity to discuss partnership opportunities further with BBC management.

What types of programmes would be networked?

52. In most countries, local TV services do not solely carry local programmes. Whilst the 'unique selling point' of a local channel is its local content, it is clear that the popularity of a local channel can also be exploited to attract audience to other programming, including public service programming, which might not otherwise be easily discovered or available to a terrestrial audience.
53. The Channel 6 network schedule would inevitably allow for much greater flexibility and freedom than the ITV network. Whilst the use of network programming might largely be left to the discretion of local stations, the nature of local TV is that it will produce quality arts, cultural, religious, environmental, wildlife, health, educational and other factual 'PSB' programming which lends itself to a wider distribution than the original local audience it was created for.
54. With valuable Freeview capacity and priority EPG status, it is likely Channel 6 would be able to form partnerships with other content-owners to show their content (potentially on a revenue share basis). It is expected that the Channel 6 network centre would be the primary source of non-local programming but, of course, licensees would also be free to obtain non-local programming from other sources.
55. The main remit of the network would be to seek to identify interesting and underserved content currently denied a terrestrial outlet. This would not preclude commercially attractive

⁹ By way of example, NvTv, the RSL for Belfast, already participate in programme sharing arrangements with local TV services in the Republic of Ireland.

programming, potentially funded by innovative partnerships with programme-makers (e.g. offering a share of advertising revenues). It is also likely that Channel 6 would provide a secondary outlet for a large number of content owners (such as independent producers) seeking to monetise their libraries.

How would network programming be sourced?

56. It is anticipated the network would acquire original programming from three primary sources:
- commissions from Channel 6 licensees and third party producers (with a remit to ensure no one programme supplier dominates the network);
 - affiliations with other networks (existing sat/cab channels, overseas networks seeking a UK terrestrial outlet); and
 - partnerships with existing programme-makers and aggregators including Channel 6 licensees, community media practitioners, independent producers and publicly-funded services such as the Community Channel (who already source programming from the BBC and other broadcasters), Teachers TV and, potentially, a new Scottish Channel.
57. It is to be expected that local stations would want to contribute to the network schedule and would be incentivised to do so.
58. Many independents produce programmes for the terrestrial networks which are rarely seen again once broadcast. It is likely a number would welcome the opportunity to obtain a further terrestrial broadcast, potentially on an innovative revenue-share basis. Some existing already RSLs show programmes supplied for 'free' on the basis they agree to advertise DVDs or related merchandise. ULTV encourages Ofcom not to devalue the importance of the Channel 6 network centre not only to Channel 6 licensees but also, potentially, as a secondary outlet for independent programme makers.
59. ULTV would support, in principle, establishing a Channel 6 licence condition for a minimum number of hours of non-local content to meet certain public purposes which would, in effect, require licensees to ensure the network centre is adequately resourced.

Who would 'profit' from the network centre?

60. All Channel 6 licensees would have their interests aligned in ensuring the network is financially successful. The proceeds from the network, net of costs, would be redistributed amongst member stations (with incentives for strong delivery of Impacts). Furthermore, individual stations would have opportunities to insert local spots within network breaks. All stations would therefore benefit from network programmes being popular and successful and from cross-promoting the network schedule.
61. As the overseas experience demonstrates, most local TV licensees are willing to voluntarily join a network without any element of compulsion or regulatory intervention. It is likely the same would be the case for Channel 6 licensees. The Channel 6 network would, in effect, be a joint venture between all participating Channel 6 licensees and disputes appear unlikely. However, if there is one major dominant operator within any network this can lead to risks. For that reason, Ofcom may wish to give consideration to retaining the right to arbitrate in the case of disputes between licensees and the network.

A complementary internet platform

62. ULTV believes that, the more local programming is available on linear TV, the greater the likelihood that people will use the internet to gain further information about what they have seen. Linear TV and internet are increasingly converging, but in a manner that is often complementary to existing forms of provision. Channel 6 licensees would be well placed to promote and drive traffic to local online resources from a range of providers.

Channel 6 could launch as early as 2010

63. ULTV advocates the launch of Channel 6 as a matter of urgency.¹⁰ If the Government indicates an intention to consult on a Local TV Order in early 2009, Ofcom could simultaneously start to consult on a transmission map and licensing procedure. This process would encourage applicant groups to formulate their plans and licences could start to be advertised and awarded before the end of the year (Ofcom would need to decide whether to award all licences simultaneously or in rounds).
64. Both the network centre and local stations would obviously require time to prepare for launch. During this period, a UK-wide 'holding' service could be provided on Freeview by partners such as The Community Channel or Teachers TV. This could be replaced on an area-by-area basis as and when stations are ready to launch.
65. ULTV urges Ofcom and government to ensure Channel 6 is fully established and operational well before DSO. Ofcom has indicated its next PSB Review is likely to be in our around 2011, if only to review ITV1's post-DSO commitments. The government is also expected to review the BBC licence fee settlement around this time.
66. ULTV would want to see Channel 6 fully operational by the time of the next PSB Review, able to inform ongoing policy decisions. ULTV would not want to wait until ITV plc chooses to walk away from regional programming for thought to be given to establishing a more local form of provision.

A 'sixth' public service network

67. ULTV argues that a 'sixth' public service network could:
- be operated by local companies in local areas throughout the UK, enhancing production, employment & advertising opportunities;
 - provide local news & information targeting at 50+ local areas – as well as dedicated programming for the UK's nations and regions;
 - develop programme-sharing and networking arrangements to enhance the provision of under-served public service content including educational, arts, cultural, social action and religious programming;
 - promote media literacy, participation and active citizenship, including supporting and facilitating citizen access to media; and
 - end the monopoly of the incumbent PSB operators over universal multiplex capacity, enhancing plurality of broadcast outlets in the interests of viewers and advertisers.

United for Local Television
4 December 2008

¹⁰ To enable Channel 6 to launch pre-DSO, ULTV suggests that one of the three video streams used by the BBC for its 'red button' interactive services is re-assigned by Ofcom.

Just some of the benefits of Channel 6...

- Local TV available near-universally to all UK citizens – no one denied access to local news & information on their main TV set
- Long-term security of tenure – an incentive for operators to invest in programming & marketing of new services
- Public participation and democratic engagement – providing a voice for local communities contributing to social inclusion, neighbourhood renewal, citizens' participation, local democracy and lifelong learning, promoting citizenship and civil society
- One channel (out of 30+ on Freeview) offering affordable advertising to local businesses – helping independent businesses compete and grow
- UK-wide networking synergies exploited – a network of licences on a size and scale to be viable
- Encouraging access to local public services – promoting education and events in the community, opportunities for long-term partnerships with local authorities, universities and RDAs
- Employing, training and work placements across all parts of the UK
- Meeting audience demand – enhancing the plurality of public service broadcasting available to all citizens

We Believe

- In a free and fair society at least one channel should be a local channel representing the views and opinions of local people.
- Local TV, more than any other resource, has the potential to educate people about the issues that directly affect their lives.
- The evidence of demand for both local TV and enhanced SD plurality on Freeview is overwhelming.
- Ofcom and government must now work together on a local TV order, introducing a 'sixth' public service network throughout the United Kingdom

Further information

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|---------|---|
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Annex

ABOUT UNITED FOR LOCAL TELEVISION

United for Local Television (ULTV) is an umbrella group representing a broad range of local television practitioners, advocates and voluntary organisations from the commercial, community and municipal sectors.

United for Local Television believes the potential economic, social and democratic benefits of local TV are of such a magnitude that a new network should be granted 'public service' status with guaranteed access to Freeview capacity alongside incumbent PSB operators.

United for Local Television further believes access to interleaved frequencies must be protected by Ofcom (or any future Band Manager) to enable local TV to develop smaller-scale services at the hundreds of DTT relay sites in use across the UK.

DISCLAIMER

ULTV policy documents are approved by the ULTV Management Committee representing a cross-section of the ULTV membership. The purpose of ULTV is to represent the consensus views of its membership. Whilst all ULTV members are committed to the aims and purpose of the coalition, it should not be assumed that all members will necessarily agree with every view or opinion expressed within consultation responses.

FULL ULTV MEMBERS (DEC 2008)

Local TV Restricted Service Licence (RSL) holders – ULTV represents 13 out of 14 of the current RSL licences issued:

- Capital TV, Media4Creative (1 RSL – Cardiff)
- Channel 9 TV, North West Television (3 RSLs – Derry, Coleraine, Limavady)
- MATV, Midlands Asian Television (1 RSL – Leicester, Virgin and Sky)
- SIX TV, Milestone Group (5 RSLs – Oxford, Fawley, Southampton, Portsmouth and Reading)
- York TV and Norwich TV, EBS Newmedia (2 RSLs – York and Norwich)
- NvTv, Northern Visions (1 RSL – Belfast)

Community and local TV operators and campaigners:

- Association of Community Television Operators (ACTO)
- Channel Seven Television
- Community Media Association
- Media Access Projects Scotland
- Institute of Local Television
- Mimir-Rushes
- Peter Williams Television
- Rural Media Company
- Somerset Film
- Soutwark TV & Community TV Trust
- Station House Media Unit

PUBLIC VOICE AND ULTV

Public Voice is the UK's leading coalition campaigning for citizen's interests in communications policy. United for Local Television has established a working agreement with eight members of the Public Voice Steering Group to cooperate and campaign on local TV issues in 2008. The terms of the working agreement state that "*Public Voice and ULTV believe that in a free and fair society at least*

one channel should be a local channel representing the views and opinions of local people.” On the ground a number of organisations represented by Public Voice members work with existing RSL licence holders.

Public Voice Steering Group Members:

- Association of Chief Executives for Voluntary Organisations
- Broadcasting Support Services (BSS)
- Community Media Association (CMA)
- CSV (Community Service Volunteers)
- Media Trust
- IBT (International Broadcasting Trust)
- National Council for Voluntary Organisations (NCVO)
- Timebank