

QuickTime™ and a  
TIFF (Uncompressed) decompressor  
are needed to see this picture.

19<sup>th</sup> June 2008

**SUBMISSION TO OFCOM:  
PHASE ONE: THE SECOND PUBLIC SERVICE BROADCASTING REVIEW**

Public Voice is pleased to submit the following evidence to Ofcom for consideration during the first phase of its Second Public Service Broadcasting Review:

**Executive Summary**

**CENTRALITY OF THE CITIZEN IN COMMUNICATIONS REGULATION**

- Public Voice believes communications regulation should at all times seek to protect, maintain and strengthen the provision of public service broadcasting content, platforms and partnerships. The primary objective is to serve the communications needs, rights and interests of citizens. Therefore we welcome the declared admission by Ofcom that the *'purposes of public service broadcasting are rooted in the interests of the citizen, not the producer'*, and that Ofcom has stated that the review is being *'conducted through the prism of audience needs'*. Their interests must be at the heart of all debates and the conclusions finally reached.
- Public Voice looks forward to working with Ofcom on the second phase of the review, and widening the consultation to citizens and the wider community.

**PSB & THE THIRD SECTOR**

- Public Voice regrets that in this consultation too little emphasis has been placed on ways to underpin and strengthen emerging providers of public service content, including community broadcasters at both a national and local level, who do not formally have PSB 'status', but who share many of the characteristics and/or make an invaluable contribution to delivering these purposes.
- In addition we wish to encourage increased social action programming in the schedules of the main public service broadcasters – and the broadcasters building and strengthening partnerships with communities, community media and the Third Sector.

**IMPORTANCE OF PLURALITY**

- Public Voice believes the case for plurality and competition for quality in public service broadcasting is indisputable. Public Voice has always maintained that the BBC should remain the cornerstone of British broadcasting, and together with ITV, Channel 4, S4C & Five, should continue to play the dominant role in delivering PSB purposes. Public Voice agrees the market is likely to provide *some* plurality to the BBC without intervention, but we acknowledge that this is not guaranteed. As plurality is key to the provision of public service content, and the existing implicit funding for commercial public service broadcasting is declining, in future new sources of funding or public subsidy will be required for providers other than the BBC, including new providers.
- Public Voice believes that there should be positive action to increase the diversity of public service providers and the range of both services and viewpoints accessible to citizens. We

believe that the emergence of a strong, independent and non-commercial community media sector is a policy goal; and that “community media” means not only radio but also television and converged platforms, and that these may be at local, regional and national levels.

- Public Voice wishes to highlight that, as important as the plurality of suppliers, is the plurality and diversity of citizens’ voices that can be heard and represented through public service communications.
- We strongly agree that core public service content should remain widely available, free-to-view, through the provision on a range of platforms – at minimum, terrestrial and satellite. We query, however, Ofcom’s use of the term ‘core’ and have concerns about a subjective interpretation of the term not defined in the document. As we have already emphasised, public service content is available from broadcasters lacking formal PSB-status – and a strong, independent and non-commercial community media sector should be a policy goal.

#### SPECTRUM AUCTION SHOULD REFLECT ‘SOCIAL VALUE’

- Public Voice regrets that Ofcom opted for a purely market-led approach to auctioning off spectrum. Public Voice continues to argue against such an approach proposing that the spectrum auction needs to balance ‘social value’ with commerciality. Public Voice believes that some of the spectrum should be used to encourage social inclusion and community cohesion, as well as to create a platform for contributions to the arts, culture and heritage. Therefore, we encourage Ofcom to reconsider and use an auction model in which licence awards are made not only on the basis of money – but with public purposes and social benefits taken into account.

#### PURPOSES OF PUBLIC SERVICE BROADCASTING

- Public Voice believes high quality content and production should lie at the heart of any future PSB strategy. We predict – and regret - that unless there is some policy intervention, uncertain funding will lead to a lack of variety in the schedules – undermining the purposes and delivery of public service broadcasting. Public Voice believes that these issues must be addressed sooner rather than later.
- We welcome the range of quality news provision across the current public service broadcasters. Competition and choice in news providers is healthy for citizens in an informed democracy and it would be highly regrettable if Sky News chose to withdraw from the DTT platform, with the BBC remaining the only 24 hour news provider.
- Public Voice notes that the current impartiality requirements currently applied to public service broadcasters have served the UK well, and opposes any relaxation in their implementation.
- We question whether in recent years, the UK-wide network news, current affairs and factual programming has kept pace with – and responded adequately and appropriately to the UK’s new circumstances. The broadcasters have a duty to better reflect our changing institutional architecture and our evolving political, social and cultural landscape. And Public Voice looks to *all* the national broadcasters - to address these shortcomings.
- Public Voice feels ‘discoverability’ remains a key issue. While convergence has enabled a huge amount of public service content to be delivered by new media, the sheer amount of material available often means that it is difficult to find valuable content. Ofcom is right to raise this as issue – and to suggest that ‘discoverability’ – or how easy it is to find a piece of audio-visual content – should be a characteristic of online public service content.

#### PREVENTING A DIGITAL DIVIDE

- We should not assume that convergence has arrived, in full, for every citizen. Any future

policy intervention must deliver the benefits of new technologies - while at the same time avoiding exacerbating the existence of the current Digital Divide, or creating a permanent two-tier communications society in the UK. Ofcom should remember that the market needs to serve citizens' interests, not the industry.

- Public Voice agrees that audiences and citizens are changing their media consumption habits and accessing public service content in different ways. Consequently, the existing model for public service provision must evolve in order to address the risks to delivery of the public purposes.
- We strongly agree with Ofcom's principle that if content is paid for with public funding, audiences should have at least one opportunity to access it without additional payment.

#### PRESERVING THE LICENCE FEE & REJECTING 'TOP-SLICING'

- We continue to believe that a sufficiently funded, independent BBC will – and should – remain the cornerstone of public service broadcasting. We oppose any decision leading to a detrimental impact on the BBC's public service contribution. We are against any 'top-slicing' of the Licence Fee, believing this would represent a very fundamental change in the ecology of PSB. Public Voice also rejects top-slicing an 'enhanced' Licence Fee; believing that in the current economic climate no government is likely to approve a substantially higher fee for this purpose. The Licence Fee establishes a clear and straightforward relationship between the audience and their BBC. It is a funding mechanism which delivers a degree of accountability that works in the interests of audiences. Public Voice does not believe it is in the interests of citizens and audiences to have these arrangements blurred.
- However we would encourage the Licence Fee to be used to strengthen partnerships, which can bring added value to the BBC's purposes and to the Licence Fee payer.

#### ADVERTISING MINUTAGE & PRODUCT PLACEMENT

- Public Voice strongly believes that there must remain limits on the frequency of advertising breaks. Similarly, Public Voice rejects any relaxation in regulatory guidelines for product placement.

#### PREFERENTIAL TREATMENT ON EPG FOR PUBLIC SERVICE CONTENT

- Public Voice also strongly believes niche channels that deliver public service content, should be rewarded with PSB 'status', including accompanying prominence on Electronic Programme Guides.

#### STRENGTHENING CHANNEL 4

- Public Voice believes that Channel 4 should remain a publicly-owned, not-for-profit, institution and should not be privatized. Channel 4's proposed vision 'Next on 4' is exciting and ambitious and seeks to build on its traditional core strengths in television to deliver public value across a growing range of digital platforms. It reassures us that Channel 4 has a vital ongoing role in the provision of alternative quality public service content and we wish to see Channel 4 remain a strong commissioner and publisher of public service content in any future PSB ecology. It is clear that Channel 4 will inevitably require a revised funding model, but Public Voice would not want any new funding structure to undermine either Channel 4's market position or the fulfillment of its remit.

#### REGIONAL PROGRAMMING & NEWS

- Public Voice believes television can play a vital role in reflecting the diversity of the UK's nations, regions and localities. However, we wish to stress that it remains in the interests of broadcasters to provide regional content, as it is highly attractive to viewers. Audiences

value national and regional news - and value seeing their nation or region reflected on network television. We agree with Ofcom that the objective should be competition and plurality of content at national, and local/regional levels.

- Public Voice is concerned that content specific to the nations and regions - especially news programming - may come under considerable pressure in future. In particular, we recognise that nations and regions programming was by far ITV's most expensive contribution to PSB and that the economic pressures are increasing. However, In the interests of plurality it would be regrettable if regional news in any area were to become solely the preserve of the BBC, and Public Voice believes Ofcom should not authorise any immediate change to current ITV licences.

## CHILDRENS BROADCASTING

- Public Voice considers it is vitally important to ensure the continued provision of a range of UK-originated children's programmes of high quality, aimed at different age groups and specifically at children living in the UK: programmes which acknowledge cultural diversity and Britain's place in the wider world but also reflect the UK's rich cultural heritage of language, literature, values and environment. We see children's access to a choice of quality media as a vital component in creating a cohesive society of engaged and well-informed citizens.
- Channel 4, currently has no children's – as opposed to schools – output, but we note that their 'Next on 4' vision indicate a willingness to reach out to older children – a group which Ofcom have identified as currently underserved by original British content. We are greatly encouraged by this – and we hope that the £10 million pilot investment will result in a full commitment to programming for older children.
- We urge the broadcasters to continue to schedule and promote content which families can enjoy together – and can encourage inter-generational discussion, and debate.
- We also suggest that similar to the analogue system of licensing, public service broadcasters after Digital Switchover should be required to broadcast a quota of children's programming in return for discounted spectrum on DTT or preferential positioning on the EPG.
- At the moment the UK has a vibrant creative community in children's programme production, but this is already being eroded and will be rapidly dissipated if action is not taken very soon. One solution could be the creation of a specific UK-originated Children's Broadcasting fund - with proceeds derived from the National Lottery – available on a competitive basis to all the commercial broadcasters (rather than producers) in return for their commissioning and broadcasting new UK-originated public service children's programming.

## FUTURE LEGISLATION

- Public Voice believes it is in the citizens' interest that government commits to full deliberation and thorough consultation, and recognizes this is part of the democratic process. However, taking together the financial predicament of Channel 4; the considerable threats to both children's programming and the provision of regional news; as well as opportunities to strengthen national and local community media; Public Voice considers that it is in the audiences and the public interest for Government to take action sooner rather than later, in order to maintain and strengthen public service broadcasting in the UK.

\* \* \* \* \*

QuickTime™ and a  
TIFF (Uncompressed) decompressor  
are needed to see this picture.

## Introduction

This submission represents the views of Public Voice, the leading voluntary sector body campaigning for citizens' interests in relation to communications. For several years we have constructively campaigned on behalf of the UK's Third Sector to achieve communications reform, and have supported improvements to the Communications Act 2003, the BBC's Charter Renewal and the Digital Dividend Review, promoting the interests of British citizens, as a balance to the interests of the existing commercial media and communications lobbies.

Public Voice is pleased to welcome the Phase One report: The Digital Opportunity, as part of Ofcom's Second Public Service Broadcasting Review. This first-stage report raises some important issues which require serious consideration and open debate. We are pleased to respond to the consultation and view this is an important opportunity for us to help both Ofcom and Parliament shape the media landscape in the UK for many years.

We welcome the purpose of the current review, like its predecessor, to make recommendations to 'maintain and strengthen' public service broadcasting. **Public Voice believes communications regulation should at all times seek to protect, maintain and strengthen the provision of public service broadcasting content, platforms and partnerships.**

However, Public Voice wishes to point out that much of this Review concerns the 'maintenance' of the current broadcasting ecology; particularly concentrating on the traditional commercial public service broadcasters. **Public Voice regrets that in this consultation too little emphasis has been placed on ways to underpin and strengthen emerging providers of public service content, including community broadcasters, at both a national and local level, who do not formally have PSB 'status', but who share many of the characteristics and/or make an invaluable contribution to delivering these purposes.**

**Public Voice believes it is imperative that the primary objective of communications regulation is to serve the communications needs, rights and interests of citizens. Therefore we welcome the declared admission by Ofcom that the 'purposes of public service broadcasting are rooted in the interests of the citizen, not the producer', and that Ofcom has stated that the review is being 'conducted through the prism of audience needs'. Their interests must be at the heart of all debates and the conclusions finally reached.**

**Public Voice looks forward to working with Ofcom on the second phase of the review, and widening the consultation to citizens and the wider community.**

### **Section 3. 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?

Despite changes in consumption of digital media, television – especially public service television - still possesses a unique power to engage with large audiences and influence social change. In the UK, the PSB ecology is both dynamic and productive. The evidence from Ofcom's PSB Review Survey 2007 clearly demonstrates that television remains a central part of people's lives, and serves as the main source of news and entertainment for most people. Television's

educational, social and cultural role remains highly valued by people of all ages, socio-economic groups and ethnicity.

In the past, audiences have suffered when the terrestrial broadcasters descended into a crude 'ratings war', scheduling similar shows against each other. Advances in technology like Sky+ or BBC i-player have begun to change viewing habits and have allowed a minority, but increasing section, of the audience to design their own viewing schedule. Public Voice is keen for the main broadcasters to offer a rich mix of genres in the schedule, and argues that high quality, original, innovative, challenging, engaging broadcasting which is widely-available, is best placed to serve the purposes of public service broadcasting.

We also note that radio, (national, regional, local and community) whilst outside of the scope of this review, continues to engage, inform, educate and delight audiences and deliver PSB purposes.

However Public Voice is concerned that Ofcom continues to measure broadcasting impact through mechanisms like 'share' and 'reach' and the broadcasters pay too much attention to overnight BARB figures. In short – the delivery of the 'purposes' cannot be measured by viewing figures alone and we would press for the industry to undertake research into more sophisticated measuring of programme 'impact'.

**In addition, we wish to encourage increased social action programming in the schedules of the main public service broadcasters – and the broadcasters building and strengthening partnerships with communities, community media and the Third Sector.** Large events like Sports Relief; Comic Relief and Children in Need are an excellent way for television to showcase the serious work of charities and community groups. We note that last year's BBC Two, 'Power to the People: The Great Granny Chart Invasion' was innovative journalism - investigating some of the most disenfranchised in society and making their voice heard. The subsequent charity single, by The Zimmers, in aid of Age Concern entered the top 40 in the UK music charts, and the accompanying music video was viewed almost 5 million times on YouTube. This genre of programming, produced imaginatively and creatively is popular with audiences, raising awareness, encouraging participation and volunteering and we wish to see it flourish across the schedules.

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

Public Voice agrees with Ofcom in identifying the reflection of the UK's cultural identity, through original programming at UK, national and regional level as a key public service purpose.

Unlike decades past when peak-time schedules of our mainstream public service channels were filled with Dynasty, Dallas & The Colbys, as well as countless other US-originated soaps and mini-series', it is encouraging that the schedules of our mainstream public service channels now broadcast British drama and home-grown content in peak time. The success of such output has been reflected in the impressive international sales – and British drama, comedy and other genres are gaining plaudits from foreign audiences.

Whilst viewers often appreciate a mixed diet including some high quality foreign acquisitions; they register concern and irritation when public money is used for broadcasters to bid aggressively against each other for the rights to show imported series or films. Public Voice welcomes the commitment from the BBC made during the Charter Renewal process to reduce its proportion of spend, and airtime on acquired programmes and feature films.

Public Voice also considers it is vitally important to ensure the continued provision of a range of UK-originated programming of high quality, aimed at different age groups, which acknowledge cultural diversity and Britain's place in the wider world but also reflect the UK's rich cultural heritage of language, literature, values and environment.

We therefore have particular concerns for the future of UK-originated broadcasting for children (see Section 11 below).

#### **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?

Public Voice wholeheartedly agrees with Ofcom in the foreword to this Review that, *“we are experiencing an extraordinary flowering of public purpose content in digital media from a variety of sources – public sector, community and voluntary organizations, individual and commercial with a wide range of funding sources.”*

**Public Voice believes that there should be positive action to increase the diversity of public service providers and the range of both services and viewpoints accessible to citizens. We believe that the emergence of a strong, independent and non-commercial community media sector is a policy goal; and that “community media” means not only radio but also television and converged platforms, and that these may be at local, regional and national levels.**

Online public service content is growing in importance. Both internet and digital channels present an opportunity for the public service broadcasters to expand their offering and reach. Indeed new technologies and platforms like video-on-demand– including ITV.com, 4oD, and the runaway success of BBC i-player, are helping audiences reach BBC and public service content in different ways. Even before national switchover, individual households who are analogue-only, and have been previously been unable to access the free-to-air public service digital channels, can now extend their broadcasting ‘experience’ and can receive quality content from podcasting and online downloads.

Public Voice is delighted that BBC Parliament broadcasts live online coverage of the House of Commons and Lords, whilst Parliament.UK’s own site has a valuable video and audio section which carries live and archived coverage of all UK Parliament proceedings taking place in public, including debates and committee meetings of both Houses. The material is then available from an on-demand archive for 28 days. Such sites are vital to the purpose of encouraging informed citizenship.

Public Voice strongly agrees that *“...some public purposes are now being increasingly met, for some audiences, by dedicated digital television channels from public and non-public service broadcasters.”* We note the valuable contribution of Teachers TV whose mission is to raise standards in schools; and the Community Channel – an initiative of the Media Trust, which is a free-to-air, not-for-profit digital TV station, which works in partnership with the media and communications industry, and receives backing from the Cabinet Office as well as the major broadcasters including BBC, ITV, Channel 4 and BSkyB. The Community Channel is available to 18.7 million digital households in the UK, and reaches nearly two million people per month, and receives over 10,000 viewer interactions per week. Public Voice endorses national and local community media as a very effective way for the Third Sector to connect with hard-to-reach audiences and provides us with a platform for civic engagement.

**Public Voice regrets that Ofcom opted for a purely market-led approach to auctioning off spectrum.** We are concerned that, in order to recoup the huge costs associated with purchasing spectrum, providers may inevitably follow subscription or pay-per-view models. This further disenfranchises those sectors of the community who are unable to afford the new services on offer - and serves only to reinforce a worrying digital divide. **Public Voice continues to argue against such an approach proposing that the spectrum auction needs to balance ‘social value’ with commerciality. Public Voice believes that some of the spectrum should be used to encourage social inclusion and community cohesion, as well as to create a platform for contributions to the arts, culture and heritage.** By deciding not to ring-fence spectrum for service such as national and local television channels – which

have strong public service, community and social agendas, the regulator is making it hard for new providers of public service content to engage in the auction process.

**Therefore, we encourage Ofcom to reconsider and use an auction model in which licence awards are made not only on the basis of money – but with public purposes and social benefits taken into account.**

### **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?

The “ecology” of public service broadcasting has now changed since the Communications Act 2003. Digital switchover has already begun in some regions, impacting on the viewing habits of citizens. After switchover, the penetration of different platforms and services may continue to change.

We also acknowledge that a significant or protracted advertising downturn would reduce the revenues of commercial broadcasters, regardless of the impact of different scenarios. Uncertain funds, in turn, mean the commercial PSBs will have few incentives to develop and invest in original programming, and may try to abandon some less popular and unprofitable genres like religion and regional programming. **We predict – and regret - that unless there is some policy intervention, uncertain funding will lead to a lack of variety in the schedules – undermining the purposes and delivery of public service broadcasting. Public Voice believes that these issues must be addressed sooner rather than later,** and welcomes the opportunity to engage in a public consultation on the best models to deliver public purposes.

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

The commercial PSBs currently deliver their existing public service broadcasting obligations in return for a number of benefits – notably a privileged access to the market through analogue and DTT spectrum.

In the digital age, audiences are offered a choice of platforms, providers and channels – and to some the choice is both bewildering and confusing. A key challenge is therefore to assist audiences in navigating the way so that they can discover the range of quality content offered. The formal Public Service Broadcasters benefit from ‘due prominence’ on the EPG and preferential access to listings, literally promoting their content above the provision supplied by the market, which may also have PSB-characteristics, without similar formal status. This, in turn, allows them to build audience awareness and loyalty on digital platforms. Similarly, the trusted PSB ‘brand’ helps promote new, additional channels in their digital suite, whose content may be less public service.

Public Voice notes Ofcom’s research that all ITV1 PSB licensees are, at present, experiencing greater benefits than costs of holding the PSB licence, in most cases by a relatively substantial amount. Digital switchover brings some benefits to the PSBs, particularly the need no longer to broadcast in analogue. However it also rapidly erodes the value of analogue spectrum. As a result the benefits of PSB status are exceeded by the cost of PSB obligations for the majority of licences before switchover. We note that for some ITV1 licensees the opportunity cost of PSB status is likely to exceed the benefits swiftly, but that GMTV and Five will see a net benefit beyond switchover, as their licences carry fewer obligations.

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

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

**Public Voice believes high quality content and production should lie at the heart of any future PSB strategy.** Public Voice agrees with Ofcom's vision for a system that:

- delivers high levels of new UK content meeting the purposes of public service broadcasting – increasing our understanding of the world through news and analysis, stimulating knowledge and learning, reflecting UK cultural identity and making us aware of different cultures and alternative viewpoints;
- provides public service content which is innovative, original, challenging, engaging and of consistently high quality;
- is available in a form, and on a range of platforms to achieve maximum reach and impact;
- ensures competition for the BBC in each public purpose with sufficient scale to achieve reach and impact;
- exploits the distinctive benefits of different delivery platforms; and
- supplies diverse content which meets the needs of all communities within the UK.

The purposes and characteristics approach put forward by Ofcom - though difficult at times to measure and assess - is a useful entry point for examining public service content. A large amount of content – currently available, already meets these purposes and characteristics, and that this content is available from the designated public service broadcasters... as well as from other providers who are not bound by public service obligations.

On the specifics of reach, we would stress that anything that can increase reach to PSB content is a good thing. Convergence and the uptake of new technology have enabled audiences to access public service content on a range of platforms. However, the increasing fragmentation of audiences has made it harder to ensure such content continues to reach a mass audience. In this context, the assurance of 'universal access' is a worthy objective, it is unlikely to maximize public value unless that content achieves sufficient reach and impact.

There is currently an abundant supply of content that exhibits public service purposes and characteristics as defined by Ofcom. There are more providers and hours of this type of content available to consumers than ever before, including a substantial provision from the radio and digital multi-channel sectors. However, **Public Voice feels 'discoverability' remains a key issue. While convergence has enabled a huge amount of public service content to be delivered by new media, the sheer amount of material available often means that it is difficult to find valuable content. Ofcom is right to raise this as issue – and to suggest that 'discoverability' – or how easy it is to find a piece of audio-visual content – should be a characteristic of online public service content.**

Turning specifically to the vision of *'increasing our understanding of the world through news and analysis'*, **we welcome the range of quality news provision across the current public service broadcasters.** We believe competition in news has helped create high quality standards in news broadcasting and that these standards have been maintained by newer market entrants. For example Sky News is now an established and respected news service outside the public service broadcasting system and in many ways meets several of the purposes and characteristics that are associated with public service broadcasting. **Competition and choice in news providers is healthy for citizens in an informed democracy and it would be highly regrettable if Sky News chose to withdraw from the DTT platform, with the BBC remaining the only 24 hour news provider.**

We note the evidence in the PSB Review Survey 2007 that 78% of respondents admit that TV is very influential in shaping public opinion, and a staggering 86% rated 'trust' as an important characteristic in news programmes. Public Voice notes the concern amongst the broadcasters that younger audiences and those from ethnic minorities are less reliant on TV as their main source of news and information. However, we strongly reject Ofcom's recent suggestions in New News Future News report that a *"less rigid approach [to impartiality] might - in future – encourage greater engagement among those not currently inspired by mainstream sources."* **Indeed Public Voice notes that the current impartiality requirements currently applied to**

**public service broadcasters have served the UK well, and opposes any relaxation in their implementation.**

On Ofcom's vision that public service broadcasting should '*reflect the UK's cultural identity*', it is indisputable that the UK's governance has changed radically since devolution of power from Westminster began a decade ago. We note the recent BMRB research, undertaken on behalf of the BBC Trust, which shows that 82% of the population is interested in news about other parts of the UK and 62% think it important to understand the different politics and policies within each nation. We also note the recent report from the BBC Trust, which concludes there is a problem with clarity, precision and the balance of reporting from around the UK. **We, too, question whether in recent years, the UK-wide network news, current affairs and factual programming has kept pace with – and responded adequately and appropriately to the UK's new circumstances. The broadcasters have a duty to better reflect our changing institutional architecture and our evolving political, social and cultural landscape. And Public Voice looks to all the national broadcasters - to address these shortcomings.**

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

**Public Voice believes the case for plurality and competition for quality in public service broadcasting is indisputable.** This was supported by Parliament when a "plurality test" was inserted into the media merger regime in the Communications Act 2003. It should be a clear and enduring part of public policy to seek to maintain such plurality. What needs to be kept under review is how that plurality can be achieved in the context of changing technology, changing market conditions, and developments in user behaviour and preferences.

**Public Voice has always maintained that the BBC should remain the cornerstone of British broadcasting, and together with ITV, Channel 4, S4C & Five, should continue to play the dominant role in delivering PSB purposes. Public Voice agrees the market is likely to provide some plurality to the BBC without intervention, but we acknowledge that this is not guaranteed.** Public Voice believes that plurality is especially crucial in news, including national and international, regional and local, as well as current affairs, and children's programming.

It has been made very clear by the commercial PSB's that without additional intervention, public service content will not be guaranteed. We regret that Channels 3 and 5 can no longer be relied upon to broadcast a range and depth of public service programming, but will only have obligations for news and for some production quotas. Hence citizens will be increasingly reliant upon the BBC, and Channel 4, for access to the range and depth of unbiased, high quality information, education and entertainment that public service broadcasting can offer.

However, re-iterating our evidence to Ofcom's Phase II Report on the Review of Public Service Television (in 2004), **Public Voice wishes to highlight that, as important as the plurality of suppliers, is the plurality and diversity of citizens' voices that can be heard and represented through public service communications.** The Digital Age has seen a continued trend away from the model of top-down broadcast corporation and passive audience, towards interactivity, connectedness and user-empowerment.

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

New Media and new platforms create exciting opportunities to innovate, engage with audiences and deliver greater public value. While linear television, through its unique ability to reach masse audience, will continue to play a lead role in providing public service content, convergence and technological change is already enabling the delivery of public service content in different ways. We agree with Ofcom that "*Public service content providers will need to exploit*

*the potential of different platforms to reach different audiences, and deliver a different kind of value, to maximize their reach and impact.”*

Public Voice notes the complex variations in platforms currently available in the UK: Satellite, Cable, DTT-Freeview and FreeSat; as well as differing broadband packages and speeds. The digital terrestrial television platform is clearly established as the principal instrument for guaranteeing wide availability of public service broadcasting after switchover and we welcome that the BBC and Five will be near-universally available on the terrestrial platform for the first time.

Looking at Ofcom’s three general principles of availability and access to public service content:

- 1) **We strongly agree that core public service content should remain widely available, free-to-view, through the provision on a range of platforms – at minimum, terrestrial and satellite. This should include all current designated public service linear channels.**
  - **We query, however, Ofcom’s use of the term ‘core’ and have concerns about a subjective interpretation of the term not defined in the document. As we have already emphasised, public service content is available from broadcasters lacking formal PSB-status – and a strong, independent and non-commercial community media sector should be a policy goal.**
- 2) **We strongly agree with Ofcom’s principle that if content is paid for with public funding, audiences should have at least one opportunity to access it without additional payment.**
  - We note that BT has started to charge users of its television service who want to watch on-demand BBC content. BT Vision users could previously view some programmes for nothing, but must now sign up to the £3-a-month TV Replay subscription to see them. We understand the shows are being provided through BT’s “lowest possible subscription tier”, but we are uncomfortable at the possibility that British audiences who have already paid for content – through the Licence Fee – may well have to fork out again. In contrast, Public Voice welcomes the free-availability of BBC content through the BBC’s iPlayer. but notes that it is important to remember that broadband providers are often charging over-the-odds if individual households exceed their download capacity.
- 3) Noting that the DTT platform is clearly established as the principal instrument for guaranteeing wide availability of public service broadcasting after switchover, we must query Ofcom’s suggestion that *“the use of paid-for-platforms and services to deliver some public service content is appropriate if those platforms can deliver greater reach or impact among a particular target audience than free-to-view platforms do.”*
  - This conflicts directly with the principle of public service broadcasting which is free and accessible to all and increases the divide between those who can afford certain services and those who cannot.

Public Voice remains concerned at the growing ‘Digital Divide’ and urge both the government and Ofcom to reconsider the impact of switchover on older and disadvantaged members of society. Whilst a limited ‘targeted assistance’ scheme has already been introduced, we would urge further research on the media consumption habits of those who have benefited. DTT-boxes notoriously have a short life and there are concerns at the cost of replacing equipment a few years down the line. There are also additional costs of replacing or upgrading digital video recorders and there are others who may be unable to afford the additional costs of home internet access, or are disadvantaged by limited broadband speed in their area.

So, while technological convergence in this Digital Age undoubtedly offers exciting

opportunities, it is vital that the debate is focused squarely on audiences. **We should not assume that convergence has arrived, in full, for every citizen. Any future policy intervention must deliver the benefits of new technologies - while at the same time avoiding exacerbating the existence of the current Digital Divide, or creating a permanent two-tier communications society in the UK. Ofcom should remember that the market needs to serve citizens' interests, not the industry.**

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

**Yes. Public Voice agrees that audiences and citizens are changing their media consumption habits and accessing public service content in different ways. Consequently, the existing model for public service provision must evolve in order to address the risks to delivery of the public purposes.**

### **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?

**As plurality is key to the provision of public service content, and the existing implicit funding for commercial public service broadcasting is declining, in future new sources of funding or public subsidy will be required for providers other than the BBC, including new providers.**

#### **Option 1: Licence Fee**

Public Voice whole-heartedly agrees with Ofcom's assessment that *"audiences express strong support for the BBC, and value the contribution it makes."* **We continue to believe that a sufficiently funded, independent BBC will – and should – remain the cornerstone of public service broadcasting. We oppose any decision leading to a detrimental impact on the BBC's public service contribution.**

**We are against any 'top-slicing' of the Licence Fee, believing this would represent a very fundamental change in the ecology of PSB.** Currently, the commercial PSBs and the BBC compete for audiences – not for revenue. This 'incentivises' investment in high quality UK content - which has historically produced a good result for the audiences, and beneficial for citizens. Ultimately the existence of the BBC has raised the standards of the commercial PSBs and this competition has kept it honest and them in check. We have closely followed the BBC-funding debate from the last few years and have concerns that any new subsidy for commercial PSBs, funded by reducing the BBC's income, may jeopardise the BBC's own ability to deliver its public purposes as laid out by Parliament in its recent Charter.

There has been recent discussion about re-distributing the 'excess Licence Fee' remaining after switchover and targeted assistance. In the event this actually exists, this will remain only a one-off cost and will expire by the end of the current BBC funding settlement. **Public Voice also rejects top-slicing an 'enhanced' Licence Fee; believing that in the current economic climate no government is likely to approve a substantially higher fee for this purpose.**

Lastly, we reject suggestions that this is the right time to change the fundamental nature of the Licence Fee, and have grave concerns that, in addition, 'top-slicing' risks the dilution of connection between licence payer and the BBC. We agree with the assessment of the Chairman of the BBC Trust, Sir Michael Lyons who argued on 6<sup>th</sup> April,

*"Let's not forget that the licence fee belongs to licence fee payers. It is not a back-pocket for government or regulators or anyone else for that matter. It is not a spare pot of cash, a contingency fund, to be raided every time there is a cause, however worthy, with a hole in its balance sheet and a media flag attached."*

**The Licence Fee establishes a clear and straightforward relationship between the**

audience and their BBC. It is a funding mechanism which delivers a degree of accountability that works in the interests of audiences. Public Voice does not believe it is in the interests of citizens and audiences to have these arrangements blurred.

However we would encourage the Licence Fee to be used to strengthen partnerships, which can bring added value to the BBC's purposes and to the Licence Fee payer.

### **Option 2: Direct Public Funding**

Whilst 'grant-in-aid' from the Foreign Office has had no negative impact on the independence of the BBC World Service; this direct funding model seems ill-advised for the commercial public service broadcasters; Channel 4, in particular, has a strong reputation for alternative and provocative programming which are sometimes controversial and regularly challenge the consensus. Public Voice is concerned that such direct funding could compromise its willingness to be risk taking.

In principle we support hypothecated proceeds from spectrum awards, but we acknowledge the uncertainty and there is no direct link between the price of spectrum and the level of funds needed.

### **Option 3: Industry Levies**

Whilst the concept of industry levies on non-PSB broadcasters, equipment sales, internet service subscriptions or UK online content providers may not incur direct cost to the public purse, we recognise the possible negative impact on market development. The UK online content providers, in particular, have long complained about the market impact of online services provided by the BBC, and introducing industry levies could crowd out, and/or stifle new entrants into what remains a relatively fledgling market.

### **Option 4: Regulatory Assets**

Public Voice in principle supports the use of regulatory assets to raise additional funding or in return for public service obligations:

Public Voice notes the Ofcom review of advertising minutage, and acknowledges the argument that any relaxation of current restrictions on PSB advertising minutage could be to offset decline in their net advertising revenue, at least in the short and medium term, thus freeing up resources to help support the delivery of their remits.

However, Public Voice also notes the evidence quoted in Ofcom's current review of Television Advertising and Teleshopping Regulation that "*Ofcom's research seems to suggest that most people would not like to see any more advertising. [1.22]*", - indeed we would go further and suggest that increasing the number of breaks would serve only to irritate viewers. Any move towards regulatory relaxation must remain sensitive to these real concerns. **Public Voice strongly believes that there must remain limits on the frequency of advertising breaks.** We are, however, open to Ofcom removing the unnecessarily prescriptive rule which currently requires a 20-minute interval between breaks, accepting the argument that programmes are being forced to fit an "artificial break pattern".

Similarly, **Public Voice rejects any relaxation in regulatory guidelines for product placement.** We wholeheartedly endorse the comments made by Andy Burnham, as Secretary of State for Culture, Media and Sport when he addressed the Convergence Think-Tank on 11 June 2008 on the subject of Standards:

*"Standards are part of Britain's brand when it comes to world markets. If we chip away at these standards in response to short-term pressures, we risk changing forever how people at home and abroad think and feel about original British programming...I feel there is a risk that product placement exacerbates this decline in trust and contaminates our programmes.... As a viewer, I don't want to feel the script has been written by the commercial marketing director... there are some lines that we should not cross – one of*

*which is that you can buy the space between the programmes on commercial channels, but not the space within them.”*

**Public Voice also strongly believes that niche channels that deliver public service content, should be rewarded with PSB ‘status’, including accompanying prominence on Electronic Programme Guides.** This will help raise their awareness with the public, and increase the opportunities for audiences to discover and benefit from their content.

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

In general, we would agree with the seven tests of effectiveness; namely:

- Reach and Impact;
- Plurality;
- Flexibility;
- Governance;
- Complimentarity;
- Distribution
- Sustainability

However, we will give more detailed comment in phase 2 of the Review.

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

- 1) **Model 1 – Evolution:** - We find this model attractive – certainly until Digital Switchover in 2012. As already stated, we favour the existence of commercial public service broadcasters, competing with the BBC, and raising content standards across the industry to ultimate benefit the audience and citizens. We do not believe that they should shed their public service responsibilities. We also recognise their strong brand awareness with the public; and the associated benefits they enjoy when competing in the digital world. Public Voice is not opposed to their receiving additional support in order to retain or expand their responsibilities, which are public priorities.
- 2) **Model 2 – BBC only:** - As already stated, we are strongly opposed to the BBC remaining the sole UK-wide public service broadcaster. The BBC benefits hugely from competition in programming.
- 3) **Model 3 – BBC/C4 plus limited competitive funding:** We are keen for Channel 4 to retain its PSB status, acknowledging that it offers viewers a real alternative public service to that provided by the BBC. At the moment, Channel 4, on balance, offers viewers good value for money; and unlike ITV or Five ploughs all its revenue into the business of delivering, (or supporting the delivery of) programmes to its viewers, no money is diverted via dividends. If Channel 4 is to receive public funding or subsidy in the future, it will need to have its current remit revised, and to be made more specific in terms of its public purposes. We are reluctant for ITV (and Five) to shed their public service obligations. Audiences have benefited from the healthy competition between BBC One and ITV1 over the years;
- 4) **Model 4 – Broad competitive funding:** Public Voice categorically opposes this model, which will lead to all existing commercially-funded PSBs going down a purely-commercial route. Public Voice disagrees with calls for the creation of an ‘Arts Council of the Air’ as a means of government funding for public service content beyond the BBC to meet the public purposes.

In summary: Public Voice believes that the best approach is a combination of Model 1 (Evolution) and Model 3 (BBC & C4 + Limited Competitive Funding). We are absolutely opposed to Models 2 and 4.

### **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?

**Public Voice believes that Channel 4 should remain a publicly-owned, not-for-profit, institution and should not be privatized.**

We agree with Ofcom's own audience research that viewers trust and appreciate the BBC... but also want plurality and choice. When Channel 4 launched in 1982 it had a clear purpose – to broadcast programmes that catered to audiences not served by the BBC or ITV. It should be congratulated on an admirable twenty-five year history of making distinctive and innovative programmes which both challenged and entertained audiences as well as recognising and reflecting the diversity of a changing Britain. It should also be praised for leading to the creation of a highly dynamic independent production sector.

**Channel 4's proposed vision 'Next on 4' is exciting and ambitious and seeks to build on its traditional core strengths in television to deliver public value across a growing range of digital platforms. It reassures us that Channel 4 has a vital ongoing role in the provision of alternative quality public service content and we wish to see Channel 4 remain a strong commissioner and publisher of public service content in any future PSB ecology.** We also applaud Channel 4's commitment in Next on 4 to "pursue self-help strategies aggressively" and their commitment to "exit any commercially-focused activities that do not contribute returns within an appropriate time frame".

Throughout its existence, Channel 4 has benefited from an implicit subsidy in the form of gifted analogue spectrum. It is now argued that as the analogue spectrum declines in value, a significant funding gap will emerge. Ofcom have already predicted that it is "reasonably likely" that Channel 4 will face continued financial pressure in the medium-term, and that these pressures are likely to result in renewed pressure on its remit delivery from about 2010. **It is clear that Channel 4 will inevitably require a revised funding model, but Public Voice would not want any new funding structure to undermine either Channel 4's market position or the fulfillment of its remit.**

Whilst the actual funding structure remains a decision for Government, Public Voice believes that discussion about further public support for Channel 4 can only start once we are certain there is a strong BBC, - and that we don't end up jeopardizing or weakening one to help the other. However, if Channel 4 does receive public funds or subsidy they will need to demonstrate public value throughout their services.

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

ITV1 – Public Voice would regret the possibility that ITV plc will seek to hand back its PSB licences and seek to operate as a wholly commercial broadcaster. It currently plays a key role in delivering public service programming, especially news services from the nations and regions. As stated earlier, we feel the best model for public service content delivery from ITV1 is Model 1 (Evolution); where it retains its PSB status. Public Voice believes ITV should retain their public service obligations in news and current affairs; in regional programming, and in UK-oriented production. We are sympathetic to their commercial arguments, but we believe there is an inherent value in their positioning on the EPG, their strong brands; and a backlog of publicly funded archive material. Indeed, ITV archives and brand profile were produced in the context of significant public, political and financial support.

GMTV – Public Voice notes Ofcom’s evidence that GMTV will see a net-benefit from PSB status in the short and medium term, until the end of the current licence period. Audiences have benefited from the plurality in delivery of news and current affairs in the morning; and agree that this needs to continue – whether GMTV itself retains a continuing PSB-status, or the breakfast licence is merged back into the ITV1 licence structure.

Channel 4 – As already explained, Public Voice notes that Channel 4 urgently requires a revised funding model, but Public Voice warns that any new funding structure should not undermine either Channel 4’s market position or the fulfillment of its remit. Of the three funding options (regulatory assets, public funding and industry funding) we reject industry funding in terms of a top-sliced BBC Licence Fee, but suggest the benefits of partnerships with the other broadcasters and the BBC when and where possible. Direct public funding may interfere with the perceived political independence of a traditionally risk-taking broadcaster. We note the public’s resistance to significantly more advertising; but that Ofcom’s own economic forecast indicates Channel 4 could benefit significantly from increasing peak-time advertising minutage. We would be interested in seeing further evidence on its impact

Five - Public Voice approves of Five’s stated commitment to continuing as a public service broadcaster in a fully digital world. We note that the regulatory obligations placed on Five are significantly lower than those for the other public service broadcasters – and yet in the past few years Five’s output has improved immeasurably, for example in its arts programming, and it now plays a distinctive and valuable role in delivering the public service purposes.

Teletext – Public Voice notes that analogue text is more popular with viewers than the DTT text service but is concerned with Ofcom’s suggestion of the questionability of whether intervention is still of value in the text market.

## **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?

**Public Voice believes television can play a vital role in reflecting the diversity of the UK’s nations, regions and localities.** Regional programming still matter greatly to audiences, as evidenced by Ofcom’s own survey results: 84% say TV is an important source of news about my region/nation.

We note the serious concerns about the future viability of all regional programming raised by Ofcom in their report and we acknowledge that regional programming is relatively costly to produce, since it cannot generate the mass audiences and revenues of UK-network programming. **However, we wish to stress that it remains in the interests of broadcasters to provide regional content, as it is highly attractive to viewers. Audiences value national and regional news - and value seeing their nation or region reflected on network television.**

So whilst we agree with Ofcom’s assertion that “...*there are some real – and increasing – tensions between what is appropriate from a citizen perspective, and what might be sustainable from an economic one*”, Public Voice insists that Ofcom acts to ensure the citizens’ interest is their primary concern – not shareholder profit.

ii) 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?

UK governance has changed radically since devolution of power from Westminster began a decade ago. Devolution has introduced new challenges for broadcasters including whether this is how the nations/regions are reflected and reported in network news.

In choosing an appropriate model, a key task will be to examine the relationship between democracy and broadcasting and consider what audiences in the nations/regions are seeking in order to keep informed and to take part in the democratic process. For example, we note that the Scottish Broadcasting Commission has been established by the First Minister to conduct an independent investigation into the current state of television production and broadcasting in Scotland and define a strategic way forward for the industry.

**We agree with Ofcom that the objective should be competition and plurality of content at national, and local/regional levels.** We also acknowledge that it is clear that broadcasting landscapes and political needs differ between nations, so each nation and the English regions may need differently designed solutions.

We also note Ofcom's research which suggests the public have a clear appetite for local news and information content: 78% of people would like the main TV channels to show programmes that give me news and information about my local area.

A number of members of Public Voice played a role in the establishment of United for Local Television in 2007. We believe that local TV has the potential to deliver immense social gain, playing a crucial role in the provision of local news, information and debate, bringing the community together and promoting active citizenship. Local TV would allow citizens to see and question local decision makers; as well as encourage viewers to make the most of local facilities. The research conducted by Ofcom for the Digital Dividend Review demonstrated high support amongst the UK public for local TV on Freeview, with support across all ages and demographics. In particular, we suggest that the most vulnerable members of society have the most to gain from access to a local TV service, but are least likely to benefit if these services are restricted purely to broadband internet. Public Voice believes it is important that Ofcom undertakes cost benefit analysis on all of the policy options for local TV in the UK, including the option of reserving DTT multiplex capacity to enable universal provision of new local channels, possibly alongside the UK-wide Community Channel as a sustaining service.

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

We note that Ofcom's Survey suggests 77% say it is important to show programmes that take place in different parts of the UK. Therefore, we applaud content, produced outside the M25, (e.g. Doctor Who, Torchwood, Shameless, The Street) which showcases the wealth of talent within the nations and regions, encourages a sense of national pride and the explosion of new regional voices on screen.

However, if quotas have succeeded in moving production out of London, they have been less successful in achieving further dispersal *within* the nations and regions. We would be concerned if all Welsh production was centralized in Cardiff, or in Scotland, separate Dundee or Aberdeen identities were threatened by increased centralization in Glasgow.

Public Voice applauds the BBC Trust's decision to approve an expanded presence in the North West of England. Moving five London-based departments including two television channels (Cbeebies and CBBC) and two radio channels (5 Live and 5 Live Sports Extra) and 1500 London-based staff posts to a modern, multimedia broadcast and production centre in Salford will bring a range of creative benefits to the BBC, helping them to better reflect and represent the whole of the UK.

iv) 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.)

Society and communities need programmes which not only reflect the culture of the locality but also when broadcast nationally, help the nation to experience and understand its various parts. Audiences demand that plurality continues in regional news provision. Indeed we note that Ofcom's own survey records that 83% say it is important for ITV1 as well as BBC to show news programmes about my nation/region. We agree with the Secretary of State when he told the Broadcasting Press Guild on 16 June 2008 that for ITV, *"the past is important, and ITV's DNA is in the regions, in regional production. It may be inconvenient to some people that people like regional news, but they do."*

**Public Voice is concerned that content specific to the nations and regions - especially news programming - may come under considerable pressure in future. In particular, we recognise that nations and regions programming was by far ITV's most expensive contribution to PSB and that the economic pressures are increasing.**

However, we agree that the continued provision of regional news is a clear priority issue and requires a clear, unambiguous decision supported by significant evidence. The Government and Ofcom must identify how much regional material they believe should be provided, and make explicit the extent of the economic shortfall in future. **In the interests of plurality it would be regrettable if regional news in any area were to become solely the preserve of the BBC, and Public Voice believes Ofcom should not authorise any immediate change to current ITV licences.**

#### **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 strongly believe that plurality is necessary to ensure a market of competition in excellence, choice for the viewer, and to keep the BBC on its toes – this principle is as applicable to children's as it is to adult television.

**Public Voice considers it is vitally important to ensure the continued provision of a range of UK-originated children's programmes of high quality, aimed at different age groups and specifically at children living in the UK: programmes which acknowledge cultural diversity and Britain's place in the wider world but also reflect the UK's rich cultural heritage of language, literature, values and environment. We see children's access to a choice of quality media as a vital component in creating a cohesive society of engaged and well-informed citizens.**

We are highly disturbed by findings from the recent study by the International Broadcasting Trust, 'Screening The World' revealing that nearly half of children's shows on terrestrial television come from North America, we note the important role of the BBC in maintaining a diversity of international coverage, and agree with the IBT that *"...as global citizens, children need access to information about the lives and cultures of people in other countries. Television has a vital role to play in providing this."*

In the Digital Age, Ofcom should ensure that children's programmes should be available alongside other programming on both BBC and other PSBs, as well as on dedicated channels – and distributed both by traditional and new media technology. It is vital that the BBC should not be left as their sole provider.

Public Voice welcomes the Review of Children's Television conducted by Ofcom in 2007 and congratulates Ofcom on its quality and comprehensive approach.

ITV was, for half a century, the biggest investor in original children's programming after the BBC, and was the home of high quality UK-originated kids content in the commercial sector. It is therefore disheartening and regretful that it seems to have (virtually) abdicated from the production and commissioning of children's programmes for ITV1. Indeed, Public Voice was alarmed at Michael Grade's assertion to the Culture, Media & Sport Select Committee on 13 March 2007, that *"In terms of valuable airtime on a main network like ITV1 maintaining a loss-leading service for children... seems to me to be unlikely to be sustainable in the medium to long-term."*

Five has ceased, for commercial reasons, to provide any programmes for older children, while its commissioned pre-school programmes, though very welcome, have always been modestly budgeted and are often made as co-productions with an eye to the international market.

**Channel 4, currently has no children's – as opposed to schools – output, but we note that their 'Next on 4' vision indicate a willingness to reach out to older children – a group which Ofcom have identified as currently underserved by original British content. We are greatly encouraged by this – and we hope that the £10 million pilot investment will result in a full commitment to programming for older children.** We also welcome S4C's growing commitment to the genre.

The commercial cable and satellite children's channels, while offering well-made programmes aimed at an international audience, commission very little in the UK; their output is almost all imported, consisting largely of animation and soaps

Whilst not classed as children-specific programming, both the BBC & ITV have shown, through programmes like Doctor Who; Robin Hood; Any Dream Will Do; Strictly Come Dancing; Dancing on Ice, Primeval and Sport Relief, the genuine appeal of family and inter-generational viewing and the ability for mainstream channels to regularly attract large audiences with quality, public service British content. **We urge the broadcasters to continue to schedule and promote content which families can enjoy together – and can encourage inter-generational discussion, and debate.**

**We also suggest that similar to the analogue system of licensing, public service broadcasters after Digital Switchover should be required to broadcast a quota of children's programming in return for discounted spectrum on DTT or preferential positioning on the EPG.**

**At the moment the UK has a vibrant creative community in children's programme production, but this is already being eroded and will be rapidly dissipated if action is not taken very soon. One solution could be the creation of a specific UK-originated Children's Broadcasting fund - with proceeds derived from the National Lottery – available on a competitive basis to all the commercial broadcasters (rather than producers) in return for their commissioning and broadcasting new UK-originated public service children's programming.** This fund would therefore ensure a plurality, and help to offset any loss of revenue due to the recently increased advertising restrictions during children's programming.

#### **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?

The "ecology" of public service broadcasting has now changed since the Communications Act 2003. Digital switchover has already begun in some regions and is scheduled for completion in 2012.

We accept that the commercial public service broadcasters will face an increasing number of risks between 2011 and 2014 when their initial licensing periods expire, and note that Ofcom has already conceded that Channel 4 – in particular – “...will face increased financial pressure in the medium term and that these pressures are likely to result in renewed pressure on its remit delivery from around 2010.”

**Public Voice believes it is in the citizens’ interest that government commits to full deliberation and thorough consultation, and recognizes this is part of the democratic process.** However, we note the five year extensive process of debate that took place in the run up to the current Act, (Green Paper July 1998, White Paper December 2000, Draft Bill May 2002, Joint Committee of Both Houses July 2002; Royal Assent July 2003), but feel with the purposes under threat that the situation is more pressing and a similar five year timetable is not advisable.

**In summary, taking together the financial predicament of Channel 4; the considerable threats to both children’s programming and the provision of regional news; as well as opportunities to strengthen national and local community media; Public Voice considers that it is in the audiences and the public interest for Government to take action sooner rather than later, in order to maintain and strengthen public service broadcasting in the UK.**