

Local TV licensing

Programming commitment delivery

Introduction

In 2012, a new licensing regime was created for local TV services with the objective of securing the provision of local content to meet the needs of audiences within the area or locality for which the services are licensed. These objectives are underpinned by the criteria for a local digital television service ('L-DTPS') that are set out in statute, as well as the programming commitments that form part of each L-DTPS licence. The programming commitments reflect how the licensee said it will fulfil the statutory criteria, either in its licence application or as agreed with Ofcom following a request to change them.

Last year, Ofcom conducted a monitoring exercise to understand how licensees are currently meeting their programming commitments, and identified certain practices and programming which have led us to issue this reminder to licensees about the guidance we published that set out our expectations for local TV services.

Forthcoming renewal process for L-DTPS licences

The licences for all 34 local TV services currently operating across the UK are due to expire on 25 November 2025. The Government has set out its intention to introduce a conditional licence renewal process which will require Ofcom to consider the licensee's performance and only to renew if it is satisfied that the licensee will meet its regulatory obligations in the next licence period. Ahead of that process, it is important that licensees review their current programming in the light of our guidance to ensure that they are fulfilling their programming commitments and delivering a service which meets the statutory criteria.

Ofcom's regulatory framework

The statutory framework for awarding licences for the local TV channels, and the obligations to be met by licensees, are set out in the Broadcasting Act 1990, the Broadcasting Act 1996, and the Communications Act 2003 as amended by the Local Digital Television Programme Services Order 2012 ('the Order').

Article 3 of the Order sets out the criteria that characterise a L-DTPS service. Licensees should satisfy themselves that the service they are offering meets these criteria, as set out in their programming commitments. Specifically, the service must be intended for reception only within a particular area or location and must:

¹ https://www.gov.uk/government/consultations/consultation-on-the-renewal-of-local-tv-licences/outcome/government-response-to-the-consultation-on-the-renewal-of-local-tv-licences

- meet the needs of that area or locality;²
- broaden or be likely to broaden the range of television programmes available for viewing by persons living or working in that area or locality;³
- increase or be likely to increase the number and range of programmes about, or made in, that area or locality that are available for viewing;⁴
- include a range of programmes which facilitate civic understanding and fair and well-informed debate through coverage of local news and current affairs, reflect the lives and concerns of communities and cultural interests and traditions in that area or locality, and include content that informs, educates and entertains and is not otherwise available through a digital television programme service available across the UK.⁵

In our statement, <u>Licensing Local Television</u>, in 2012 ("the Statement"), we gave guidance about the types of content and scheduling that we expect in local TV services in light of these criteria.⁶

Local news content

We said in the Statement "audience research consistently shows news as the most valued type of local content across the UK, and it is the clear policy priority of Government that this should be at the centre of local services".⁷

Whilst we recognise that there will be many acceptable types, and means, of providing news content for the benefit of the local audience, <u>local</u> news should remain at the centre of local TV services and be sufficiently targeted at catering to the tastes, interests and needs of some or all of the different communities living and working in the area served by the relevant licence.

Licensees are reminded in particular of the following guidance in our Statement:

• In relation to the inclusion of national or networked news: "As the licence is for a local television service, the most important element of news provision should be local news...Bulletins should seek to reflect the interests and concerns of those living in the area...Simply localising UK-wide news (e.g., by conducting vox pop interviews or inserting local place names into UK-wide stories) without local news/information generation would not be regarded as a valid approach to fulfilling local news requirements". Whilst it may on occasion be acceptable to report national or networked news, particularly where stories have a local connection or are relevant to a local community, news bulletins should not habitually comprise national or networked stories with little or no localisation. As we said in the Statement, "Our concern would be if it was a regular approach by a local service simply

² Article 3(2)(b). Article 3(3) provides that a service shall be taken to meet the needs of an area or locality if, and only if:

its provision brings social or economic benefits to that area or locality, or to different categories of persons living or working in that area or locality; or

it caters for the tastes, interests and needs of some or all of the different descriptions of persons living or working in the area or locality (including, in particular, tastes, interests and needs that are of special relevance in the light of the descriptions of persons who do so live and work).

³ Art. 3(2)(c)

⁴ Art. 3(2)(d)

⁵ Art. 3(5)(a)-(c)

⁶ For our final guidance relating to news and current affairs see paragraph 6.30 on page 68 of the Statement

⁷ Paragraph 6.25, page 68

- to report the national news with a minimal local insertion, particularly if that appeared to be a cheap substitute for local reporting".8
- In relation to 'softer' local news: "Local news can contain local sports stories but these should not be the main component of news. Similarly, entertainment news or 'softer' local content such as 'what's-on' may be relevant locally but should not be the main ingredient of bulletins or replace local journalism". It remains our position that news on local TV services should be journalism-led and 'softer' types of news, such as entertainment and sport, should not routinely be the primary component of local news programming.⁹
- In relation to updating local news: "Local news should be high-quality, relevant, timely and accurate...A station should be able to react on-air to major local events in a timely manner. Bulletins should reflect the interests and concerns of those living in the area. Local news stories should be up-to-date and regularly refreshed." This does not mean that we expect licensees to produce novel news content throughout the day to deliver their quota. As we said in our guidance, four 15-minute news bulletins, provided they are updated throughout the day, would count as an hour of broadcast news. On the other hand, it is not sufficient to repeat stories from previous days or rejig the order of stories without updating or refreshing the content. Where this is done, it is unlikely we would consider each repetition to count towards a first run local news and current affairs quota.
- Our guidance said that local news should be high-quality and emphasised the importance of local news reporting and local journalism. Given this, programming commitments in relation to local news content cannot be fulfilled primarily by information screens or ticker tapes of local news headlines, weather and traffic information.

Local news scheduling

Programming commitments may require licensees to broadcast local news in peak hours and, in addition, our guidance highlighted that local content should be broadcast at times when the audience is more likely to be watching. As we said in the Statement:

'the primary purpose of these local services is to broadcast local programming, and it would be at odds with the public policy goal if most or all local programming was scheduled when viewing is at lower levels, and networked or national programming when viewing is at higher levels '11

This is especially true in the case of local news which, as noted, we would expect to see at the heart of local TV services. Therefore, even if the licence does not specify particular hours of broadcast for a licensee's local news quota, we would not generally consider it appropriate for licensees to meet this by broadcasting such content overnight (i.e. between 00:00 and 06:00).

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⁸ See paragraphs 6.22, 6.23 & 6.30 on pages 67-69 of the Statement

⁹ See paragraphs 6.18-6.19, 6.24-6.25 & 6.30 on pages 67-69

¹⁰ See paragraphs 6.31 & 6.34 on page 69

¹¹ Paragraph 6.38, page 70

Other local content

As we said in the Statement, we recognise that other types of local content can be important in delivering a service that caters to the tastes, interests and needs of the local audience, and this may be especially so in certain areas, given the range of alternative services available.¹²

However, when licensees are selecting local programming content to meet their programming commitments, they should bear in mind the statutory criteria of a L-DTPS and consider whether the content in question will contribute to their fulfilment. For example, we would not expect that archive programmes from other broadcasters would be counted towards programming commitments. For content to be considered towards first run 'hours of local programming per day/week' we would expect programmes to have been made or commissioned by or for the relevant L-DTPS, <u>and</u> to have not been previously shown on television in the United Kingdom. Further, we would not anticipate that archive programmes would contribute to the fulfilment of the statutory criteria, given that services should:

- broaden or be likely to broaden the range of television programmes available to viewers in the area;
- increase or be likely to increase the number and range of programmes about, or made in, that area or locality;
- provide content that is not otherwise available through a digital television programme service available across the UK.¹³

Our monitoring exercise also identified that some licensees are including simulcasts of local radio streams with visual content as part of their local content offering. It would not be appropriate for licensees to use this as the primary means of meeting their programming commitments and this should form only a small part of their overall local programming offering. Where they do so, we expect licensees to satisfy themselves that the content is consistent with their programming commitments and the regulatory framework, for example by considering whether the radio stream is augmented with varied visual content so that it increases or broadens the range of television programmes available to viewers in, or about, the local area on an on-going basis.

Ofcom's approach to Programming Commitment delivery

The extent to which licensees have complied with their programming commitments will be relevant to the forthcoming renewal process, given that it is intended that Ofcom will be required to consider the licensee's performance and to only renew if it is satisfied that the licensee will meet its regulatory obligations in the next licence period. It is important therefore that licensees make sure they are delivering their programming commitments as set out in their licences. Quotas are generally set on a weekly basis, averaged across the year, and we typically monitor them through our annual returns process, whereby licensees report the number of hours of local programming and

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¹² Paragraph 6.25 on page 68 of the Statement.

¹³ Similarly, it may also be possible to use online content that has not previously been broadcast in order to produce local content, provided licensees have satisfied themselves that content is consistent with the statutory criteria of a L-DTPS.

local news and current affairs content (both peak and off-peak) broadcast over the previous calendar year. The averaging of the weekly quotas over the year allows licensees a lot of flexibility in how they schedule their local content. However, licensees must ensure that they do meet their average weekly quota over the course of the year (and we would not expect long periods of time with little or no local programming at all), and can demonstrate that to Ofcom. We would expect licensees to keep a record of what local content they have broadcast each week, particularly where there is a lot of variation in a licensee's schedule, to help licensees to monitor how they are delivering against their local content quotas and, where they are not, in order to make adjustments to their schedule to make up any shortfall elsewhere and to show Ofcom how they have done so if required.