

# **Ofcom's Second Public Service Broadcasting Review**

## **Phase One: The Digital Opportunity**

### **BlackAntenna Response to Phase One**

#### **Section 3      How well are the public service broadcasters delivering public purposes?**

***3(i) Do you agree with Ofcom's assessment that television continues to have an essential role in delivering the purposes of public service broadcasting?***

As a recently established trade association for BME professionals working in the media, we agree with your deliberative research which indicates the importance of PSB television as an agent for promoting understanding across the different communities that make up modern Britain. We also recognise your findings that ethnic minority audiences are disproportionately disengaged from public service broadcasting and we believe this represents a profound danger to future social cohesion.

Over the past 30 years public service broadcasters and regulators have repeatedly failed to address the principal causes of this disengagement: a lack of cultural diversity in the content of programmes and a scandalous lack of diversity in the people who produce and commission programmes. The current review of PSB offers an opportunity to change that.

- We are of the view that public broadcasting in the case of the BBC, its role as a commissioner, producer and publisher needs a root and branch review concerning race and broadcasting in the UK. The BBC commissioning system, its culture and practice requires public scrutiny. Ofcom could enable this open debate and scrutiny within the context of a mid-term review of the current BBC Charter.
- We continue to believe that a new PSB ecology may best be developed, and the public interest served by having the licence-fee pot distributed by a new PSB Trust covenanted to deliver Ofcom Public Service Purposes.
- Commissioning at the BBC should become an arms-length entity charged with delivering a PSP-driven Cultural Plan.
- We believe that Channel 4 should not receive an increase in its PSB funding as it too has failed to deliver on diversity, which was after all one of its founding *raison d'être*. We also believe that should Channel 4 receive enhanced PSB funding, that funding should be dependent on the channel meeting stringent targets on representation on screen, in its

own workforce and in the number of programme hours commissioned from BME-owned production companies.

- Channel 4 should also be subject to a major review of past performance on delivery on diversity, and that review should include representatives of BME communities and producers. Channel 4's own recent research indicates that BME audiences are profoundly dissatisfied with its performance on representation. We have recommended development options that we feel are necessary to future success. We have offered our thoughts later on in this response to the Phase One Review.

***3(ii) Do you agree that UK originated output is fundamental to the delivery of public service broadcasting purposes?***

UK-originated output is fundamental to a plural public service broadcasting system that is relevant for 21st century UK society and for our continued relevance to the world's social and cultural development.

The development and production of content to meet the audience needs of the UK's diverse cultures and communities in a devolved UK – and emerging synergies with multi-platform media - will mean that the management culture and behaviour within the television industry must be subject to dramatic step-change.

We believe from experience that audience needs cannot be truly met unless the BBC and all broadcasters licensed by Ofcom to provide public service are subject to necessary scrutiny on three fronts during the consideration of Ofcom's review: commissioning personnel and processes; the procurement of multi-platform content from independent production companies in the light of fair business practices shaped by equal opportunity and diversity; and channel innovation, content development, management and scheduling.

- We believe that targets or quotas for content produced by UK based BME-owned production companies may have to be part of the overall diversity strategy for PSB in the future. Targets may need to have the status of a deliverable upon which PSB funding is predicated. Failure to deliver would lead to funding being withdrawn. BME producers and audiences should have a role in determining and monitoring those targets or quotas. Given the failure of the television industry voluntarily to achieve fair representation of BME communities on screen and production personnel in employment and through commissions, this may be the only way to help build an economically viable BME production sector committed to and capable of delivering quality content with a genuine PSB ethos.

## **Section 4    The changing market environment**

### ***4(i)    Do you agree with Ofcom's conclusions about the way that other digital channels' interactive media contribute towards public service?***

We are in agreement with Ofcom about the way other digital channels and interactive media contribute to public purposes. However, to achieve these public purposes Ofcom and Government should investigate ways of ensuring that future investment culture and practices enable a plurality of content providers and creative management. We believe that the market can innovate, but it needs to embrace paradigm shifts in content supply to synergise with audiences beyond the current orthodox notions of 'audience choice'.

A significant proportion of other digital channels are not available on Freeview and their contribution to public service is limited accordingly. It is also easy to overstate the contribution being made by some digital channels to public service. As a small example, the Community Channel transmits for a very limited time per day, consists mainly of repeats of programmes originally broadcast on mainstream channels, and is unable to accommodate the huge diversity of third sector organisations' interests, priorities or output. Care needs to be taken that the volume and quality of PSB content provided by other channels genuinely adds significant value to the present situation.

We agree with Ofcom that the situation needs bold iteration. Currently, public service broadcasters are engaged, whether consciously or unwittingly, in a form of cultural apartheid (certainly of cultural and economic exclusion) based on a poverty of perspective and an apparent disregard for the needs of BME audiences. If this persists, then the business, cultural and social consequences will be severely detrimental to public service objectives and to social cohesion. If these issues are pro-actively engaged with, then the outcomes for public service broadcasting and cultural industries could achieve significant and long-term dividends.

## **Section 5    Prospects for the future delivery of public service content**

### ***5(i)    Do you agree with Ofcom's assessment of the implications of different economic scenarios for the UK TV market for the future prospects for the delivery of public purposes?***

We agree with the assessment of implications of the different economic scenarios.

The current economics of PSB has not delivered on diversity. In particular, the expansion of digital channels, which offered the chance to diversify output, has so far failed to change the overall balance of output with respect to ethnic and other diversity. Nor has it meant an increase in the opportunities available to BME producers.

- In the context of the future of the BBC and other PSB terrestrial and internet provision we believe that one possible economic scenario would be for the BBC to dedicate one of its existing digital channels, for example BBC Three - should it continue to exist - to multi-cultural programming, possibly with editorial and operational control removed from the BBC and delegated to a Board comprising BME audience representatives and stakeholders.

In the Netherlands the NPS Channel had this function. This would not absolve the BBC from statutory commitments to ethnic and other diversity, but it could enhance the relevance of the BBC. However, the problem of the 'colour of commissioning' within all terrestrial PSB broadcasting still raises deep concerns for our organisation.

- We feel that Ofcom, government and the BBC Trust need to consider this option by undertaking a review of the remit and cultural diversity value for money evaluation of BBC Three. Does the current remit and audience reach of BBC Three justify current funding? Is it fit for purpose? Could the same apply to other digital channels owned by other public service broadcasters, and how might the resources devoted to those channels benefit diversity and PSB objectives?

That said, our first preference would be for the public service broadcasters – indeed all broadcasters – to improve significantly on diversity and representation issues, both in front of and behind the camera. We call on the broadcasters to honestly and openly engage with BME producers and audiences over how to achieve this and to commit increased funds, airtime and commissions to producers from and programmes for BME communities.

- We feel that the existence of a healthy, diverse and economically sustainable BME production sector is a valid, indeed fundamental, PSB objective. That sustainability may have to be nurtured through the commitment of PSB funding until commissions from that sector reach the levels one would expect from a genuinely fair, open and competitive commissioning process – namely levels that are broadly reflective of the number of BME communities as a proportion of the UK population. We would urge Ofcom to act as an honest broker in facilitating a dialogue with public service broadcasters that aims to achieve this within a three year timeframe. We believe that this target is achievable and essential.

We feel that PSB-funded internet TV services would be an imaginative way forward. We consider that BME internet channels could do much to reach formerly hard-to-reach audiences with PSB values and content, re-engaging these audiences with these values and thus enhancing the prospects of social cohesion in the UK. A re-invented BBC Three as suggested above, could offer integrated internet TV services. This may well enable the BBC and independent production communities to provide content with cultural competence and relevance, combining UK-originated programming with relevant acquired content from beyond the UK and enhanced by the involvement of citizen-generated content.

- Whether achieved by a re-allocation of bandwidth and resource from existing broadcasters to BME producers, audiences and other stakeholders, we are in favour of investment in internet channels aimed at BME audiences. That investment should come at least in part from a re-alignment of current PSB funding. Due regard needs to be paid to sustainability, however, and whether audiences would be prepared to pay for such services. These channels may require ongoing PSB funding, provided they genuinely meet PSB purposes (a relevant model exists for radio in the Community Radio Fund). They would certainly need to be allowed to generate income from advertising and sponsorship.

**5(ii) Do you agree with Ofcom's analysis of the costs and benefits of PSB status?**

Ofcom are right to delve deep into the cost-benefits of PSB funding and the options of ways to deliver content based on audience need. Audiences are after all investors in PSB via the licence-fee, but in the current system without much say in the projected scoping of the investment until the periodic Ofcom reviews.

What must become transparent is fair-dealing and cost-benefit analysis for the UK's Black, Asian and other minority audiences. Audiences are right to be doubtful and sometimes faint-hearted about participating in consultations about new funding or new vistas in audio-visual culture when many of the existing PSB services for which they pay portray them in distorted ways (if at all) and from which they are excluded through commissioning, poverty of editorial perspective and employment practices.

- The public value tests that need to apply to the allocation of licenses and the monitoring and evaluation of content deliverables must include cultural competency criteria.
- Ofcom should argue for increased scrutiny over the BBC and Channel 4 in particular (although as all broadcasters are subject to the law of the land, they should all come under increased scrutiny for their performance in diversity of recruitment).

**Section 6 Meeting audience needs in a digital age**

**6(i) Do you agree with Ofcom's vision for public service content?**

While it is true that many people from ethnic minorities are increasingly turning to commercial satellite and internet-based media, there is still a vital need for high quality UK-produced PSB content that successfully addresses them as part of the wider British audience. We would like to see all PSBs to be held to account for delivering such content on a daily and consistent basis across all genres of programming. This will not happen unless more BME professionals

are involved in commissioning and creating output - whether as part of the existing PSB organisations, as independent production companies or as founders of our own media channels. The new PSB regulatory framework needs to ensure that future funding and licenses address this specifically and that there are proper monitoring procedures put in place to track progress and penalise failure.

- The current system of regulation has failed to deliver on diversity, so new approaches are urgently required. BlackAntenna believes that either Ofcom and the BBC Trust need to be less patient with continued failure or there need to be new structures and systems of accountability which are empowered to penalise continued failure and which give BME audiences and producers a significant say in how performance on diversity is measured and judged.

***6(ii) How important are plurality and competition for quality in the delivering of public purposes of public broadcasting and in what areas?***

Plurality is essential as we believe it offers the best scope for delivering diversity in 21st century UK society. The current system is increasingly redundant; the consultation responses we have offered try to constructively address the need to move forward with considered pace and perspective.

The largely mono-cultural orthodoxy of present commissioning and linear scheduling is damaging and culturally unviable using current value-for-money and fit for purpose criteria. New media has opened up the portals to a post-Reithian society.

- The UK's black and minority population consistently 'can't get no satisfaction' in the debate about quality television and editorial standards. In PSB terms, we have been let down by existing 'mainstream' services and sometimes even by BME-owned services. This has been the overwhelming experience in the radio arena, and that lesson should be learned for the television industry.
- Therefore plurality needs to incorporate not only plurality of ownership and editorial range but also content, and that should be within the BME production sector: mother tongue broadcasts on their own, for example, are not enough, although they may be part of delivering PSB purposes. New PSB providers must provide genuine quality and add real value to the existing mix, particularly in the provision of dedicated news services, factual programmes and drama which encourages and showcases creative talent in the respective communities of interest or a geographical area.

**6(iii) In maximizing the reach and impact of public service content in the future, what roles can different platforms and services play?**

We are:

- not in favour of subsidising Sky and Discovery, as these are owned by affluent commercial broadcasters with the resources and access to ensure their services are made available to many more people;
- in favour of supporting smaller and truly different content producers including public access channels, NGOs, charities and other third sector organisations.

We are fully committed to the development of community or public access television via different platforms. Open Channels are a part of the public service media landscape in many European countries, and well established in Canada and the USA.

- In Germany everybody receiving radio and television has to pay a PSB fee to finance public service TV and radio programs. A small part of the fee where Open Channels exist is used for funding these channels. Open Channels do not compete with mainstream television.

We are advocates of citizens' broadcasting and Open Channels as a forum to enhance UK social cohesion and inter-cultural communication. The predominately one-way output of current PSB is undesirable and deprives society of the dividends of digital democracy. Open Channels enable interactivity, involvement, and the increasing demands for the expression of local identities in the diverse nations and regions of the UK.

- We are in support of a funded PSB ecology of local television in the UK run by the citizens for citizens. License-fee transfer funds, commercial levies and national lottery funding could provide means of developing these innovations. There would need to be regulation to ensure that a diverse range of applicants were allocated airtime or bandwidth, and that would need to specifically identify BME communities as a priority.

**6(iv) Do you agree that the existing model for delivering public service broadcasting will not be sufficient to meet changing need in future?**

It seems clear that the pace of change in television and audience expectations are stretching to breaking point the ability of the old model for delivering PSB to deliver. The existing PSB model is embarrassingly slow at being ready to embrace difference and convergence in changing cultural trends and behaviour. It remains too dependent on one platform and a limited range of content suppliers.

We support the concept of plurality of provision and competition for quality as being essential to PSB in the future, with the proviso that any definition of 'quality' has to incorporate a provision for cultural competency and relevance to a genuine diversity of audience as outlined previously.

- The application of transparent Public Service Purposes (PSP) tests to the scrutiny and allocation of PSB licenses is critical.

## **Section 7    Future models for funding and providing public service content**

### ***7(i)    What are your views of the high-level funding of public service broadcasting in the future?***

We are of the view that supplying new funds and redeploying some BBC resources may well be the way to achieve the range and scope of necessary change and benefits.

- We take on board Ofcom's comments about the potential downside of re-allocating funds from traditional BBC funding to 'minority ventures'. However, as we have indicated above the current BBC/C4 and ITV system has badly undermined confidence amongst people of many backgrounds – and BME communities in particular. We have offered ways to be collaborative, but legislation and regulation must be tougher and rigorous to prevent a more sophisticated PSB digital and cultural apartheid.
- Sustaining a viable BME production sector is a legitimate goal of PSB funding.
- We believe that levies on commercial music and entertainment television media, as well as major telecoms businesses could contribute to funding new PSB ventures. As already stated, the National Lottery (or revenue from spectrum sale) could become a viable source of public service programme funding particularly in the context of internet- TV and citizen-driven local TV/public access channels outside of the BBC system. Integral to PSB's future is citizens' broadcasting.
- The production bases of regional ITV and BBC facilities should be marshalled to train and provide facilities for this parallel public service or with local authority involvement provide the setting up of nations and regional production hubs.

### ***7(ii)    Are the proposed tests of effectiveness for future models for public service broadcasting the right ones?***

The development of a new definition of PSB and Public Value Tests is a good venture to iterate change, but the process of translating these purposes into

operational business should involve BME production communities and diverse audience advocates.

- The Ofcom PSB purposes and characteristics lend themselves to much of the aspirations that underpin the work of this organisation. However translation into cultural and enterprise needs to include rather than exclude ethnic minority professionals and legislators in detailed modelling.
- We feel that Ofcom has a great role to play in creatively reviewing the editorial guidelines of all prospective new PSB licence applicants, so that PSB purpose and characteristics are imbibed and ways of implementation fully scoped.

***7(iii) Of the four models for the long-term delivery of public service content, which, if any, do you consider the most appropriate and why? Are there alternative models or combination of models that could be more appropriate, and why?***

Overall, we are most in favour of Model 1 (Evolution), but with a significant element of competitive funding. We believe that PSB objectives should be a feature of the UK television landscape and that all the major broadcasters have a part to play in delivering them, although we agree that some changes such as reducing the PSB requirement in line with the value of gifted spectrum may be necessary. Insisting that ITV, Channel 4 and Five all retain an element of PSB obligation, even if that obligation is realigned over time and even removed from one or more of the commercial broadcasters, will provide competition for the BBC.

However, all the broadcasters having failed to satisfy significant numbers of different audiences suggests that there should be room for new players, which would require new funding. This, we believe, should come from a re-alignment of the licence fee and several other potential sources already identified by Ofcom.

We do not favour allowing a significant proportion of these funds to be competed for by other big broadcasters such as Sky, who have the financial and platform muscle to deliver more PSB content anyway.

- This is an opportunity for smaller and under-represented groups to have access to bandwidth post-switchover which would encourage more local services, more targeted content for under-served communities of interest and the development of new delivery platforms. It is, crucially, an opportunity to provide more culturally focused services for BME communities which are chronically under- or mis-represented in a media landscape dominated by large companies overwhelmingly owned and run by white Britons from which Britons from BME backgrounds are largely excluded.

## **Section 8. Options for the commercial PSBs**

### ***8(i) What do you feel is the appropriate model for Channel 4 in the short-, medium- and long-term? What do you think about Channel 4's proposed vision?***

Channel 4 should in the short-term undertake a public consultation with BME producers and audiences to formulate a PSB strategy that is fully inclusive, not the under-achieving broadcaster for minorities that it is at present. Current and past C4 performance in the context of diversity and multicultural broadcasting does not make us confident that C4's proposals will produce any medium and long-term success: it does not justify additional state or transfer PSB funding on present proposals outlined in the OFCOM review.

- An enhanced and detailed C4 strategy could lead to a business plan that includes the development of one or more channels like E4 that are covered by a PSB requirement and cater to Black (people of Africa and the African Diaspora), Asian and other BME audiences with complementary On-line Public Access Channels on the C4 web-service. Alternatively, they could be spun off from C4 control altogether and run by Boards from BME stakeholders.
- These Minority TV Channels could be funded by a combination of transfer PSB funding from the license-fee and possibly additionally supported by advertising. These channels would have a commitment to PSB and could potentially acquire culturally-specific content from PBS-USA, from African, Caribbean, Indian, Pakistani, Bangladeshi, Chinese or other nations' Public Service Broadcasters and commercial companies, as long as UK originated content was dominant and the service provided met rigorous PSB and plurality requirements.
- These developments would not absolve Channel 4 of meeting its PSB obligations on its core channel because the existing terrestrial services will remain the most viewed channels for the foreseeable future, and a diverse presence on those channels is critical to a sense of nationhood and social cohesion. Rather, these proposals can be seen as a way of nurturing the talent, creativity and human resource that will enhance Channel 4's capacity to meet its obligations on a consistent and sustained basis in the future.
- Should Channel 4 receive additional transfer funding, funds should be set aside to develop these or other new channels involving resident British citizens as stakeholders. Additional transfer funding should be conditional on Channel 4 meeting production quotas or targets for BME and local production within a tight time framework.

We believe that Channel 4's future vision is a belated attempt to suggest that it is providing a PSB-oriented service which would justify increased PSB funding. Even if this is a genuine statement of intent, it begs the question: what has Channel 4 been doing to justify its existing PSB funding and why did it not do

all this before? All in all, the vision is not convincing and is too little, too late. Its aims should be achievable at existing levels of PSB funding and it does not convince us that a better service for BME communities in particular would be the result.

***(8ii) Which of the options set out for the commercial PSBs do you favour?***

The Evolution model still seems most appropriate to us, though we want to see more inclusive content production and procurement of the services of BME professionals by all the major broadcasters.

- Ofcom should undertake and publish an employment and procurement diversity audit relating to all commercial broadcasters. We see contract compliance as a necessary way forward when considering new licenses.

**Section 9 Scenarios for the UK's Nations, Regions and Localities**

***9(i) To what extent do you agree with Ofcom's assessment of the likely long-term issues as they apply to the nations, regions and localities of the UK?***

We agree with much of Ofcom's assessment of these issues. We would only point out that while the nations, regions and localities of the UK value news services above all other PSB requirements, they have consistently shown they are not satisfied with much existing output in terms of quality and in how well it portrays their nation, region or locality. This is, we believe, borne out by Ofcom's own research.

Equally, while a large proportion of the UK's BME population is concentrated in the London area, BME communities are a very significant component of parts of all the nations of the UK, and all UK regions. Since these populations tend to be concentrated in urban areas, there will be many *localities*, especially rural, where BME communities are small in number.

- However, the significant BME populations of many of our urban centres mean that all providers of television and online content in the nations and regions should be subjected to the same rigorous requirements on representation of BME audiences on screen and in production roles (whether as staff members or as independent production companies and freelancers).
- There is significant potential for truly local, distinctive news services to be provided by a local news organisation comprising citizen-producers and reporters which is linked to other similar groups around the country. In this respect and others concerning the important role local services

and citizens could play in driving change in the industry, we have a lot of sympathy with the views of the Institute of Local Television.

***9(ii) Which of the model(s) do you think will be appropriate in each of the nations and English regions in the long-term?***

We believe the Evolution model holds the best hope for continued quality PSB services in the nations and regions, but we agree that additional funds need to be allocated for new multi-platform and broadcast content at nation, region, local and community levels.

***9(iii) What are your views on the short/medium-term issues referred to, including the out-of-London production quotas?***

We accept Ofcom's analysis and assessment of the factors affecting the television landscape in each of the nations of the UK.

We are concerned that many of the commissions which go to regionally-based independents are in fact going to London-based companies which have set up local offices in the nations and regions, and which are already over-represented in the allocation of commissions. We believe that Ofcom is right to monitor closely the BBC's claims to be meeting or exceeding its out-of-London commitments.

- We urge Ofcom to set up monitoring systems that will ensure a plurality of genuinely regional companies are able to compete for commissions. We support out-of-London quotas and would support quotas for productions from outside England, subject to the monitoring provisions mentioned.

***9(iv) What are your initial views on the preliminary options set out relating to ITV's regional news proposal?***

Accepting that there are genuine financial pressures on ITV and the risk that it might hand in its PSB licences and become a purely commercial broadcaster, we believe that ITV should continue to provide extensive local and regional news services and that it should not be allowed to scale these down or increase the number of 'opt outs' in the short term. We agree that a relaxation in the regulation of advertising around regional news programmes should be considered to enable ITV to generate more revenue.

In the medium term, new platforms and 'hyper-local' services may have an important role to play in reducing costs and making the news service more relevant, and we can envisage a situation in which ITV could either scale down its commitment to regional news or support its production and transmission by more, truly local services.

We also agree with the scenario envisaged by Ofcom whereby new licence structures in 2014 might allow new entrants to deliver local and regional news services.

## **Section 10   Prospects for Children's Programming**

***10(i) Do you agree with our assessment of the possible short term options available relating to children's programming; are there any other options available?***

We broadly agree with Ofcom's assessment of the short term options available relating to children's programming, especially for older children and teenagers. We agree that additional intervention is likely to be necessary in the short term.

However, we do believe that there are other options available. Specifically, we believe that the attraction of other media, especially online services, to young people is partly to do with tone and relevance of existing mainstream television. Much of the service catering for children and young people talks down to them, is outdated and represents a vision of life in the UK to which a large number of young people cannot relate and which seems to offer them very little. Young people value interactivity, especially with their peers, and are less concerned about absolute technical standards in TV. They are also sophisticated consumers and producers of media content, and comfortable with new technology.

UK BME communities have a higher than national average proportion of young people, and these young people have had a significant impact on the language, fashion, music and culture of other young people in the UK.

- We believe that there is potential in a multi-platform service for children and young people which features a large proportion of content produced by young people themselves, and which is subject to the minimum possible interference by adults (always having due regard for necessary legal safeguards). This service would have as its USP the fact that young people produced most of the content and dominated the editorial process. It could serve as a valuable training ground for programme makers of the future but would also have a major contribution to make in the re-engagement in society of disaffected and other marginalised young people. Several members of BlackAntenna have direct experience of this model, and can provide documentary evidence of its effectiveness and potential. Subject to ethical and other considerations, the potential for advertising and sponsorship income for this service would be considerable, but some PSB funding would be necessary.

## **Section 11   Timetable for implementing a new model**

***11(i) Do you agree that legislation will need to be in place by 2011 in order to ensure the delivery of public purpose in the medium and long-term?***

Yes.