

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

'The rumours of my death have been greatly exaggerated' Mark Twain

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

1.1. Despite the proliferation of television channels without any public service regulatory obligations and the explosion in other sources of entertainment and information driven by the digital revolution, the public service television channels remain at the heart of social interaction in the United Kingdom. Northern Ireland Screen agrees with OFCOM's assertions that both public service content and the main terrestrial public service channels remain hugely valued. In 2007, the main PSB channels still accounted for 64% of all television viewing.

However, this is not to say that the newer niche public service digital channels are not valued. In that regard, we would particularly support the retention and/or development of UK PSB children's channels.

We also submit that the internet clearly offers considerable potential to deliver public purposes and in certain cases at considerably reduced cost. Accordingly, we support the principle that public service content should embrace delivery platforms beyond terrestrial and digital television.

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

2.1. UK-originated output underpins much within the public purposes as defined by OFCOM. It is completely impossible to envisage these purposes being fulfilled without the lion's share of public service content being UK originated. There are two spheres for this question from a Northern Ireland point of view; that is, the UK wide or network context and the local context. In the local sphere, public service broadcasting is a thriving and successful anchor of society, in the network sphere the scale of the failure is unmatched across the UK.

2.2. We would draw strong attention to the abject failure on the part of all of the public service broadcasters to satisfactorily, or indeed to any reasonable degree, deliver the 'reflecting UK cultural identity' purpose from a Northern Ireland point of view. Nor do Northern Ireland based producers or talent play a proportionate part in delivering the 'diversity and alternative points of view' purpose. This extremely long-standing issue, while never satisfactory, is particularly unacceptable in the context of the modern devolved nature of the UK.

2.3. We welcome the BBC Trust's acknowledgement of this problem and its attempts to remedy it. However, we remain deeply concerned by the timeframe proposed for this remedy as it has effectively been stretched out by 4 years as a result of the BBC's recent Network Supply Review. It is ironic that the literal consequence of the BBC Trust demanding a better deal

for the nations including Northern Ireland is that the 17% production spend from the nations' target has been pushed back from 2012 to 2016 (ignoring the smoke screen relating to definitions)!

- 2.4. We are deeply disappointed that Channel 4's recent strategy launch 'Next On 4' failed to make any real commitment to either the issues of portrayal of Northern Ireland or the development of Northern Ireland as a creative hub. This was all the more disappointing given Channel 4's clear wish to re-galvanise its public service credentials and speaks volumes in regard to Channel 4's assessment of the importance that will be placed on the nations, and Northern Ireland in particular, in this PSB review. That this comes at the same time that Channel 4 is asking various nations and regions within the UK, including Northern Ireland, to partner it in a digital/broadband content fund (4IP) and by doing so underwrite the channel's purchasing of credibility in the online public service arena adds to a growing sense of injustice.
- 2.5. It is particularly difficult to comprehend Channel 4's stance given the relative ease with which it, as a publisher broadcaster, could implement a strategic change of direction that fully embraced Northern Ireland in both cultural and economic terms. It undertook a similar strategic change recently when it simply dictated that drama commissions had to come from the regions. While this had a limited impact for indigenous regional production companies, it did ensure considerable volumes of work in the English regions and allowed Channel 4 to comfortably hit its regional target. By comparison with the infrastructural challenges faced by the BBC in its shift to Salford and growth of Glasgow and Cardiff, it is incredibly easy for Channel 4 to properly embrace Northern Ireland and the nations generally, simply by dictating a modest shift in commissioning pattern. Perhaps, a strong indication from OFCOM that Channel 4's public service credentials would be enhanced by such a shift would elicit a change of direction.
- 2.6. Northern Ireland Screen notes that ITV and FIVE have shown no strategic interest in Northern Ireland. By a quirk of fate (more to do with Northern Ireland Screen investment than ITV strategy), ITV is actually the only broadcaster in recent times to portray Northern Ireland on the public service networks through the children's drama series *Bel's Boys*.
- 2.7. Within the regional programming sphere, we celebrate the BBC's ongoing commitment to local programmes for Northern Ireland. These are an extremely valuable source of work for the local production community and, more importantly, the main non-news source of cultural reflection in Northern Ireland.
- 2.8. We also celebrate the extremely healthy duopoly of television news coverage in Northern Ireland through strong commitment to news and current affairs from not only the BBC but also UTV. Given the particularly strong importance placed on news and current affairs coverage in Northern Ireland and the market-leading share of UTV's news coverage, due consideration should be given to how this successful competitive marketplace can be sustained for as long as possible.
- 2.9. It is extremely important that locally originated programming is available in the Irish language and in Ulster Scots. The availability of generic Irish language programming on

TG4 and the possibility of importing Scots programming could not fulfil the public purposes in these areas. It is critical that Irish language audiences and Ulster Scots audiences see their cultural identity reflected on local television and their points of view expressed within it.

It is well worth noting that the public service publisher fund the Irish Language Broadcast Fund, which has been administered by Northern Ireland Screen for the past 3 years, represented an extremely effective way of ensuring the production of Irish language material. Northern Ireland Screen submits that this sort of structure could deliver in other areas where public service broadcasters are failing, including for example children's programming. Clear evidence of this is available by considering the Broadcasting Commission of Ireland's Sound & Vision Fund.

Section 4. The changing market environment

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

3.1. OFCOM is correct in its assertion that digital channels contribute to public purposes.

However, Northern Ireland Screen submits that there needs to be a delicate balancing act between broadcasting to large-scale diverse audiences and developing niche audiences. Large-scale collective experiences are at the very heart of public service broadcasting.

As Northern Ireland is almost wholly excluded from seeing itself reflected within the collective experiences on the main PSB channels, but is well served with opt-out programming akin to niche channels, it is in a unique position to judge their relative merits. Our view is that broadcasting should be very closely guarded.

Digital channels clearly have their place but, as the OFCOM analysis illustrates, few of these channels contribute significantly to UK content creation. Instead, they are more effective at sweating the assets already created for the main PSB channels.

3.2. The clear exception to this is in children's programming where Northern Ireland Screen would strongly support the creation of a dedicated PSB children's channel to complement and challenge the BBC's children's channels. We would further submit that this would be a preferable option to an arm's length fund for public purposes children's content because ease of access for the audience is particularly important in this field. A new children's channel should have the proper inclusion of all of the nations enshrined within its constitution.

3.3. Consideration should also be given to the introduction of a dedicated PSB film channel. This could be constructed in such a way as to be of very limited commercial threat, focusing on archive material and tying in very closely to an educational agenda. A similar concept is being developed in the Republic of Ireland.

3.4. Interactive media also have an undoubted part to play in delivering modern day 'public service broadcasting' with BBC Online in particular already a cornerstone of overall PSB delivery. We would note that when the Irish Language Broadcast Fund – effectively a public service publisher – was launched we very deliberately built in provision for delivery through

means other than television. Unfortunately, this intention was largely undermined by the match funding construct imposed through European State Aid, with match funding hard to come by beyond BBC NI and TG4. However, the logic remains intact; that is, that in a context where you particularly wish to attract an audience aged 10-20, online provision makes good sense. It is also considerably more versatile in delivering educational material.

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

4. 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?

4.1. Northern Ireland Screen is not expert on the advertising market and therefore declines to comment at great length on this section. However, we remain of the view that the speed of the decline in both audiences and revenue is more likely to be gradual than radical with the aging population a significant factor in this judgement.

4.2. However, while it may be gradual, there is no doubt that advertising revenues are declining. Accordingly, we would encourage OFCOM to be open-minded in considering more flexible frameworks for product placement and ad-funded programming, as well as taking a pragmatic view on the maximising of advertising revenue through slot length and positioning within television schedules.

5. Do you agree with OFCOM's analysis of the costs and benefits of PSB status?

5.1. We agree with the assertion that UK originated children's programming is under threat in all of the scenarios and would repeat our call for a dedicated UK originated children's channel with built-in commitment to the nations.

5.2. We would question the categorisation of regional news, within a Northern Ireland context, as being equally at threat. Our suspicion is that, while all other local programming will come under threat, local news will remain a mainstay of the UTV proposition so long as there is a UTV proposition.

5.3. Concern regarding the pressure on drama budgets could also be alleviated through the extension of the UK tax credit to include television drama with budgets over a prescribed level, perhaps £1 million per hour. Furthermore, consideration should be given to whether this could be used as a tool to copper-fasten commitments to devolve production to the nations and regions.

5.4. Tax breaks for television drama could be piloted in Northern Ireland. Northern Ireland would be appropriate for such a pilot given its manageable scale. It might also be deemed appropriate given the land border with the Republic of Ireland which already operates a television drama tax break, which has over the decades attracted tens of millions of UK Public Service production spend including tens of millions of BBC Northern Ireland badged material.

5.5. A simple solution to the cost/benefit debate might be to introduce a new system that ties the level of public service obligation to the level of audience achieved – the higher the audience the higher the level of public service obligation. However, we acknowledge that this might be difficult given the challenge of separating un-commercial PSB programming from commercial PSB programming such as the soaps.

Section 6. Meeting Audience needs in a digital age

6. Do you agree with OFCOM's vision for public service content?

6.1. OFCOM's vision and description of public service content is reasonable. However, we note that it is – necessarily – high-level and does not articulate specific entitlements. For example, it could be said that 'content which reflects the views of, and caters for, different communities of interest, ethnicity, life circumstances and so on' includes implicit support for the need for Irish language and Ulster Scots provision. However, it makes no comment on the absence of any statutory provision for same.

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

7.1. The PSB Review highlights 3 historic advantages to plurality – higher quality, enhanced reach and impact and diversity of voice. The need for plurality is clearly regarded as important by the general public – importantly, to the extent that a significant percentage of those asked would be willing to pay an extra £20 a year on the licence fee to secure it.

7.2. That competition is good for quality is in no doubt. In Northern Ireland this is illustrated in news provision where competition between the BBC and UTV contributes to Northern Ireland having the highest broadcast news penetration in the UK. Competition must be retained in the Public Service Broadcaster system for credibility and vibrancy to remain.

7.3. Northern Ireland Screen would also strongly endorse the value of **plurality of voices** but would question whether the present system delivers that plurality or indeed whether it has done so for some time. The centralisation of commissioning power in all of the public service broadcasters, the metro-centric nature of all of their command structures, the rationalisation of the supply chain, even within the independent production sector are all overwhelming forces that drive against any real sense of 'plurality of voices' within UK broadcasting.

OFCOM has in the past correctly broken down plurality into plurality of outlets, plurality of commissioning and plurality of production. The range of commissioning and production has narrowed to such an extent that the relatively large number of public service broadcasters delivers an incredibly narrow range of points of view and perspectives. This point is well documented, most recently by the BBC Trust in the context of news provision. Any new

PSB framework must address the second tier hidden drivers of plurality at least as much as the more obvious point of access issue.

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

8.1. It is already clear that digital channels and online platforms are going to play an increasing part in maximising the reach and impact of public service content. However, it is less clear whether these platforms can deliver mainstream mass audience public service content without being attached to linear television broadcast. In contrast, there is no doubt that online solutions can deliver satisfactory results for niche audiences and can maximise reach and impact within those niche audiences.

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

9.1. Clearly, the public service broadcasting model needs to be overhauled. A platform agnostic approach would seem reasonable provided that the touchstone that public service broadcasting is about communal experiences for large audiences is not lost in a rush for ever more obscure niches. Nor should the alternative of broadband solutions remove the obligation to have public service content on the mainstream television services.

9.2. Particularly with an aging population across the UK, Northern Ireland Screen remains cautious regarding the extent that broadband content can deliver full penetration, particularly in remote rural areas.

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

10. What are your views of the high level options for funding public service broadcasting in future?

10.1. What is clear from this review is the extent to which the BBC (and, on a smaller scale, S4C and the Gaelic Media Service) is/are in a prized position with vastly more secure funding over a longer time frame combined with considerably greater flexibility. Northern Ireland Screen strongly supports the value and necessity for the BBC to hold this position.

10.2. However, as indeed the BBC Trust has emphasised in recent times – this unique position in world broadcasting carries strong obligations. These must include a comprehensive commitment to embracing Northern Ireland within the BBC’s network schedules.

10.3. This commitment must be delivery both in terms of ‘cultural reflection’ and ‘plurality of voice’. That is, we must see a strong commitment to commissioning programming from Northern Ireland-based producers, which will counter the metro-centric single point of view of UK broadcasting, and produce programming across a range of genres that reflects and mirrors Northern Ireland, providing the ‘cultural reflection’ at the core of public service content.

- 10.4. We refer again to the research that suggested the public might consider an uplift in the licence fee as a reasonable price to pay for plurality of provision in public service broadcasting.
- 10.5. We note that S4C is directly funded from Westminster, that the Gaelic Media Service is directly funded from the Scottish Parliament and that in contrast funding for the Irish Language Broadcast Fund has no firm foundations and was until extremely recently terminated, only to be revived as a consequence of high level political intervention.
- 10.6. Future funding models must include parallel legislative structure for the provision of Irish language programming as well as Gaelic and Welsh. While the case for indigenous language provision is different in each of the nations, the case in Northern Ireland is at least as compelling as elsewhere.
- 10.7. Possibly the best illustration of this is the 4,000 children in Northern Ireland presently in Irish medium schools (not to mention the 20,000 being taught Irish in other schools, many of whom immerse themselves in the language at regular Irish Language summer schools). This 4,000 compares to 2,385 in Gaelic-medium schools in Scotland.

11. Are the proposed tests of effectiveness for future models for public service broadcasting the right ones?

- 11.1. In principle Northern Ireland Screen supports the proposed tests.

12. 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?

Northern Ireland Screen makes the following comments:

- 12.1. Models 1 and 2 are not plausible solutions. The evolution model does not sufficiently address the realities, and indeed the potential, of the digital age. While, Northern Ireland Screen believes the scale and speed of decline in the viability of the present model is possibly overstated within this review, it does not regard retention of the status quo as appropriate.
- 12.2. The BBC-only model fails on the plurality test and therefore requires no further consideration.
- 12.3. Model 3 BBC/C4. This model may deliver a degree of plurality and competition. However, with the benefit of having seen both of these broadcasters' 'hand' in the form of the recent BBC Network Supply Review and Channel 4's strategy launch Next on Four, Northern Ireland Screen has yet to see evidence that these two organisations on their own will sufficiently embrace their public service obligations to an extent that would be satisfactory. This model would not, at present, seem to deliver:

- 12.3.1. A voice for Northern Ireland among the plurality of voices either in cultural or economic terms
- 12.3.2. The necessary children's channel or other children's solution.
- 12.3.3. An Irish language solution for Northern Ireland or any provision for Ulster Scots
- 12.3.4. Plurality of news provision in Northern Ireland
- 12.3.5. A Public Service Broadcasting framework that is not dominated by a single metro-centric outlook

12.4. This is not to say that this model, or a modified version of this model, could not deliver on these issues. The point is more that from a Northern Ireland perspective, there is no indication as yet that it would.

12.5. There is merit in this model as genuine PSB competition to the BBC. It has the advantage that the public service obligations are much more easily prescribed and monitored. The successful administration of the Broadcast Commission for Ireland's Sound and Vision Fund offers some evidence that this model could work. However, while we can see merit in this model we do have balancing concerns around whether it can deliver large-scale mass audience public service content or whether it would inevitably lead to the servicing of separate niches.

Section 8. Options for the commercial PSBs

13. 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?

13.1. Channel 4 is critical to the UK broadcasting landscape, clearly delivering against its brief to be 'distinctive'. In many areas, including new talent and new voices, it does punch above its weight and provides the main competition to the BBC. As a publisher/broadcaster it has also done most to stimulate the wider creative industries in the UK as the expertise, talent and innovation that goes into its programme production, is all available to other pursuits both within television production and within the wider creative industries. Its publisher/broadcaster status is key to its success in this regard.

13.2. However, Northern Ireland Screen would strongly submit that any renewed public financing of Channel 4 should impose a much stronger obligation on it to engage with the people and production sector of Northern Ireland, and the nations more generally. Northern Ireland Screen was dismayed by the lack of commitment to Northern Ireland in the recent strategy launch, despite the overwhelming focus on public service credentials within that launch. As already stated, the feeling of having been completely frozen out was all the more acute as Channel 4 was at the same time, and within the same new strategy, courting Northern Ireland Screen, amongst other regional funds, to support its new 4IP venture into Public Service online content.

13.3. Presently, it is not plausible to see Channel 4 as providing the requisite balance to the BBC to say that plurality had been achieved. From a Northern Ireland perspective, Channel 4 adds little to plurality but instead reinforces the dominant metro-centric view. This was not

always the case, just as ITV used to be literally from the regions, Channel 4 in its earlier manifestations certainly wished to present genuine plurality. Its publisher/broadcaster status means that, should it wish to do so, it could swiftly return to that agenda.

13.4. Northern Ireland Screen is supportive of a specific children's channel to compete with the BBC. Channel 4's recent commitments in this area fall very far short of suggesting it is the appropriate guardian of this new channel.

14. Which of the options set out for the commercial PSBs do you favour?

14.1. As previously stated, Northern Ireland Screen wishes to see UTV's services continue. Accordingly, we would press for a continuing obligation on ITV to provide UTV with its schedule, even if other regulatory obligations are removed. We would also support such other regulatory and contractual flexibility – for example around advertising slots – as would ensure that the highest commercial value can be extracted from UTV's provision of news coverage and other local programming.

14.2. We call for Channel 4 to be publicly funded but within a strong, transparent, statutory framework that clearly sets out that it has specified financial and cultural obligations to Northern Ireland and the other nations.

14.3. On balance, we would advocate a new public service children's channel or channels with clearly articulated commitments to the nations to act as competition to the BBC. We are unconvinced by Channel 4's credentials to deliver this service. An alternative could be to tender the delivery.

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

15. 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?

15.1. As already stated, Northern Ireland Screen endorses plurality as a key principle within public service broadcasting. Within local programming obvious issues of scale will make this challenging. However, for the foreseeable future we would advocate the continuation of UTV news provision as competition to the BBC. The extent to which this is under threat is a moot point, given that there is little doubt that news provision is a key component to UTV's overall brand and appeal. Northern Ireland Screen is not averse to relaxed advertising regulation around this news coverage.

15.2. Within other local programming, and in particular Irish Language production, competition was being achieved with broadcasters competing for the Irish Language Broadcast Fund. This is definitely one way of ensuring competition and plurality of voices where overall funding is constrained.

15.3. There is also no doubt that some public service content at a Northern Ireland level could be more efficiently delivered in an online environment.

16. What are your views on short/medium-term issues referred to, including the out-of-London network production quotas?

16.1. Northern Ireland Screen is weary of the position with regard to out-of-London quotas. To date these quotas and the enormous volume of rhetoric that has surrounded them has delivered poor results for Northern Ireland. While we cannot predict the result of the new BBC Trust's interventions in this area, all previous experience points to the quotas being completely ignored in the context of Northern Ireland. That is, ignored in the sense that they have not delivered production activity, or more importantly cultural portrayal or representational editorial or on screen voice for Northern Ireland.

16.2. Paradoxically, despite imposing no production obligations, there is no doubt that the 'sense of obligation' has fostered a culture of resentment amongst many commissioning editors. Therefore, rather counter intuitively, the light touch quotas in place over the last decade or more have not delivered any significant production activity but have at times undermined the Northern Ireland production sector's business relationships with the key commissioning editors.

16.3. This dichotomy is illustrated by the fact that during the period of the 'Out-of-London' debate, the production sector in Northern Ireland has doubled in size without any significant uplift in production from the public service broadcasters with stated obligations in this area. Where there is no regulatory framework supposedly supporting the possibility of commissions, the independent producers in Northern Ireland have fared much better; for example, Discovery, National Geographic and RTE.

16.4. This could be used as an argument to remove quotas but obviously that is not the rational conclusion. For example, the hugely successful independent production sector owes its existence to the most successfully regulated quota of all; instead, the conclusion should be that quotas need to be real and enforceable. This means the question is how and not whether the target is to be achieved. In this context, broadcasters and commissioners will act completely differently, again as evidenced by the success of the independent quota.

16.5. While the BBC has to be singled out for praise for its ongoing commitment to local programming in Northern Ireland, its minimal inclusion of Northern Ireland within its network schedules in both cultural and economic terms, has to be singled out for criticism. In this context, we welcome the BBC Trust's considerably more transparent and seemingly impartial approach to these issues. However, we strongly contest the time frame for implementation now associated with network production from Northern Ireland on the BBC.

16.6. Moving forward, Northern Ireland Screen requests a genuine commitment to quotas that are constructively engaged with, as opposed to being resented, avoided, obfuscated and ultimately ignored. We would also note that within the context of genuine commitment to quotas, Northern Ireland Screen and other development and screen agencies will be much better placed to assist with development, training and infrastructural support.

16.7. We note that 80% of people in Northern Ireland rated network portrayal as important against an average of 61% - the highest rating in the UK by a full 10%. We submit that this statistic speaks for itself.

17. 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.)

17.1. As stated, UTV news provision in Northern Ireland is hugely valued and should be protected. It is not for Northern Ireland Screen to comment specifically on other regions.

Section 10. Prospects for children's programming

18. Do you agree with our assessment of the possible short term options available relating to children's programming; are there any other options available?

18.1. The BBC's role in UK originated television for children is paramount. In this regard, we would encourage the BBC Trust to commit strongly to the future of its excellent children's provision.

18.2. However, children's programming is sufficiently core to the overall public service concept that a single provider is insufficient. As in other areas, there is a strong requirement for plurality within UK children's television.

18.3. As already stated, Northern Ireland Screen is not presently convinced by Channel 4's increased activity in this area as sufficient evidence that it could carry this public service responsibility. However, our position could change should further evidence become available.

18.4. On balance, we support the introduction of a new dedicated children's channel as key to the overall solution. The structures and financing for this we understand will be considered in the second stage of the review.

18.5. However, a dedicated channel will only be effective for younger audiences who are indifferent to the brand associations around channels and presentation. The solution for older audiences should be a dedicated fund open to all broadcasters.

Section 11. Timetable for implementing a new model

19. 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?

- 19.1. With implementation of digital switchover complete in 2012, the continuing growth of time-shifted viewing and the growth in video on demand, it is certainly advisable to have the new legislation underpinning redefined public purposes as soon as possible .
- 19.2. It is also important to have the work completed ahead of the BBC funding review in 2012.