

Mr Oli Bird
Content, Consumer and External Affairs
Ofcom
Riverside House
2A Southwark Bridge Road
London SE1 9HA

Our Ref: 2040.OB-Ofcom.CMCL

15/03/2013

Dear Mr Bird

2040 Channel 3 and Channel 5 proposed programming obligations: Consultation response

The Isle of Man Communications Commission is a Statutory Board of the Isle of Man Government. The Commission is responsible for licensing and regulating telecommunications and broadcasting on the Isle of Man under the Telecommunications Act 1984, the Radio Masts Regulation Act 1988 and the Broadcasting Acts 1993 to 2007 (all of Tynwald). The Commission also has a statutory duty to keep under review programme services received in the Island and the quality and content of those services, and to further the interests of the Island in this respect.

For the purposes of regional coverage on ITV, the Isle of Man is part of the northwest region served by Granada. The Island was previously included in the Borders region, and was content with the coverage provided by them. However, following the Tyne Tees merger in 2009, the Island felt compelled to change its previous arrangement because, amongst other reasons, the proposed merger between Border and Tyne Tees would result in local news bulletins that were based too far from the Island to be relevant, which wasn't seen as being in the Island's best interest.

There has been a reduction over the years in ITV's regional and local programming elements of its PSB obligations. Granada has fared worse than most out of these endeavours. Average hours of regional programming per week in Granada have decreased significantly (by over 40%) since 2005. Indeed, looking at figure 2 in the Ofcom report (p14), the average hours of regional programming per week is less for Granada than the devolved nations.

The latest proposals for Channel 3 licensees' regional and local programming put forward in the Ofcom consultation would result in a further decrease in regional output for Granada. Further to this, the consultation's proposals represent a distinct worsening of regional and local services for Granada, without any compensating advantages. The consultation lists the point made by "some Channel 3 licensees" that "amendments to their regional programming commitments would help to

ensure the long-term sustainability of such content." This is accompanied by the proposal from ITV plc that "the regional news services that resulted from merging news services in 2009 should again become more localised services. However, to offset the cost of this change, the amount of regional content required in each of its English licences (including Border) would be reduced" (paragraph 1.10). While this proposal, in its proposed reversal of the 2009 regional news service merger, is something of a vindication of regional representation as one of the core PSB duties of Channel 3 licensees, and a return to the pre-2009 services will be seen as a benefit for many viewers across the ITV regions, these benefits are not universal across all regions.

As stated above, the average hours of regional programming per week is already less for Granada than for the devolved nations. However, as Granada has never had any sub-regional opt-out provisions, the proposed changes will simply result in less local content and no increase in the localisation of this content – i.e. there will be no "offsetting" increase in regionalisation, as proposed by Ofcom in their consultation (see paragraph 3.24). Ofcom considers it "likely that viewers would prefer restoration of more local services, and this may be a better trade-off than retaining the status quo". However, no recognition is made that the proposed "trade-off" offers no compensating benefit whatsoever to viewers in the Granada region (and the Isle of Man).

All other nations and English regions will have substantially more localised coverage under the proposed changes. Furthermore special consideration is given to the Channel Islands. The Consultation states that Ofcom "considers that these proposals reflect a reasonable balance between the demands of a news agenda driven by the specific geographical and constitutional circumstances of the Channel Islands, and the fact that the small size of the Channel Islands population compared to other Channel 3 regions significantly limits the amount of advertising revenue ITV can earn from this service." However, no similar consideration is given of the population of the Isle of Man, which has the same constitutional status as the Channel Islands, or indeed those of the other sub-regions of the Granada franchise, who would see a simple reduction in regional content with no compensating development of localisation.

The Isle of Man Communications Commission urges Ofcom to consider these points and to reconsider its blanket approval of ITV's proposals, with a view to ensuring the continued coverage of areas in the British Islands (such as the Isle of Man) with unique cultural and constitutional significance. The Granada region is clearly different in its local structure and this must be taken into account when considering ITV's proposals to reduce regional coverage without any compensating increase in localisation.

I am very happy to meet with you to set out the Island's case more fully.

Yours sincerely,

A handwritten signature in black ink that reads "Carmel McLaughlin". The signature is written in a cursive, slightly slanted style.

Dr Carmel McLaughlin
Director