Ed Richards
Chief Executive
Ofcom
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12 November 2008

Dear Ed

PSB REVIEW

We are writing to you on behalf of the Performers' Alliance Parliamentary Group in response to phase two of the Ofcom Review of Public Service Broadcasting (PSB).

Our group was established to work alongside the trade unions of the Performers' Alliance (Equity, the Musicians' Union and the Writers' Guild of Great Britain) and has been active on a range of issues that affect the members of these organisations and those working in the broadcasting and entertainment industries.

We would like to register our strong interest in a healthy system of PSB, as supporters of high quality original production from a range of providers. In particular, we believe that ITV, Channel 4 and especially the BBC remain the most important sources of home-grown TV production.

These public service broadcasters are not only essential in meeting the demands of audiences – but are also the nation's most significant employers of actors, writers, musicians and creative talent. In particular the BBC plays a key role as the cornerstone of PSB, providing a broad range of programming for audiences and supporting the creative industries. The BBC is the biggest employer of performers in the UK and the main provider of education and training.

The role of the main broadcasters in original production is also vital because – despite the explosion of new channels – the vast majority of television production in the UK still comes from these main broadcasters. As Ofcom has noted in its own research, only 10% of spending on UK production comes from other digital and satellite channels broadcasters.

We believe that Ofcom should reconsider whether "light touch" regulation is the best model for maintaining and strengthening UK television production. At this time, we need decisive action aimed at protecting and encouraging original UK production, which reflects the lives of the UK population.

Failure to act will mean there is a real danger that we will lose the programmes which audiences value most highly. Challenging drama, original comedy and children's programmes made in and about the UK will disappear from our screens (along with recent cuts in local news).

For example, actors with a few years in the business believe that quality drama on television is on the decline: the single TV drama is all but dead, proper rehearsal is almost unheard of, great TV moments such as *Cranford* are becoming a rarity. Without regulation which aims to support UK drama production, this slide will continue.

Ofcom's objective must be to seek to maintain and strengthen existing public sector broadcasting commitments, so we continue to get high-quality original TV from a range of providers. In particular, ITV must be able to continue to provide high quality British programmes with a distinctive public service element. Whereas Channel 4 should be able to commission risky, innovative and challenging work to complement and compete with the larger and better funded public service broadcasters.

Both the BBC and commercial channels should be encouraged (and enabled) to provide great British programmes in the digital age – without having to resort to undermining the funding of the BBC. To do otherwise will lead to a further decline in the quality and quantity of original UK production.

We believe that Ofcom's current approach and the existing legislative framework could be seen as providing too much flexibility and too few obligations. It also appears to be dictated by the short term commercial interests of some broadcasters (particularly ITV). This is evident from the changes to regional news – but also from the proposals to reduce regional production and the lack of intervention to support children's programming.

In our view it is important that a range of broadcasters continues to produce these UK public service programmes. The broadcasters that are currently best placed to meet the demand for original UK production are BBC, Channel 4, ITV and in certain areas Five.

These principles mean that we believe that Ofcom should support what it calls "evolution" of the UK broadcasting system, rather than a narrowing of provision to the BBC and Channel 4 only, or the introduction of a new bureaucratic agency to distribute funding.

If extra funding is needed to support high quality production it should come from the sale of spectrum available once the UK switches to a fully digital television signal. In addition further work should be done to evaluate the potential contribution from levies collected from organisations such as cable and satellite broadcasters or internet service providers (ISPs), which benefit from public service content.

Sharing or "top slicing" of the licence fee and undermining the BBC must be rejected, as it provides no extra revenue; weakens the BBC; and blurs its link with licence fee payers. Similarly, gifting BBC Worldwide (or its profits) to Channel 4 is complicated measure that also reduces funding for core BBC services. However, it is possible that more could be done to examine the value of partnerships with the BBC.

We hope that you are able to take these points into consideration during your deliberations on the PSB review.

Best wishes.

Yours sincerely

NEIL GERRARD MP

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Secretary