

Response to Ofcom's Second Review of Public Service Broadcasting.

Phase 1 – The Digital Opportunity.

Northern Film and Media

June 2008

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Northern Film & Media

Northern Film & Media is one of nine Regional Screen Agencies (RSAs) funded by lottery, via the UK Film Council and Regional Development Agency support combined with European Regional Development Funding.

The RSAs exist to promote and build a vibrant and sustainable moving image industry and culture in the English Regions, which is rooted in an accessible and diverse screen culture, maximises the opportunities for the development of regional talent, celebrates cultural identity, encourages the sector's growing importance to a regional economy and promotes world-class creativity within it.

Consultation Questions

How well are the public service broadcasters delivering public purposes?

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

It is clear from the OFCOM research that television plays a valuable role in delivering the purposes of PSB as defined by OFCOM relating to 'understanding' 'knowledge' 'cultural identity' and 'cultural awareness'.

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

It is clear from all the research that audiences greatly value UK-originated programming.

Section 3 paragraph 3.71 to 3.74 draws attention to the significant gaps between importance and actual delivery of key purposes. In particular we note the high level of dissatisfaction from audiences with the "delivery of non news

programmes in the nations and regions” and “portrayal of the nations and regions to the rest of the UK in network programming.”

Section 3.32 to 3.33 note that indigenous language programming is greatly valued in the nations even amongst the populations that do not speak the indigenous language. Our own research¹ in partnership with Attentional Ltd on North East audiences shows that 52%² of North East viewers would like to see documentary programmes made specifically for viewers in the North East and 44% would like to see drama programmes made specifically for viewers in the North East. Though this would be hard to achieve in practice it demonstrates the desire from regional audiences for programming with more relevance to their own lives and communities.

Broadcaster involvement in the North East has dropped radically in the last few years. In terms of the number of network hours commissioned in the North East the region has experienced a drop of over 70% in broadcast hours, falling from 36 hours in 2005 to 9.9 hours in 2006³.

North East households contribute well over £100m in licence fee payments.

The deep dissatisfaction regional audiences have with regional delivery and portrayal is supported by research and commissioning levels from the North East. It is evidence that Broadcasters are falling far short of delivering programming with public purpose in the North East.

Methodology

As noted in our previous responses to Ofcom’s work in this area, there is a significant issue with the phrasing of the questionnaire relating to non news regional programming. Our research suggests that attitudinal and prioritisation responses are radically different when well researched programme titles are used instead of generic headings or obscure programme titles. Figure 8 and

¹ An Evaluation of OFCOM Assumptions in Phase II of the PSB Review. Northern Film & Media and DGA Metrics 2005.

² As a first, second or third choice.

³ The Production Trend Report For Out Of London – PACT

Figure 9 in section 3 suggest a low priority for regional non news programming. Our own research highlighted above shows that 67% of viewers watch regional non news programming. ITV's own figures from 2004 show that 77% of the North East population watched non news programming on Tyne Tees. OFCOM figures like those in Figures 8 and 9 of the consultation continue to suggest that this type of programming is not valued by the public. We suggest, again, that further work should be done to clarify the differences between OFCOM's work and the more detailed work carried out by others.

Further work of this nature might help clarify the findings in section 3.71 to 3.74 which show a high level of importance attached to region/nation specific programming not matched by the more often quoted attitudinal and priority research in Figures 8 and 9 of the same section.

Section 4. The changing market environment

i) Do you agree with Ofcom's conclusions about the way that other digital channels and interactive media contribute towards the public purposes?

Undoubtedly the public consumption of media has changed and will continue to do so as new platforms and technologies become available.

OFCOM's previous work in the area of interactive media's contribution to public purpose has been extensive and this latest Review would have benefitted from including some of its findings and the responses from the industry.

The emphasis in the current conclusions appears to be more on television derived media and database driven informational applications than on digital media that creates social and community impact. The Regional Screen Agencies have been active in supporting work that engages the public through new work and interactive creativity.

A good example from the North East is 'Borough Bites Back' a project for the people in Middlesbrough outraged when they were named as the worst town to

live in in the UK by Channel 4's Location Location Location Best and Worst. <http://www.northeastmovies.co.uk/series/11/boro-bites-back>. Also the North East movies website which provides a platform for short films in the region <http://www.northeastmovies.co.uk/>.

The Regional Screen Agencies are well networked, have robust application procedures and a strong focus on local commissioning, regional talent, regional needs and regional stories.

We feel that OFCOM could have utilised previous research in the area of interactive media and arrived at deeper definitions and understanding of the social and community impact of interactive media. There are a wide range of examples across the whole country of digital content that is of high quality, original, innovative, challenging, engaging and accessible. Another example of rich community content from the North East is <http://www.i-kooch.com/> which provides a creative voice for refugees and asylum seekers in the North East. Though we commend the quality of the regional web sites cited by OFCOM we feel OFCOM researchers could have found richer and more diverse regional digital content than 'Newbury Today' and the 'Brookmans Park Newsletter'.

Section 5. Prospects for the future delivery of public service content

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 delivery of the public purposes?

We agree with OFCOM's assessment that from a Broadcaster perspective the market is unpredictable. This confirms the importance of regulation to ensure public service commissioning, content and delivery remains fit for purpose.

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

Without access to more detailed figures it is hard to comment on the accuracy. Traditionally the figures used by OFCOM and ITV for the opportunity costs of

PSB obligations have been, in our opinion inflated and confusing. We set out detailed reasoning for this conclusion in our report produced by Attentional Ltd⁴ submitted alongside this response.

We note with concern that Children's programming and Nations and Regions programming is listed as very unprofitable. It is worth noting that though this maybe true in commercial terms the public who watch these programmes value them highly. This confirms the importance of regulation to protect these forms of programming.

Section 6. Meeting audience needs in a digital age.

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

We support OFCOM's vision.

We note that though OFCOM suggest news content would be required reflecting regional needs, there is not a similar emphasis in other genres. In light of the lack of production about or from the North East, it would be prudent to include a regional emphasis for other genres as well as news.

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

They are vital. However experience in the North East suggests competition and plurality at national level is not enough.

The North East contributes over £100m in licence fee payments. Though in return, there is high quality network programming and strong local radio, the lack of any commissioning at regional or national level of North East production companies means the region sees little of itself on its televisions.

⁴ An Evaluation of OFCOM Assumptions in Phase II of the PSB Review. Jan 2005.

The North East is home to producers who have won BAFTAs, RTS awards and EMMYs so there is not a shortage of talent to commission.

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

IPTV and other web based services could play a vital role for the regions. They could provide a platform for regional stories and regional talent. However, the quality of these services must remain high, higher in fact than the current regional offerings from ITV and the BBC which are not accessed extensively. There are limited regional advertising revenues available to support these services currently. IPTV and web based services are therefore unlikely to play a significant regional role without a different funding and operations model to support them.

The impact of public service content has to include the level to which it engages with regional production communities. A region that does not feature on the nations screens is in danger of becoming invisible. All regions have benefitted in the past from vibrant local production. We strongly recommend that any debate on the impact of PSB services reflects the impact of local PSB commissioning and production as well as consumption.

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

Yes. We would go further to suggest that, for the North East, it is already failing.

Section 7. Future models for funding and providing public service content

i) What are your views of the high-level options for funding public service broadcasting in future?

It is difficult to see any significant changes taking place without new resources being made available or existing resources being migrated.

We would obviously be supportive of a more devolved funding approach.

There is growing evidence that the Regional Screen Agencies have been able to form strong partnerships with existing PSB broadcasters to develop content with community and social value.⁵ For example, in the North East, Northern Film & Media have worked in partnership with the Community Channel to develop and produce programming reflecting the stories of North East communities.

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

The tests are robust at the top level but without an element of Regionality there is a danger they allow for an entirely centralised approach.

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

Evolution

We have never supported the idea that ITV should shed all its PSB responsibilities with the analogue licence. Our experience is that Tyne Tees has played an important and vibrant regional role in the North East both on and off the screen. ITV should not be allowed to so easily divest this vital public service role. If ITV further reduces its regional role it will be important to create new mechanisms to fill the gap.

BBC only

We recognise the vital role the BBC plays. Of all the broadcasters it is alone in expanding its commissioning base significantly to include a regional approach. However, with no BBC network television coming out of the North East we would

⁵ The Big Picture. The Regional Screen Agencies building community, identity and enterprise. DEMOS. John Holden. May 2006

be concerned at the effect on the North East of a BBC only model. The loss of plurality would also be a concern.

BBC/Channel 4

The North East experience of working with Channel 4 and the BBC has been positive though not wholly fruitful. We would be supportive of this model if a robust element of Regionality was included in the remit.

Broad competitive funding

Our sense is that the appetite for a new PSP approach has diminished. The threats to C4 future funding and the challenges to the BBC in delivering its existing remit suggest a whole new approach would be highly disruptive without necessarily creating much change in the short to medium term.

We believe ITV should be encouraged to maintain a regional role in news and current affairs programming. It is vital that there is competition in well resourced news output to encourage quality *journalism* and not just fast turnaround *reporting*.

The North East's relationship with broadcasters is good and both the BBC and Channel 4 clearly would like to play a more active role in the region. However the will to properly engage at a commissioning level is not there.

We suggest that a better resourced and networked Regional Screen Agency model could work well with Model 3 if there were proper incentive to create a real will for the BBC and Channel 4 to work more deeply with the regions.

This would provide a high level of local and community links with talent, ideas and stories combined with a robust and experienced PSB partnership.

Section 8. Options for the commercial PSBs

- i) What do you think is the appropriate public service role for Channel 4 in the short, medium and long term? What do you think of Channel 4's proposed vision?

We are strong supporters of Channel 4, their contribution to creativity and innovation and their continual drive to find new voices and stories. We believe strongly that this should continue. We are concerned at the threat to their income levels in the future.

We would welcome a much stronger presence and involvement of Channel 4 in the North East. A lack of this in the past and the apparent focus of the 4IP Fund on regional partners able to provide high levels of partnership funding raises concerns about Channel 4's desire to genuinely engage with all the regions.

The priorities within the Vision are powerful. We would feel more optimistic if we felt Channel 4's definition of talent and audiences properly included the North East.

Once again we would urge OFCOM to encourage broadcasters to focus on an element of Regionality in their strategies.

- ii) Which of the options set out for the commercial PSBs do you favour?

We would prefer to see the regional role of ITV protected in some way and do not see any options that would encourage this.

We would welcome a model 3 approach with Channel 4 with elements of model 4 to encourage proper regional engagement with audiences and talent.

Section 9. Scenarios for the UK's nations, regions and localities

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

OFCOM has identified a number of key issues. For the regions, the key issue that is missing is the fate of regional production sectors and the long term effect on the audience. Regional audiences clearly value all genres of programming reflecting their regions and their lives. With no regional production sectors there will be no one to make these programmes.

OFCOM has been urged to engage with the debate on the decline of regional production but has traditionally shied away from comment. No debate on how regional audiences will be served in the future is complete without references to who will be making the programmes, how and from where.

iii) Which model(s) do you think will be most appropriate in each of the nations and in the English regions in the long term, and why?

Please see comments under section 7 relating to a mix of models 3 and 4 with the possibility of RSA involvement and increased emphasis on Regionality.

iv) What are your views on short/medium-term issues referred to, including the outof-London network production quotas?

We do not believe that many answers lie in changes to quotas beyond protecting current levels. We would rather find other ways to encourage broadcasters to establish a real will to serve the whole audience better. This has to include a better engagement with regional commissioning in order to encourage a range of voices and stories.

v) What are your initial views on the preliminary options set out relating to ITV plc's regional news proposal? (Please note that Ofcom will put

forward firm options on these issues, and consult also on ITV plc's regional news proposal, in phase 2 of this Review.)

We look forward to further options and would refer to our comments under 7 iii)

Section 10. Prospects for children's programming

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 agree with OFCOM's assessment and believe that the BBC and Channel 4 have a significant role to play in the future of children's programming particularly older children and teenagers.

Section 11. Timetable for implementing a new model

i) Do you agree that new legislation will need to be in place by 2011 in order to ensure continued delivery of the public purposes in the medium and long term?

We believe that broadcasters are already challenged to deliver on their PSB remit and we are feeling the effects of this in the North East already. Network Broadcast hours coming out of the North East have dropped by 70% and crew numbers have fallen by 50%. We would suggest an urgent review of the link between healthy regional media sectors, the talent that grows through them and the long term ability of broadcasters to deliver public purpose for regional audiences.

Ends. June 2008.