

Ofcom,
Riverside House,
2A Southwark Bridge Road,
London SE1 9HA
FAO Anthony Szykaruk, 5th Floor, Content and Standards Group,

By e-mail: anthony.szykaruk@ofcom.org.uk

30 April 2009

Dear Sirs,

Review of ITV Networking Arrangements 2008

We write in response to the Consultation entitled “Review of ITV Networking Arrangements 2008”

The Review asks respondents to give their opinion on the options it presents. Shine TV very much feels that none of these options are particularly satisfactory and favours maintaining the status quo. The present system works well. The non-ITV plc companies have proven themselves to be reliable in conducting their compliance services to independent producers with Channel Television, who as Ofcom themselves report in this Review, currently comply 60% of independent productions. The report further demonstrates that Channel have not been subject to a fine save in respect of regional commissioning which is not relevant here.

The above speaks for itself and we fail to understand the benefit of any of Ofcom’s options presented in this review. Change for change’s sake seems unnecessarily disruptive to a system that works very well as it stands.

Amending the indemnity provisions and allowing Ofcom to impose fines on all of the ITV companies does nothing beyond placing an arguably unreasonable burden on the non-ITV plc companies when conducting their compliance services in a manner which is proven to be excellent. It is not reasonable to expect that Channel, uTV and STV would be in a financial position to indemnify the other ITV companies and makes their risk of carrying out compliance untenable. There is an appreciable concern that advice may be rendered for financial reasons which is unnecessarily risk averse. In addition, where ITV companies comply a programme, each of the ITV regional companies will have to supplement their work to avoid being fined themselves, which given the track record to date, imposes a significant risk. We are advised that both risks are uninsurable.

Regarding transferring the compliance functions to ITV centrally, again we see no benefit to this. In our experience, using the compliance function of Channel Television delivers

balanced and impartial advice regarding the compliance needs for our programmes, without any risk of conflict with the potentially competing objectives that may exist in ITV as a whole. In any event, given that a significant part of Channel's income arises from compliance work, this action may do nothing more than cripple an excellent service provider without any tangible benefits to the system – and may, in fact, have unintended consequences that harm the system as it now stands.

Yours faithfully

For and on behalf of
Shine Television