



House of Commons
Northern Ireland Affairs
Committee

Television Broadcasting in Northern Ireland

Third Report of Session 2009–10



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Northern Ireland**

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*Report, together with formal minutes, oral and
written evidence*

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The Northern Ireland Affairs Committee

The Northern Ireland Affairs Committee is appointed by the House of Commons to examine the expenditure, administration, and policy of the Northern Ireland Office (but excluding individual cases and advice given by the Crown Solicitor); and other matters within the responsibilities of the Secretary of State for Northern Ireland (but excluding the expenditure, administration and policy of the Office of the Director of Public Prosecutions, Northern Ireland and the drafting of legislation by the Office of the Legislative Counsel).

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Mrs Iris Robinson, former Member for Strangford, was on the Committee during this inquiry.

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The committee is one of the departmental select committees, the powers of which are set out in House of Commons Standing Orders, principally in SO No 152. These are available on the Internet via www.parliament.uk.

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The Reports and evidence of the Committee are published by The Stationery Office by Order of the House. All publications of the Committee (including press notices) are on the Internet at www.parliament.uk/niacom.

Current Committee staff

The current staff of the Committee are David Weir (Clerk), Alison Groves (Second Clerk), Emma McIntosh (Senior Committee Assistant), Becky Crew (Committee Assistant), Karen Watling (Committee Assistant), Becky Jones (Media Officer) and Mr Tes Stranger (Committee Support Assistant).

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1 TV Broadcasting in Northern Ireland

Introduction

1. The last few years have seen significant changes to public service broadcasting in the United Kingdom. Increasing number of channels, digital switchover and reduced advertising revenue have all threatened the sustainability of commercial broadcasters with public service obligations, most notably ITV plc. These developments prompted Ofcom to conduct its second Public Service Broadcasting review earlier than was required and had been planned. Its report, published in January 2009, raised particular concerns for Northern Ireland. As broadcasting remains a matter reserved to Westminster, and as we had received representations on the matter, particularly from Northern Ireland's Channel 3 licensee, UTV, we felt it appropriate to enquire into how the digital revolution will affect television broadcasting in the digital age.

2. We have been struck by the absence of a strong or, often, any portrayal of the ordinary life of Northern Ireland to the rest of the UK. Coverage has concentrated largely on the Troubles and little else of life in Northern Ireland.

3. It has become apparent, too, that Northern Ireland feels left behind in UK broadcasting terms. Levels of production are comparatively low. Northern Ireland-based producers find it difficult to win commissions from the UK's major broadcast organisations, which they perceive to be excessively London-centric. Digital switchover, already under way in some parts of the UK, will not occur in Northern Ireland until 2012, in the final phase. Nor, since UTV remains strong enough to provide news in competition with the BBC, will Northern Ireland benefit from public money proposed for new independently funded news consortia (IFNC) aimed at guaranteeing a competitive news market. This combination of circumstances, owing more to coincidence than any malign intent, has left the broadcasting community in Northern Ireland with a strong perception that they are stuck in the slow lane while most of Great Britain races down the information superhighway opened up by digital technology.

4. We have heard from a range of broadcasters, representatives from the independent production sector and journalists, and the broadcasting regulator, Ofcom. We have also received submissions from a wide range of individuals and organisations in relation to some or all of the terms of reference for this inquiry. We thank all who contributed.

5. The evidence that we received demonstrates that Northern Ireland is the least well served of the UK's four nations in terms of network production that reflects and portrays its life and in the amount of network programming produced there. Among the three nations with devolved administrations, it also fares worst in terms of the provision of minority language broadcasting.

6. Nor has Whitehall helped to counter the impression that Northern Ireland has secondary status in broadcasting, as was illustrated by the unhappy choice of the title *Digital Britain* for the Government's recent white paper on the digital revolution. One of the difficulties of devolution is that neither the Northern Ireland Assembly nor the Northern Ireland Office is responsible for broadcasting in the Province. Instead, that

responsibility remains with the Department for Culture, Media and Sport, at Westminster which has some work to do to convince us that it has not simply forgotten that fact.

7. The Minister for Creative Industries, Siôn Simon MP, apologised for the fact that Northern Ireland had been left out of the title of his department's white paper, but appeared to be unaware that Northern Ireland was part of his portfolio until we asked to see him. By November last year he had neither visited Northern Ireland nor had he, in spite of his lavishing praise on it, viewed any of the output produced by UTV.¹ *Digital Britain* contains several illustrative maps of Great Britain. Of Northern Ireland, there is no sign, something we deeply regret.

8. We recommend that the Department for Culture, Media and Sport takes more care to include Northern Ireland in its future thinking and documentation on UK-wide broadcasting.

9. Mr Simon also strongly resisted any suggestion that broadcasting should be devolved fully to the Northern Ireland Assembly.² We recognise the complexities involved in the devolution of Public Service Broadcasting and agree that it should remain a reserved matter. Funding for local content, however, should be devolved to the Northern Ireland Assembly, where the needs of the people of Northern Ireland are better understood. **We recommend that the Minister for Creative Industries visits Northern Ireland as soon as possible, and thereafter, at least once a year subsequently to become fully acquainted with the broadcast environment there. As long as broadcasting in Northern Ireland remains the responsibility of the Department for Culture, Media and Sport, we recommend that that Department attempts, at the very least, to build some confidence in Northern Ireland that it is properly and fully aware of its responsibilities.**

1 QQ 117 to 120

2 Q 159

2 Digital Switchover

10. Northern Ireland is due to switch to digital television and radio broadcasting in 2012, and will be among the last of the UK nations to do so. This is largely because of the difficulties posed by switchover in an area which receives significant broadcast signals from abroad—in this case from the Republic of Ireland. Northern Ireland has long differed from most of the UK in that viewers have had access to the output of Radio Telefis Eirrean (RTE), TV3 and the Irish Language channel TG4. Negotiations are under way with the Government of the Republic of Ireland to ensure that viewers and listeners on both sides of the UK-Irish border do not suffer any diminution of service once analogue services are switched off. RTE states:

With regard to digital switchover in Northern Ireland, it is likely that RTE services in Northern Ireland will be lost to many viewers in Northern Ireland who will be affected when the switchover happens in 2012. This will have a significant impact on the cultural diversity of the television landscape in Northern Ireland. For this reason RTE is interested to engage with the UK Government to see if some way of legitimately providing free-to-air RTE services in Northern Ireland could be considered for the future.³

The problem arises because the Republic may switch to a digital platform different from that which will support broadcasting services in the UK.

11. Moreover, there is also concern, particularly for those in the border areas, about potential interference with television sets and set-top boxes when digital switchover occurs, owing to the signal from the other jurisdiction. The Government has also been in negotiation with the Government of the Republic of Ireland on these technical issues, and we have been reassured by the Department for Culture, Media and Sport that it is, “optimistic that technical solutions can be found that will address any problems that might emerge”.⁴ We welcome the cross-border co-operation between the two Governments, and by Ofcom and its counterparts in the Republic, the Broadcasting Authority of Ireland and ComReg, on both these issues.

12. The evidence we received highlighted the value placed on services received from the Republic of Ireland’s main public service broadcaster, RTE, and from TG4, which is particularly valued for its Irish language programmes. The Ofcom Public Service Broadcasting report states:

Services like those from the Republic of Ireland of RTE in English and TG4 in Irish have been widely available free-to-air in Northern Ireland for many years and are generally regarded as making a valuable contribution to the public service broadcasting ecology of Northern Ireland, providing an alternative view of Irish, Northern Irish, UK and international affairs.⁵

3 Ev 101

4 Ev 93

5 Ofcom’s Second Public Service Broadcasting Review: Putting Viewers First 21 January 2009 p96

Mr Simon, stated:

TG4 is guaranteed in the Belfast Agreement and currently reaches about 65% of Northern Ireland. After switchover it will be available to the full switched over percentage of the population which will be 98%.⁶

We welcome both the guarantee and increased reach of services from TG4 to viewers in Northern Ireland. As for RTE, however, the position is not as clear. The Minister also told us that discussions are ongoing with the Irish Government about making RTE available digitally after switchover.⁷ We are concerned, however, that continued access to RTE programming has not yet been guaranteed, although the Minister told us a decision was expected around Christmas. **We attach fundamental importance to the continuity of service and we therefore urge the UK Government to ensure that its discussions with the Government of the Republic of Ireland guarantee that there is no loss of service or amenity to the people of Northern Ireland. We ask for definitive assurance on this point before the end of this Parliament.**

6 Q 124

7 Q 124

3 Production and Portrayal

Production

13. Northern Ireland is the most successful of UK regions, outside of London, in obtaining commissions from overseas.⁸ Around 550,000 people work in creative media industries across the UK, and about 1.5% of them work in Northern Ireland. Most companies in Northern Ireland are small and medium-sized enterprises. Broadcasting in Northern Ireland employs about 1,200 people directly, and depends heavily on freelancers.⁹ Yet the evidence received by the Committee demonstrated that very few productions from Northern Ireland are commissioned from within the rest of the UK. Witnesses have repeatedly argued that a sufficient talent base and capacity exists within Northern Ireland for substantially increased production.

14. The independent production sector creates about 49% of UK television programmes, employs about 21,000 people and has a turnover of about £2bn a year.¹⁰ Comparatively little of this happens in Northern Ireland, however. Research from the Producers Alliance for Cinema and Television (Pact) shows that BBC network production from Northern Ireland in 2007 represented just 0.2% of its total network programming; ITV1 production from Northern Ireland (excluding news) accounted for even less—0.1% of its total first-run network hours, with no network programming from independent producers; Channel 4 production from Northern Ireland also accounted for 0.1% of network hours; and Five, excluding news, had no network programming at all from Northern Ireland.¹¹

15. In total Northern Ireland accounted for only 16 hours of network programming in 2007—less than one minute of network programming per 1,000 head of population, and lower than any other region of the UK.¹² Peter Johnson, Director of the BBC in Northern Ireland, accepted that Northern Ireland had not received sufficient attention in the past, given that 3% of the UK population live there:

historically the position has been that not enough of the BBC's output has been made in Northern Ireland. It has typically varied between half a per cent and 1% of the overall mix.¹³

16. The BBC has announced a commitment to increase its network programming from outside London to 50%, including at least 17% from the nations.¹⁴ Although no specific target has been set for Northern Ireland, it is expected that at least 3% will be from Northern Ireland by 2016. It is estimated that this will put an extra £30 million into the Northern Ireland production sector. We welcome this commitment from the BBC, and we

8 Ev 59

9 Ev 65

10 Ev 56

11 Ev 56

12 Pact Nations and Regions Report November 2008

13 Q 5

14 Ev 83

welcome too statements that these figures will be intended as ‘floors’, not ‘ceilings’.¹⁵ We note, however, that they are targets, not set quotas.

17. While the BBC’s commitments in this respect have been broadly welcomed, several of our witnesses have suggested that the BBC is moving too slowly, and that the target of 3% production in Northern Ireland should be met sooner. There is also the question of whether the target should remain something for the BBC to aspire to or a mandatory commitment. Richard Williams, the chief executive of Northern Ireland Screen¹⁶, asked us to “press for the BBC target to become a quota and to be brought forward from 2016 to 2012”.¹⁷ NI Screen has also argued that the BBC’s place as the major public service broadcaster would justify making its obligations mandatory, rather than voluntary.¹⁸ On the other hand, UTV’s Managing Director, Michael Wilson, pointed out that no one “turns on the television to watch quotas and targets, they turn on the television to watch quality programming”.¹⁹

18. Quotas in themselves—whether measured by spend or by hours of programming—contain no quality guarantee. Nor, of course, do targets, but the looser framework they provide should enable the broadcasters to move towards the required output figure, while at the same time maintaining quality. **We welcome the BBC’s commitment to raise its level of production in Northern Ireland to a level broadly proportionate to Northern Ireland’s population share of the UK. We note that it intends to do so by 2016, but strongly urge the BBC to make every effort to reach 3% of production from Northern Ireland more rapidly than that and to treat the 3% target not as a ‘ceiling’, but as a minimum.**

19. Following the Ofcom Report, Channel 4 has increased its quota for out-of-London production from 30% to 35%, but this includes a target for the three devolved nations taken together of only 3%. When one considers that the three nations with devolved administrations, are home to 17% of the UK population, a target of 3% seems extraordinarily low. Channel 4 accepted that it had to date produced only a limited amount of work in Northern Ireland:

Based on available data Channel 4 commissioned 23 projects in Northern Ireland with a combined value of £4.3m from 1998 to 2007, and in 2008 Channel 4’s factual network spend in Northern Ireland was £0.1m.²⁰

20. The ITV network has a 50% quota for production outside London, measured both by volume and by spend, but there is no specific target for the nations. Ofcom has

15 Ev 83

16 Northern Ireland Screen is funded by Invest Northern Ireland, the Department of Culture Arts and Leisure and the UK Film Council. It is delegated by the Arts Council of Northern Ireland to administer Lottery funding in Northern Ireland. It also administers the Irish Language Broadcasting Fund.

17 Q 208

18 Ev 53

19 Q 9

20 Ev 61

recommended that, in light of the financial deficit currently facing ITV, its out-of-London production quota may need to be revised down.²¹

21. When asked about quotas and targets for the three nations, and, in particular, for Northern Ireland production, the Minister for Creative Industries said:

I do not think it is true that Northern Ireland does not come out very well. I think it is reasonably balanced.²²

We are concerned that the Government appears not fully aware of the extent to which Northern Ireland's production levels lag behind those in the rest of the UK. **We recommend that the Government urge Ofcom to monitor levels of production from Northern Ireland by the BBC and Channel 4 to ensure that their targets, as public service broadcasters, are met as speedily as is practicable and without negative impacts on the quality of production.**

22. One key issue that arose in much of our evidence, was the perception that the commissioning process is highly 'London-centric'. Our evidence suggested that the absence of significant commissioning from London was not an issue arising from doubt about the talent base within Northern Ireland. Stuart Cosgrove, Channel 4's director of Nations and Regions, told us:

the curious thing about Northern Ireland is that it has quite significant talent, world class talent.²³

23. A further curious fact is that Northern Ireland appears to find it easier to obtain a commission from New York or Los Angeles than it does from London. The success of Northern Ireland in securing international commissions illustrates this point: among the share of commissioned hours in Northern Ireland, 81% was commissioned internationally compared with just 10% by the BBC, 6% by Cable and Satellite and 3% by ITV, C4 and five. Pact (Producers Alliance for Cinema and Television) research shows that over the past 18-24 months Northern Ireland had more hours of programming commissioned from international platforms than anywhere else in the United Kingdom.²⁴ Northern Ireland Screen told us that

companies have long faced a closed door in London (where the vast commissioning decisions are made).²⁵

The independent production company, Below the Radar, states,

we have lost all faith in London-based broadcasters, particularly BBC nationally and Channel 4, to deliver on their targets for production in and portrayal of Northern

21 Ofcom's Second Public Service Broadcasting Review: Putting Viewers First 21 January 2009 page 97

22 Q135

23 Q6

24 Pact UK Production Supply November 2009

25 Ev 52

Ireland. Our experience has been of a profoundly rigid mindset which considers events and cultural expression outside the M25 as inferior.²⁶

Dawn Simpson, Pact's senior policy executive for Nations and Regions, similarly told us that London commissioners failed to value Northern Ireland broadcasters:

coming in for a couple of hours doing five minutes' speed-dating with the production companies does not set and build any relationships and they have a lack of understanding what the supply is... People recognise that there is talent here that can deliver, it is quality and they have got good ideas, but unfortunately the London-centric commissioner attitude has still not been broken through.²⁷

Indeed, Producers Alliance for Cinema and Television suggested that this attitude will not change unless the major broadcasters base commissioners in the nations and regions, including in Northern Ireland:

we need a commissioner here who has got power and a pot of money to spend.²⁸

24. Peter Johnson, the BBC's Director for Northern Ireland, accepted that "commissioning decisions drive everything", adding:

Having commissioners aware of the talent base and opportunities is very important... we have appointed some new commissioning executives, one of whom is in factual for the independent sector [and] is dedicated to the independent sector here [in Northern Ireland].²⁹

25. Dedication to the sector is to be welcomed. An obvious example is the success of the revamped "Dr Who" by BBC Wales in Cardiff; having programme commissioners based in an area is a means by which increased production and expertise within that area will follow. **We strongly recommend that the Government ask the BBC seriously and urgently to consider locating a programme commissioner permanently within Northern Ireland with the express mandate of improving and increasing production from the Province.**

Portrayal

26. Increasing the production from Northern Ireland would also alleviate the severe lack of adequate portrayal of life in Northern Ireland to the rest of the UK, and this concerns us greatly. There is very little, if any, portrayal of ordinary life in Northern Ireland. News and current affairs coverage have in the past concentrated largely on "the Troubles" and their aftermath. Drama, documentary and film, have also largely featured conflict. Northern Ireland has never produced a continuing series for broadcast on UK network television. Consequently, while life in England, Scotland and Wales (and even, if the slightly old example of *Bergerac* is borne in mind, the Channel Islands) has been portrayed across the

26 Ev 76

27 Q 86

28 Q 88

29 Q 10

UK, ordinary life in Northern Ireland, warts and all, has remained to some extent invisible. As Paul Connolly, managing editor of Independent News and Media, the publishers of the *Belfast Telegraph*, told us:

The people of Northern Ireland have triplets and quads the same as people in the rest of the UK, we commit domestic murders as well as political murders, we shop and buy stuff in the same way, but when we are portrayed on a national level none of that is shown at all and we do get the Troubles stereotype.³⁰

27. Ofcom states that

Northern Ireland is barely visible on the UK networks and representation is often stereotypical.³¹

Mr Richard Hill, Chairman of Northern Ireland Screen, added:

Sometimes to get a Northern Ireland accent on the network is hard work, never mind a programme on the network that might actually be about Northern Ireland [...] It is one thing to have our accents heard, it is another step to have, say, a returning drama series or a regular series in Northern Ireland as you might find in other parts of the UK.³²

28. Reflecting UK cultural identity is a key purpose of Public Service Broadcasting. To fulfill this purpose, it must

reflect and strengthen our cultural identity through original programming at UK, national and regional level, on occasion bringing audiences together for shared experiences.³³

29. Ofcom states that 80% of people in Northern Ireland viewed portrayal of the regions to the whole of the UK as “highly important” (the average across the UK was 61%).³⁴ It found that the gap between the importance of and satisfaction with portrayal was highest in Northern Ireland at 46% (compared with a UK average of 27%).³⁵ Producers Alliance for Cinema and Television found, in its independent research, that in 2007, that only 16 hours of network programming came from Northern Ireland. Scotland accounted for 298 hours and Wales for 99.³⁶

30. Ofcom adds that, “while production and portrayal are separate issues, it is widely believed that if the amount of production from Northern Ireland were to increase, then portrayal would naturally increase as well”.³⁷ **We recommend that the Government seek to engage with broadcasters and producers so as more accurately to reflect life as it is in**

30 Q 163

31 Ev 75

32 Q 178

33 Ofcom Public Service Broadcasting Annual Report 2009 page 10

34 Ofcom Public Service Broadcasting Review Phase 1 Consultation April-June 2008: The Digital Opportunity page 126

35 Ofcom Public Service Broadcasting Review Phase 1 Consultation April-June 2008: The Digital Opportunity page 48

36 Ev 57

37 Ev 75

Northern Ireland in a way that is understandable throughout the rest of the UK. We recommend that the Government encourage the BBC and Channel 4 to use programmes made within the province for UK-wide broadcasting to address the lack of portrayal and to help ensure the people throughout the rest of the UK have a clearer perception of Northern Ireland – its people, its geography and wildlife, history and culture; and of its history and culture in times before “the Troubles”.

4 The role of public service broadcasting

31. The designated UK public service broadcasters are: BBC, ITV1, GMTV, Channel 4, Five, S4C (for Wales), and Teletext. The requirements of public service broadcasting in the UK are set out in the Communications Act 2003 and Ofcom's 2004 review of public service broadcasting, which states that public service broadcasting should:

- Inform our understanding of the world – to inform ourselves and others and to increase our understanding of the world through news, information and analysis of current events and ideas;
- Stimulate knowledge and learning – to stimulate our interest in and knowledge of arts, science, history and other topics, through content that is accessible and can encourage informal learning;
- Reflect UK cultural identity – to reflect and strengthen our cultural identity through original programming at UK, national and regional level, on occasion bringing audiences together for shared experiences; and
- Represent diversity and alternative viewpoints – to make us aware of different cultures and alternative viewpoints, through programmes that reflect the lives of other people and other communities, both within the UK and elsewhere.

32. The BBC Charter states six public purposes for the BBC:

- Sustaining citizenship and civil society;
- promoting education and learning;
- stimulating creativity and cultural excellence;
- representing the UK, its nations, regions and communities;
- bringing the UK to the world and the world to the UK; and
- in promoting its other purposes, helping to deliver the benefits of emerging communications technologies and services.

33. Once, to hold a public service broadcast licence was to hold, in the late Lord Thomson's oft-quoted phrase, a licence to print money.³⁸ In those days of analogue television, only three TV channels existed, and only Channel 3 companies relied on advertising revenue, on which they had a monopoly. The multi-channel world provided by digital has ended that state of affairs.

34. Public service broadcasting models across the UK, and indeed the world, are under increased pressure as a result of the digital revolution. New broadcasting techniques mean increasing numbers of channels and providers. This places greater economic pressures, on broadcasters generally, but particularly on those commercial broadcasters whose public

38 As Roy Thomson, then chairman, of Scottish Television, in the late 1950s.

service obligation requires the provision of expensive programming, including news, drama and children's TV. Ofcom believes that 'for some licensees, the cost of being a public service broadcaster will soon outweigh the benefits'.³⁹ ITV plc, which owns all the English regional channel 3 broadcasters, has campaigned for some time for a rebalancing of the obligations required of it as a public service broadcaster, especially because of the cost of providing regional news.⁴⁰

35. Ofcom estimates that the Channel 3 network is likely to be in deficit by 2011, with the deficit reaching £38-64 million in 2012. Moreover, it states that the single biggest public service broadcasting cost is the production of regional news.⁴¹ We have received evidence expressing concerns on the future of news provision in Northern Ireland. ITV plc. states:

The current subsidy by ITV plc to the non-consolidated Channel 3 licensees [UTV, Channel TV and STV] is unsustainable as a means of enabling the NCLs [non-consolidated licensees] to provide their news services.⁴²

News provision

36. Northern Ireland has the greatest demand for regional news throughout the UK.⁴³ UTV Television is the Channel 3 broadcaster for Northern Ireland, providing local news and programming. It has held the licence since 1959 and its current licence will end in 2014. It has the highest penetration of all media in Northern Ireland, with more than 90% of the population reached over a four-week period. (It is also available in 70% of homes within the Republic of Ireland. It is unusual (together with Channel TV and STV) among providers of ITV programming in being independent of ITV plc. UTV's regional news at 6pm receives the highest audience share (36%) across the whole of the Channel 3 network. BBC NI regional news receives 28%, in line with the national average.⁴⁴ In its research, Ofcom found that 56% of people in Northern Ireland cited UTV as their main source of news while 15% mentioned BBC1.⁴⁵

Independently Funded News Consortia

37. The acute cost pressure on news provision led Ofcom and the Government to prioritise the continued plurality of news provision in the newly published Digital Economy Bill. This has led to the proposal that Scotland, Wales and one English region—the North-East—will host pilots for Independently Funded News Consortia (INFCs), which will compete for a UK Government fund to provide regional news beyond that provided by the BBC, locally and nationally, and Channel 4, purely on a national UK-wide basis. The

39 Ev 73

40 ITV plc response to the Department for Culture Media and Sport consultation on Sustainable Independent and Impartial News: in the nations, locally and in the regions.

41 Ev 97

42 ITV plc response to the Department for Culture Media and Sport consultation on Sustainable Independent and Impartial News: in the nations, locally and in the regions.

43 Ev 96

44 Ev 96

45 Ofcom's Second Public Service Broadcasting Review: Putting views first January 2009 page 86

consortia are expected to include broadcast and print media organisations with the aim of increasing the range of technical and journalistic skills available and the geographical reach possible within a consortium's area. Following the pilots, and subject to their success, it is expected that IFNCs will be established across the UK in 2013.

No Independently Funded News Consortium pilot for Northern Ireland

38. The Government has stated that Northern Ireland was not selected for a pilot because UTV, which remains the Channel 3 licence holder until 2014, is in a stronger position than Channel 3 licence holders in other parts of the UK, both financially and in terms of its audience share (the highest for regional news in the UK). The Minister for Creative Industries told us:

“The UTV output is the most successful and the best in the country and the INFC pilots essentially are aimed at addressing a problem in places where news has become economically unsustainable.”⁴⁶

39. Evidence received against a pilot came most strongly from the existing provider, UTV, and from Ofcom, and followed the same line taken by the Government: that in terms of news, public funding was simply not needed in Northern Ireland. UTV has a strong commercial interest since it would have to compete for IFNC funding alongside other bidders. On the other hand, unlike its counterparts in Scotland and Wales, it is providing a highly popular regional news service in competition with the BBC, achieving the highest viewing figures in the UK and being the only provider to beat the BBC in ratings on local news. UTV Managing Director Michael Wilson told us the introduction of a pilot would raise “a great risk that something that is not broken could be damaged”.⁴⁷ He added:

An IFNC pilot in Northern Ireland would mean public money would be unnecessarily spent at a time when fiscal caution is required across the whole range of public spending. We would estimate that a fully digital IFNC trial with community media could cost as much as £10m for Northern Ireland alone.⁴⁸

Ofcom, too, believes a trial in Northern Ireland is not necessary:

evidence-based analysis says the problem has arisen mostly in Scotland and secondly in Wales [...] but for Northern Ireland [...] the situation is not so urgent and may never be needed, therefore why would you pilot in Northern Ireland?⁴⁹

The case in favour of an Independently Funded News Consortium pilot

40. The Government's intention is that, once the three pilots have been run and lessons learnt, IFNCs will be introduced across the UK to guarantee an alternative source of news

46 Q 141

47 Q 28

48 Ev 94

49 Q 55

provision to that offered by the BBC. This is expected to occur in 2013, at which point the funds allocated for new s provision in Northern Ireland would become contestable.

41. Independent News and Media (NI), the company which publishes the *Belfast Telegraph*, has announced that it is in discussion with the Northern Ireland-based TV production company Ten Alps about bidding for any local IFNC pilot contracts tendered for Channel 3 news services for Northern Ireland. It has expressed strong concern to us that Northern Ireland, in not receiving the public funding boost of an IFNC pilot, is missing an opportunity:

Most of all, the people of Northern Ireland will suffer because the DCMS decision points to something else: that Northern Ireland, its news, its licence payers, its politics and its institutions simply do not matter as much as the rest of the UK.⁵⁰

Mr Trevor Birney, managing director of Below the Radar, a member of the would-be consortium, told us:

Despite paying our licences and our taxes in Northern Ireland, we are not to be included in the only element of *Digital Britain* that could have given Northern Ireland a real shot in the arm.⁵¹

We take very seriously the fact that this is the position also taken by the local Minister for Culture, Arts and Leisure, Mr Nelson McCausland, MLA within the Northern Ireland Executive.

42. There are considerable potential advantages to the IFNC idea—notably the bringing together of broadcast, print and online journalists under a single banner at a time when the economics of all three areas of news provision are under considerable stress. Paul Connolly, Group Managing Editor of Independent News and Media, told us that an IFNC pilot would help to guarantee provision not just of regional television news, but much more local coverage across Northern Ireland:

What you are seeing across the UK – and Northern Ireland is no different – is newspapers and radio stations and television retreating from the organs of our local democracy, like councils, like courts, like health trusts. I feel very strongly that a pilot IFNC programme for Northern Ireland would allow us to start seeding reporters back into communities. Everyone talks over here about the London-centric approach. That happens in Belfast, too. The papers and television stations are highly Belfastcentric and have retreated in a lot of ways from councils and courts. A lot of the meat and drink of most local newspapers used to be that sort of stuff.⁵²

Mr Connolly also pointed out that uniting local newspapers with regional television broadcasters could put trained reporters, capable of print, online or broadcast journalism, back into local towns and villages, instead of their being largely based in Belfast.⁵³

50 Q 160

51 Q 169

52 Q 179

53 Q 180

43. The need for strong local news provision is particularly acute in all three devolved nations, since there are local political institutions that require to be covered accurately and from plural perspectives. UTV's Michael Wilson outlined the dangers of having just one public service provider:

The moment you start to use someone else's footage that plurality is eroded.⁵⁴

Seamus Dooley, Irish Secretary of the National Union of Journalists, used a sporting analogy to display why news provision is a particularly acute question in Northern Ireland:

In most areas of the United Kingdom, coverage of sports would be seen to be a relatively uncontentious or non-controversial area, other than the sharp divisions which exist in the pub afterwards between two sets of fans. In Northern Ireland the editorial decision as to what victory or defeat leads a bulletin, the placing of an all-Ireland hurling final, a football final or a rugby match is not just a statement of sporting priority on the part of the editor, it is a statement of political allegiance as well.⁵⁵

Independently Funded News Consortia and the long term

44. IFNCs are an interesting and innovative potential solution to the problem of maintaining regional news services in opposition to the BBC. It is important to any part of the UK that news be provided from more than one source; this is particularly so in the three devolved nations of the UK, where the work done by, for example, the Northern Ireland Assembly requires high-quality news coverage from a plurality of sources. The fact that Channel 3 news provision may be under threat as ITV seeks to reduce what is required of it under its public service obligation puts that plurality at risk, and it makes sense to test the alternative provided by the IFNC concept.

45. It does not, however, make sense to test that concept in Northern Ireland at present. UTV remains a news provider of a very high standard. If the pilots work, UTV, along with the other commercially interested companies quoted in this section, will have to form a consortium that can contest the funding supplied for news provision from 2013, with the advantage that by then lessons will have been learned from the experience gained in the three pilots.

46. We recommend that given the strength, popularity and reach of UTV as a competitor to the BBC in Northern Ireland at present, an IFNC should be introduced only once the lessons of the pilots in Scotland, Wales and an English region have been learned. We note that those three areas have been chosen for pilots because continued news provision is under significant immediate threat in each, whereas this is not at present the case in Northern Ireland. We therefore recommend that the Government consult with Ofcom and broadcasters in Northern Ireland after the pilots to fully assess the suitability of INFCs within the province, taking into account its current unique position within the UK in terms of its news provision.

54 Q 24

55 Q 85

Funding of non-news provision

47. If Northern Ireland is not, however, to receive an additional public funding boost for news provision, there may none-the-less be a case for some funding in other areas to dispel the perception that it is being left in the slow lane. We received evidence expressing concern about the Government's prioritisation of the plurality of news over other public service broadcasting requirements, which has led to the proposal to fund only IFNCs. A particular concern was that a 'one-size-fits-all' approach was being used without addressing the particular needs of Northern Ireland.⁵⁶ Northern Ireland Screen argues that:

contestable funding addressing the specific needs of the given Nation should be considered.⁵⁷

Non-news programming

48. Key areas of public service broadcasting which Northern Ireland needs, including network production, portrayal and indigenous language provision, would not however be addressed even if an Independently Funded News Consortium were to be introduced. We received evidence on the need for UK Government funding for non-news programming.

49. Ofcom states:

Government should consider [...] the case for specific approaches in each devolved nation to deliver content other than news.⁵⁸

It adds:

The Government has put a lot of attention on news and current affairs but in Westminster overall there is not perhaps an awareness of how important this issue [provision of non-news broadcasting] is in devolved nations. Certainly that has not been thought to be a priority for funding.⁵⁹

And it notes:

It should be noted that Northern Ireland has the lowest national programming spend in the UK at £3.85 per capita compared to a UK average of £32.... It is imperative that due cognisance is taken of this spending deficit in the implementation of a competitive funding model.⁶⁰

50. UTV, defending its news provision, also suggested such a fund would be beneficial to the independent production sector.⁶¹ Northern Ireland Screen, asked what would most benefit broadcasting in Northern Ireland, also identified a non-news programming fund.⁶²

56 Ev 72; Ev 75; Ev 80 and Ev 87

57 Ev 88

58 Ev 73

59 Q 47

60 Ev 81

61 Q 23

62 Q 189

We recommend that the Government assess the non-news based needs of Northern Ireland, and also actively and urgently consider devolving to the Northern Ireland Assembly the administration of funding for local, non-news programming possibly to include drama, children's content and current affairs in Northern Ireland.

5 Language broadcasting

51. The provision of indigenous languages is seen as a key aspect in public service broadcasting. Ofcom states that

indigenous language broadcasting forms part of the public service broadcasting ecology of the nations of the UK, reflecting aspects of our cultural heritage unique to these islands.⁶³

52. Approximately 10 per cent of the population of Northern Ireland have some knowledge of Irish.⁶⁴ Although no precise data is available on Ulster Scots, (it is not included in the census), the 1999 Northern Ireland Life and Times Survey estimated that around 2% of the population of Northern Ireland spoke the language. Under the European Charter for Minority languages, Irish has Part 3 status (like Welsh and Scottish Gaelic) and Ulster Scots has Part 2 status (like Cornish).

53. In its submission the Government cites research from Ofcom that programming in indigenous languages is valued among people in the devolved nations.⁶⁵ In Northern Ireland, 29% of people think the provision of Irish language programming is important and 20% think that the provision of Ulster Scots programming is also important. Following research into Ulster Scots and Irish broadcasting, the BBC told us:

What we found in terms of people with an interest in Ulster Scots from that research was there was a definite and distinct appetite for programming of cultural relevance to people in those communities. There was less of a distinct and separate demand for language programming per se on television. From that research, on the Irish language side there was an appetite for further Irish language television output.⁶⁶

54. The provision of Irish Language Broadcasting is funded by the Government through the Irish Language Broadcast fund.⁶⁷ The fund has a target of delivering at least 75 hours of additional Irish language and television output per year. This fund was established following a commitment in the Belfast Agreement, and the Joint Declaration of 2003.⁶⁸ Funding from the UK Government was initially set at £12 million over four years, finishing in 2008-09. The UK Government has since then agreed to make available another £6 million to ensure the fund continues for the final two years of the Comprehensive

63 Ofcom's Second Public Service Broadcasting Review: Putting Viewers First 21 January 2009 page 97

64 2001 census information from the House of Commons Library. The Census reports on people with "Knowledge of Irish". Knowledge of Irish includes any of the following: understanding spoken Irish, reading Irish, speaking Irish or writing Irish. A total of 167,487 people has some knowledge of Irish according to the 2001 Census, this represents 10% of the population of Northern Ireland.

65 Ev 92

66 Q 25

67 Northern Ireland Screen is delivering this commitment through the Irish Language Broadcast Fund (ILBF) which is a sub-committee of the Northern Ireland Screen Board.

68 Access to the Republic of Ireland service, RTE, the Irish Language Broadcasting channel was guaranteed in the Belfast Agreement. This has been addressed in our previous chapter on Digital Switchover.

Spending Review (CSR) (2009-10 and 2010-11). Beyond March 2011, funding is not guaranteed.

55. The Minister for Creative Industries told us that

Beyond that, we are into the next CSR period and, like everything else in the next CSR period, will have to take its chances.⁶⁹

Northern Ireland once again fares badly in relation to the two other devolved nations in this respect. Ofcom states that

For Welsh and Scottish Gaelic the future is relatively secure. S4C has achieved an established position in the UK's public service broadcasting landscape, raising the profile of the Welsh language and ensuring its widespread availability throughout Wales. The new Gaelic service in Scotland, BBC Alba, has begun to do something similar for Scottish Gaelic.⁷⁰

56. The evidence received by the Committee illustrates a significant imbalance in the funding of Irish compared with that for Welsh and Scots Gaelic. Figures from the ULTACH Trust suggest that from the BBC licence fee, only £3 is spent per Irish Speaker in Northern Ireland, compared with £35 on Welsh in Wales and £44 on Gaelic in Scotland.⁷¹

57. We recommend that, given its legal obligations under the Belfast Agreement, the UK Government prioritise the guarantee of funding for the Irish Broadcasting Fund beyond March 2011.

58. The Joint Declaration also made £12 million available for the Ulster-Scots Academy and work is being taken forward to progress this. There is no specific funding for Ulster Scots programming. Airtime comes largely through BBC NI focusing on culture as well as language. Ulster Scots was mentioned in the Belfast Agreement, which stated that it represents "part of the cultural wealth of the island of Ireland".⁷² Under the European Charter for Regional and Minority Languages, approved in 1992 and signed recently by the United Kingdom, Ulster-Scots became an officially recognized regional language of Europe. It is largely confined to Northern Ireland and the three counties of Ulster within the Republic of Ireland. It is part of the wider Scots tongue and tradition. Broadcasting of this language is largely, but not entirely, restricted to the BBC. When asked about the funding of Ulster Scots, the Government told us that BBC spending on Ulster Scots is approximately £400,000 a year, mostly on radio.⁷³

59. We welcome the recent Government announcement of commitment to developing minority languages in Northern Ireland by the Rt. Hon. Paul Goggins MP, the Northern

69 Q 157

70 Ofcom's Second Public Service Broadcasting Review: Putting Viewers First 21 January 2009 page 98

71 Ev 103

72 The Belfast Agreement 1998 6.3

73 Q 158

Ireland Office Minister at a summit of the British Irish Council in November 2009.⁷⁴ We also welcome the BBC's increased funding commitment for both Irish and Ulster Scots.⁷⁵

60. We recommend that the Government fully assess minority language provision, particularly the provision of Ulster Scots, in Northern Ireland and ensure that it is meeting its obligations as stated in the Belfast Agreement and the European Charter for Regional and Minority Languages.

74 Northern Ireland Office Press Notice 13 November 2009: Goggins reaffirms minority languages commitment <http://www.nio.gov.uk/goggins-reaffirms-minority-languages-commitment/media-detail.htm?newsID=16293>

75 http://www.bbc.co.uk/pressoffice/pressreleases/stories/2008/04_april/24/funding.shtml and Q25

6 Conclusion

61. This short inquiry has clearly demonstrated that Northern Ireland is culturally neglected by the BBC, Channel 4 and those who commission television programmes within the UK and by those with ministerial responsibilities in the UK Government. Concerted efforts need urgently to be directed towards eradicating that neglect.

62. UTV has the biggest audience share of any local news provider in the UK, demonstrating a clear demand for output produced in Northern Ireland. Further to satisfy that demand, we greatly welcome the emergence of a number of small independent companies within Northern Ireland.

63. An independently funded news consortium pilot may not be an immediate priority, but we repeat that the portrayal of Northern Ireland throughout the rest of the UK and beyond is poor. It is also crucial that a fund for non-news provision, to be administered by the Northern Ireland Assembly, should be provided by the Government.

64. Of all the public service broadcasters, it is the BBC that retains primacy. We believe that it has not adequately discharged its responsibilities in Northern Ireland, and we repeat our call for a commissioner for programming to be based in Belfast.

Conclusions and recommendations

1. We recommend that the Department for Culture, Media and Sport takes more care to include Northern Ireland in its future thinking and documentation on UK-wide broadcasting. (Paragraph 8)
2. We recommend that the Minister for Creative Industries visits Northern Ireland as soon as possible, and thereafter, at least once a year subsequently to become fully acquainted with the broadcast environment there. As long as broadcasting in Northern Ireland remains the responsibility of the Department for Culture, Media and Sport, we recommend that that Department attempts, at the very least, to build some confidence in Northern Ireland that it is properly and fully aware of its responsibilities. (Paragraph 9)
3. We attach fundamental importance to the continuity of service and we therefore urge the UK Government to ensure that its discussions with the Government of the Republic of Ireland guarantee that there is no loss of service or amenity to the people of Northern Ireland. We ask for definitive assurance on this point before the end of this Parliament. (Paragraph 12)
4. We welcome the BBC's commitment to raise its level of production in Northern Ireland to a level broadly proportionate to Northern Ireland's population share of the UK. We note that it intends to do so by 2016, but strongly urge the BBC to make every effort to reach 3% of production from Northern Ireland more rapidly than that and to treat the 3% target not as a 'ceiling', but as a minimum. (Paragraph 18)
5. We recommend that the Government urge Ofcom to monitor levels of production from Northern Ireland by the BBC and Channel 4 to ensure that their targets, as public service broadcasters, are met as speedily as is practicable and without negative impacts on the quality of production. (Paragraph 21)
6. We strongly recommend that the Government ask the BBC seriously and urgently to consider locating a programme commissioner permanently within Northern Ireland with the express mandate of improving and increasing production from the Province. (Paragraph 25)
7. We recommend that the Government seek to engage with broadcasters and producers so as more accurately to reflect life as it is in Northern Ireland in a way that is understandable throughout the rest of the UK. We recommend that the Government encourage the BBC and Channel 4 to use programmes made within the province for UK-wide broadcasting to address the lack of portrayal and to help ensure the people throughout the rest of the UK have a clearer perception of Northern Ireland – its people, its geography and wildlife, history and culture; and of its history and culture in times before "the Troubles". (Paragraph 30)
8. We recommend that given the strength, popularity and reach of UTV as a competitor to the BBC in Northern Ireland at present, an IFNC should be introduced only once the lessons of the pilots in Scotland, Wales and an English

region have been learned. We note that those three areas have been chosen for pilots because continued news provision is under significant immediate threat in each, whereas this is not at present the case in Northern Ireland. We therefore recommend that the Government consult with Ofcom and broadcasters in Northern Ireland after the pilots to fully assess the suitability of INFCs within the province, taking into account its current unique position within the UK in terms of its news provision. (Paragraph 46)

9. We recommend that the Government assess the non-news based needs of Northern Ireland, and also actively and urgently consider devolving to the Northern Ireland Assembly the administration of funding for local, non-news programming possibly to include drama, children's content and current affairs in Northern Ireland. (Paragraph 50)
10. We recommend that, given its legal obligations under the Belfast Agreement, the UK Government prioritise the guarantee of funding for the Irish Broadcasting Fund beyond March 2011. (Paragraph 57)
11. We recommend that the Government fully assess minority language provision, particularly the provision of Ulster Scots, in Northern Ireland and ensure that it is meeting its obligations as stated in the Belfast Agreement and the European Charter for Regional and Minority Languages. (Paragraph 60)
12. This short inquiry has clearly demonstrated that Northern Ireland is culturally neglected by the BBC, Channel 4 and those who commission television programmes within the UK and by those with ministerial responsibilities in the UK Government. Concerted efforts need urgently to be directed towards eradicating that neglect. (Paragraph 61)
13. UTV has the biggest audience share of any local news provider in the UK, demonstrating a clear demand for output produced in Northern Ireland. Further to satisfy that demand, we greatly welcome the emergence of a number of small independent companies within Northern Ireland. (Paragraph 62)
14. An independently funded news consortium pilot may not be an immediate priority, but we repeat that the portrayal of Northern Ireland throughout the rest of the UK and beyond is poor. It is also crucial that a fund for non-news provision, to be administered by the Northern Ireland Assembly, should be provided by the Government. (Paragraph 63)
15. Of all the public service broadcasters, it is the BBC that retains primacy. We believe that it has not adequately discharged its responsibilities in Northern Ireland, and we repeat our call for a commissioner for programming to be based in Belfast. (Paragraph 64)

Formal Minutes

Wednesday 20 January 2010

Members present:

Sir Patrick Cormack, in the Chair

Mr Stephen Hepburn

Lady Hermon

Kate Hoey

Mr Denis Murphy

Stephen Pound

David Simpson

Draft Report (*Television Broadcasting in Northern Ireland*), proposed by the Chairman, brought up and read.

Ordered, That the Chairman's draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 64 agreed to.

Resolved, That the Report be the Third Report of the Committee to the House.

Ordered, That the Chairman make the Report to the House.

Ordered, That embargoed copies of the Report be made available, in accordance with the provisions of Standing Order No. 134.

Written evidence reported to the House and ordered to be published on 20 May, 8 July, 4 November, and 25 November 2009 was ordered to be reported to the House for printing with the Report.

[Adjourned till Monday 25 January 2010 at 11 a.m.]

Witnesses

Tuesday 27 October 2009

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Mr Denis Wolinski, Director, Ofcom Northern Ireland, and **Mr Stewart Purvis**, Partner, Content and Standards, Ofcom Ev 11

Mr Séamus Dooley, Irish Secretary and **Ms Dot Kirby**, Chair of Northern Ireland Broadcasting Branch, National Union of Journalists; **Ms Jannine Waddell**, Northern Ireland Representative, and **Ms Dawn Simpson**, Senior Policy Executive for Nations and Regions, Producers Alliance for Cinema and Television Ev 17

Wednesday 4 November 2009

Mr Siôn Simon MP, Minister for Creative Industries, and **Mr Keith Smith**, Deputy Director, Department for Culture, Media and Sport Ev 25

Wednesday 18 November 2009

Mr Richard Williams, Chief Executive, **Mr Rick Hill**, Chairman, Northern Ireland Screen; **Mr Trevor Birney**, Managing Director, Below the Radar; and **Mr Paul Connolly**, Group Managing Editor, Independent News and Media Ev 32

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First Report	Work of the Committee in 2008-09	HC 90
Second Report	The Report of the Consultative Group on the Past in Northern Ireland	HC 171

Session 2008-09

First Report	Work of the Committee in 2007-08	HC 74
Second Report	Cross-border co-operation between the Governments of the United Kingdom and the Republic of Ireland	HC 78
First Special Report	The Omagh Bombing: Access to Intelligence	HC 873
Second Special Report	Cross-border co-operation between the Governments of the United Kingdom and the Republic of Ireland: Government Response to the Committee's First Report of Session 2008-09	HC 1031

Session 2007-08

First Report	The Northern Ireland Prison Service	HC 118
Second Report	The Work of the Committee in 2007	HC 286
Third Report	Policing and Criminal Justice in Northern Ireland: the Cost of Policing the Past	HC 333
First Special Report	The Northern Ireland Prison Service: Government Response to the Committee's First Report of Session 2007-08	HC 386
Second Special Report	Policing and Criminal Justice in Northern Ireland: the Cost of Policing the Past: Government Response to the Committee's Third Report of Session 2007-08	HC 1084

Session 2006-07

First Report	Draft Protocol for Community-based Restorative Justice Schemes	HC 87
Second Report	The Work of the Committee in 2006	HC 294
Third Report	Tourism in Northern Ireland and its Economic Impact and Benefits	HC 119
First Special Report	Draft Protocol for Community-based Restorative Justice Schemes: Government Response to the Committee's First Report of Session 2006-07	HC 475
Second Special Report	Tourism in Northern Ireland and its Economic Impact and Benefits: Government Response to the Committee's Third Report of Session 2006-07	HC 545

Oral evidence

Taken before the Northern Ireland Affairs Committee on Tuesday 27 October 2009

Members present

Sir Patrick Cormack, in the Chair

Rosie Cooper
Mr Stephen Hepburn

Mrs Iris Robinson
David Simpson

Witnesses: **Mr Peter Johnston**, Director, BBC NI; **Mr Michael Wilson**, Managing Director, UTV; and **Mr Stuart Cosgrove**, Director of Nations and Regions, Channel 4, gave evidence.

Q1 Chairman: Could I welcome you most warmly, Mr Wilson from UTV, Mr Johnston from the BBC and Mr Cosgrove from Channel 4. We are very grateful to you for coming. This inquiry really arises out of a meeting that we had earlier in the year with Mr Wilson and his colleagues who drew our attention to their concerns and we promised to look into this matter. We have received a number of written submissions and we are, of course, open to receiving more written submissions from anyone who chooses to send them. We have got three public evidence sessions today while we are in Belfast. We have this one, which will finish at 12.30 because two of my colleagues from Northern Ireland have to return to Westminster as it is the turn of the DUP to have what is called a Minority Day on the floor of the House in Westminster. They have their own special motion, so clearly they must go to take part in that debate. Obviously we had no knowledge of this when we fixed this up. This afternoon we are seeing representatives from Ofcom and the journalist unions. We may or may not have further public evidence sessions. We are having one with the Minister next week but, apart from that, we may or may not have further ones. We will be aiming to publish our report during January. That is a rough idea of the timetable for you. Do any of you want to say anything by way of opening statement before I begin the questioning?

Mr Wilson: No.

Mr Johnston: No.

Mr Cosgrove: No, thank you.

Q2 Chairman: Thank you very much indeed. Could I ask you the simple and obvious opening question which is how important is television broadcasting in Northern Ireland and what makes it unique within the UK?

Mr Wilson: Firstly, thank you to the Committee for looking at this issue. We do see it as fundamental to our business but also it is important for the devolving democracy of Northern Ireland that institutions such as the Assembly are scrutinised by journalists with integrity, with significant training and, indeed, the product that they deliver is watched, it has volume and reach in terms of the audience that it broadcasts to. Northern Ireland in particular is important because of the appreciation by our audience evidenced from both our own figures and

Northern Ireland's figures that show both significant approval and volume in the population that watch our services. Our major concern is that the policies being put forward at the moment by the two major political parties in Westminster, because broadcasting is a devolved issue, currently damage what is a very good service offered by the BBC and UTV within this region, and that is why we have a concern. The Conservative policy is broadly to have city stations and, again, to reiterate one of my earlier points, we believe that city stations will not have the depth and reach of journalistic skills to scrutinise national institutions. The Labour policy is for an Independently Funded News Consortia where I think although there are a lot of people jumping on the bandwagon saying these are a good thing, there is a lot of detail in how these should be awarded and how they would be made up that is still unknown. At the moment we would like to know more detail before anybody jumps headlong into Northern Ireland and changes what is already very good provision.

Q3 Chairman: Do you wish to add to that?

Mr Johnston: Just very briefly a few observations. Why is it important? One, the public purposes in Northern Ireland are at the forefront of our mind in producing content for the audience here. Obviously we have been through difficult times and we have a very developing political process so, as Michael said, news and political programming is very popular with audiences in Northern Ireland in general. Beyond that some of the other cultural programming, whether it be comedy, entertainment or history programming, sometimes has significant challenges in a place like Northern Ireland but is very important and well valued. The other two things I would say are simply all the research from Ofcom, from ourselves, from a range of sources, shows how popular and what the demand is like from the audience for local programming for audiences in Northern Ireland and we are always nearly consistently the highest level of demand, if you like. How widely we satisfy that, and some people will like some programmes more than others, is the complex nature of it, but that would be the other key point.

Q4 Chairman: Yes. Mr Cosgrove?

Mr Cosgrove: Just to make one key point of differentiation for Channel 4. Channel 4 is a pan-UK broadcaster with no specific opt-out service in Northern Ireland or, indeed, any of the nations and, therefore, that creates a fundamental difference. The other significant point of differentiation is that Channel 4 is a published broadcaster and through regulatory licence and remit our requirement is to source all of our content from independent producers and third parties rather than having our own in-house production. Those two key differences mean that Channel 4 is fundamentally interested in the high end quality of its output and the point of its innovation and differentiation in the UK market.

Q5 Chairman: Thank you very much indeed. The next question, and then I will bring in Mrs Robinson, concerns the first two gentlemen more than Channel 4 for the reasons that you have just indicated. At the moment, how much of your network production currently comes from Northern Ireland?

Mr Wilson: To explain UTV's relationship with ITV, ITV is a federation. It used to be 16 licences and it is now ITV plc in England and Wales. Scottish television—STV—owns the channel provision and the licence for Scotland and UTV own the licence for Northern Ireland and Channel Television owns the licence for the Channel Islands. In terms of size, we are about 2% of the ITV network. We sit on something called the ITV Council which is the governing body of ITV Network. The Council is meant to deliver the programming and business strategy for ITV. However, clearly with 2% of the clout it does not get us through the door in terms of having any influence on the programmes that are commissioned by ITV. What UTV tries to do instead is introduce independent producers to ITV commissioners. In my time at UTV we have had at least two meet and greet sessions where we invited all the known independent producers in Northern Ireland to meet with the ITV Regional Programme Fund and as a result I know that at least one programme went to development and at least one programme was commissioned. In my opinion, and probably in the wider broadcasting community in Northern Ireland, while ITV does not do enough out of Northern Ireland, that which it does, UTV has had an influence in commissioning.

Mr Johnston: Focusing purely on network production from Northern Ireland, not the local production which we have touched on, historically the position has been that not enough of the BBC's output has been made in Northern Ireland. It has typically varied between half a per cent and 1% of the overall mix given it is 3% of the population, if you want to use that as a crude measure. You are probably aware from other sessions in the other nations as well that last year the BBC set a new strategy and set of targets to drive that level of production from Northern Ireland up to 3% by the end of 2016 with a staging post at 2% more quickly than that. Where we were at last year, if you looked at the evidence on the ground you would have seen

a couple of projects, but we recognise not many and not enough. This year, as we currently stand today, I am aware of eight network TV commissions from the local independent sector and a range of in-house production with ten *Panoramas* and a range of other programmes. Also, on drama there is a better story this year and this is a very important genre. We have had two major BBC Network productions, *Five Minutes of Heaven* and *Occupation*, both filming in Northern Ireland, and one about Northern Ireland as well. It is difficult how you plan progress being made but there is more to be done.

Q6 Chairman: Bearing in mind what you said earlier, Mr Cosgrove, do you make a conscious effort to have programmes that emanate from Northern Ireland?

Mr Cosgrove: Yes, indeed. For us, it is probably worth breaking the challenges down into two components. Under the terms of its licence Channel 4 is required to source in this current year 35% of its overall output outside of the M25 region, so therefore outside London. That is about £115 million of spend. Within that, I think a relatively small amount is actually spent in Northern Ireland which is something that (a) we are conscious of and (b) we have been seeking to address. Six weeks ago we announced a special Northern Ireland Commissioning Task Team which I lead on with the Head of Channel 4, Julian Bellamy. However, the curious thing about Northern Ireland is that it has quite significant talent, world class talent. One of the only Oscars ever won in Northern Ireland was last year with Channel 4's *Hunger*. The issue for us is not always necessarily to do with the specificity of talent, but rather if you are looking for volume supply, in other words for shows that return and meet the quantitative measures that you have identified, that is a much harder challenge and one that we are genuinely engaged with.

Chairman: Thank you very much.

Q7 Mrs Robinson: Some of my questioning has been addressed but I would put the caveat that I am disappointed about the proportion, I think it is very low. I just wonder how realistic it is among you gentlemen to increase production and representation of Northern Ireland in your networks. Following on from that, is there a sufficient talent base for TV production in Northern Ireland? I know you have just given us an accolade there of how good—

Mr Cosgrove: Although I would like to come back to that because for us it is one of the keys to unlocking the challenge. I think we could do with more companies in Northern Ireland, but that is a separate matter.

Mr Johnston: As I said, I agree that historically the levels have been too low in Northern Ireland. If you talk to some of the companies involved people would still think progress painfully slow, and TV tends to be like that a bit, that is the nature of commissioning and the scale of budgets involved. I would say we are beginning to see quite dramatic progress this year. So far, in the projects that have been delivered there has been no question about the

27 October 2009 Mr Peter Johnston, Mr Michael Wilson and Mr Stuart Cosgrove

quality and, in fact, those two dramas were some of the best quality dramas we have seen this year. If you are proactive and positive about it, it is possible to develop and deliver those kinds of numbers we are talking about to get it to the 3%. We do need to do that carefully to make sure that we deliver well and that helps everybody if the projects that are commissioned are deemed to be a success; everybody shares in that success. We have tried to ameliorate some of the risks that you are alluding to by having a strategy of a wider range of genres to look at so that there are more opportunities across a range of different programming outlets than historically has been the case in Northern Ireland. As Stuart said, there are undoubtedly some great strengths and in drama there is a tradition of some very powerful pieces of drama and writing. One of the reasons we are building in current affairs as part of our network delivery from the in-house team is because of the historic strength of current affairs in general from Northern Ireland from across the broadcasters. We have to be very conscious and careful about the stability of the sector, if you like, and that we create something sustainable here. Just picking up on Stuart's last point, there are four companies who have now set up a base in Northern Ireland as well. Personally, I would not be very supportive, we need to be very careful about massive companies coming in and drowning everybody else, if you like. That would not really help us with what we are trying to achieve here on economic and cultural benefits particularly. The new companies which have established are very good and interesting models. For example, Kudos, one of the best drama companies in the UK, has formed a partnership with a local company, Generator. They made *Occupation* and had a great experience in doing so and are now looking for new projects with local writers, et cetera, to build on that. If you can do it in steps like that which make sense and which people buy into and support that is better than a crude approach to it.

Mr Cosgrove: If you were to analyse it this would be broadly true of all of the nations and regions and cities outside of London, that the challenges you face in terms of bringing up the level of your performance are actually two-fold. One is to do with the scale and size of production and, therefore, the amount of money that is invested in it. Television generally is on a journey of scaling up. Shows tend to be bigger, grander, more live, more complex, more online, so as shows grow in size you need companies that can deal with that kind of scale. The second element is returnability. Shows that return and return and return obviously bring more economic value than one-off programmes. In lots of these, finding the right supply base for those types of challenges is difficult even in London but certainly difficult in the other cities, including Belfast. My real instinct here is that there are a number of already existing extremely strong companies in Northern Ireland, companies like Double-Band, Waddell Media, whatever, who historically have produced for all of the broadcasters on the channel. Green Inc Productions would be another. These are people who are working in the Republic, in London, in the States, so there is no

question about their ability and quality to do it, but often it is the case when companies are working on major projects it becomes much harder for them to scale up to do another big one as well. There are challenges of size and they are ones that the sector is aware of.

Q8 Chairman: Mr Wilson, would you like to add to that?

Mr Wilson: I think what we want is a strong and sustainable independent production sector for Northern Ireland. In UTV the way to do that is to work closely with them at grass roots level, to deliver programming for local television, to learn the core skills and hopefully pass those programme makers on to network production which is more likely to be BBC or Channel 4 than ITV at this moment in time. UTV is working very successfully in doing that. This year we have worked with about 15 or 16 companies and we are giving many an opportunity for their first broadcast items and it looks good on their corporate CV, if you like. We have had faith, we have invested the time and energy on what are often very low budget programmes but it gives them an experience of professional television and a lot of these are people who have come out of a corporate environment or certainly on two of the programmes we are showing next week they have come straight from education. We have given them a taste of the real world and are passing them up the line. In terms of what influence can we have, I would say the figures I have given to you are probably the best ambassadors in Northern Ireland and we put the most work in to try to deliver greater network content from Northern Ireland, but it is a big door to knock on and I think we all accept that.

Q9 Mrs Robinson: I take it that was a yes, we have a sufficient talent base in Northern Ireland, but I would be biased and think there is. Could I just ask two other questions? Are targets and quotas the best method for ensuring Northern Ireland receives a fair deal in terms of viewer choice and commissions? If not, how do you think plurality and fair distribution of commissions can be guaranteed?

Mr Wilson: I do not know anybody who turns on the television to watch quotas and targets, they turn on the television to watch quality programming. What we need to do is to encourage good ideas, develop them at a local level and pass them on. If you look at some of the formats that we are working with, UTV delivers the two most popular regional programmes on the ITV network, *Lesser Spotted Ulster* and *Ultimate Ulster*. Neither of those programmes came from quotas and targets, they came from great ideas. Northern Ireland has those and greater access to commissioning editors rather than quotas and targets is required.

Mr Johnston: Clearly even though targets and quotas are a blunt instrument they can sometimes have unfortunate side-effects. We have taken the approach in this last year of setting some strong targets because sometimes very complex and big commissioning systems, like in network television, require a degree of focus and proactivity which may

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not naturally happen otherwise. What you hope, of course, is once you have done that for a while over time it becomes more naturally competitive based. The other thing to be clear about is even in setting targets and establishing these plans, it is still incumbent on the programme makers to deliver good ideas that subsequently work for the audience. That is ultimately the measure.

Mr Cosgrove: I would not disagree with any of that. Possibly it is also a proven fact that certainly in Channel 4 when our targets were first established and, therefore, the directorate I look after was established, we moved from an economic shift from 60 million of activity outside of London and we are now 120 million. Clearly there has been a significant shift away from London towards the nations and regions. We have that blunt instrument purpose that can be useful but once you get down to the finer detail, if you like the heart surgery of work, targets can be too blunt. It is often the case when you are dealing with real talent issues that if someone, for example, is a significant film maker or writing talent and they choose to relocate themselves to another region then to some extent the money can follow the talent and it is not always the case that you can deliver equality across all the different regional centres of the UK. If you take one example in the north-west of England, the Manchester region, where Channel 4 historically has been very strong, partly to do with the success of *Brookside* in the 1980s and 1990s, our biggest returning soap, *Hollyoaks*, is in that region and studio for that reason. It is by some way one of our biggest spending shows outside of London. It is in Manchester, not in Newcastle, not in Belfast, not in Glasgow. Sometimes that is a matter of fact rather than something that we can directly affect ourselves.

Q10 Mrs Robinson: What effect would basing programming commissioners in Northern Ireland have, and what would be the problem with doing so?

Mr Johnston: Undoubtedly what you are putting your finger on is that commissioning decisions drive everything else, there is no doubt about that. Having commissioners aware of the talent base and opportunities is very important. What we have chosen to do in the new plan is we have appointed some new commissioning executives, one of whom who is in factual for the independent sector is dedicated to the independent sector here. We have got two others in other areas shared with Scotland. The implication of that was somebody who was physically here more often to engage with companies to create that communication flow, but they are not the final commissioner. Any commissioner who is sited anywhere in the UK has to commission for the whole UK on the basis of it being network production. There are ways and means to do it differently.

Chairman: Do either of you gentlemen have anything to add? Thank you. At this point, could I give the apologies of the two other Members from Northern Ireland. Lady Hermon is attending the

funeral of a close family friend and will be with us this afternoon. Dr Alastair McDonnell is declaring his candidature for the leadership of his party.

Mrs Robinson: You will be covering the story!

Chairman: He hopes to be here this afternoon.

Q11 Rosie Cooper: Notwithstanding that *Hollyoaks* and *Brookside* were based in Liverpool and not Manchester, coming back to Northern Ireland there is a great view that Northern Ireland is hardly visible in the UK on TV screens. I would like to ask you how your programming portrays Northern Ireland, how you gauge that portrayal and in terms of production and portrayal, is the regulation and monitoring of that too light touch or not tough enough?

Mr Cosgrove: Is this for Channel 4?

Q12 Rosie Cooper: Right across the piece.

Mr Cosgrove: I think portrayal is an infinitely more complex issue than targets, to be honest, because we get into then very difficult challenges about how nations or regions consider their history, their culture and the dynamic within them. Again, bouncing back off the ropes, the reason I used Manchester rather than Liverpool was that is the way in which Ofcom measures as the north-west.

Q13 Rosie Cooper: Absolutely, but you could not have a native Scouser allow that one go!

Mr Cosgrove: Absolutely, I accept your point and it is well taken. If you take another show from that area, *Shameless*, which has been another huge success for Channel 4, we went through quite a difficult period of time with the local community and, indeed, the local MP who did not recognise the portrayal in that series as being an accurate portrayal of that region. It was the fact that it was representing a kind of robust English underclass in ways that were not necessarily the local MP's first thought of their constituents. In the process of doing that it raised the question about whose portrayal, and for us the issue is the portrayal of creative talented individuals. When Steve McQueen makes *Hunger* we do not expect that it will necessarily always be popular with every single MP in Northern Ireland because it is dealing with the subject matter in a unique and innovative way that by its nature is already divisive within the culture. You have to be really careful that the portrayal is not taken away from the eye of the creative entrepreneur and placed into the territory of the political classes, which I think would lead to an area of creative box-ticking that I do not think would work.

Mr Johnston: Portrayal is a very complicated issue and there are many layers to it in terms of defining it. On your opening statement that people would feel Northern Ireland had not been portrayed as well across the UK, I think probably people would feel there has been too much portrayal of The Troubles, that there was an over-dominance of that being the representation of Northern Ireland. The BBC Trust did a major study a year or two ago about how UK network news portrays the whole of the UK and the conclusion was not well enough and there were a

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number of initiatives that emerged. Certainly the recent Interim Report concluded there had been more portrayal, not necessarily just more portrayal of economic and health and other issues, from Northern Ireland to the whole UK audience, so there is a process that is improving that. Where network production can be of great benefit to people here is when it is set here, physically filmed here is advantageous too, there are economic benefits and, indeed, some cultural benefits. When it is about topics of this place we tend to think of the more difficult areas, but things like *Coast* on BBC2 coming to Northern Ireland showcasing the environment and the place of Northern Ireland is something we get positive feedback about. As part of our network supply plan that we are working on, as I said, trying to find projects that can do that job is an important objective. It is a very difficult area in which to set crude targets because you are very much into the mix of the commissioning process of what would be a valuable topic to do, what is the right UK-wide version of the story, if you like, how do you encourage that, and that requires confident programme makers in Northern Ireland who have been supported through the process coming up with those ideas and then commissioners having the faith to commission those. Certainly all the evidence I have ever seen is although people have often said there is not an appetite for this, I think there is a big appetite across the whole UK for the whole UK to understand the full UK. There is lots of research that suggests that.

Mr Wilson: I can only comment in relation to the UTV programmes that we commission rather than ITV because they are local programmes for a local market and I would hope our portrayal is fair and offers a diverse view of life in Northern Ireland. That is the key commissioning criteria. Any programme we commission must reflect a modern, diverse Northern Ireland. If it gets over that hurdle then we can look at the content and the other elements of programme production. Yes, although I would agree with my colleagues that portrayal is difficult, our audience can vote on that because they are so close to the programmes that we produce. As I have already said, the audience figures back up the success we have had with making a lot of the programming.

Q14 Chairman: Rosie Cooper did ask you about regulation and you did not seem to touch on that. She did ask that in terms of production and portrayal is the regulation and monitoring of quotas sufficiently light touch. Would you like to briefly touch on that?

Mr Wilson: In terms of the local programming we annually return to what we call the spend and the volume of programming and we have the greatest programme quota of any of the ITV regions and many times we call it a floor rather than a ceiling and exceed that quota every year. With current affairs this year we are producing 50% more current affairs than our Ofcom licence says that we need to as a bare minimum. We would like to see more flexibility in

how we deliver our local programming, but in terms of the regulation of that programming I think it is fair.

Mr Johnston: It is an important topic to continue to monitor and debate. The example I quoted of the BBC Trust review of network news provision of the BBC across the UK is an example of doing that kind of monitoring. It was not just about Northern Ireland, obviously Scotland, Wales and other English regions. We decided that we could improve it so an action plan followed that. Whether it needs very restrictive targets and that kind of thing, it is quite difficult to do that in this territory through the commissioning process, but an alertness to the importance of it and making sure we make progress on it is important.

Mr Cosgrove: We are measured monthly and through an annual transmission model which measures both volume and value of the commissions and that would be reported monthly to Ofcom and then aggregated into our annual performance. We also do an annual performance review as well which tends to be able to go into those areas of portrayal that are not necessarily always captured by issues of volume. For example, in Northern Ireland we had a fantastic award-winning episode of *The Secret Millionaire* where a Northern Ireland millionaire went underground in Dundee and the portrayal was one that portrayed that person and Northern Ireland in a hugely philanthropic way, but it was not made in Northern Ireland and did not count as part of our production volume. We are measured more by volume and amount of programmes rather than the specificity of portrayal per se.

Q15 Chairman: Thank you. Before I bring in Mr Hepburn, could I just ask you a general question. It is often said that good news is no news and watching television as I do, which is not as regularly as most people, it does strike me that there is not sufficient emphasis on the truly unique beauties and qualities of this part of the UK. If I did not come regularly to Northern Ireland I do not think that I would have much idea of this part of the UK, save that it had been torn asunder by The Troubles and was dominated by political factions, et cetera. That is in itself a distorted impression. What could you say to that?

Mr Wilson: While being critical earlier of ITV's commissioning out of Northern Ireland, one of the great successes was a peak time programme called *Britain's Favourite View* and the former motor racer, Eddie Irvine, chose the view across Strangford Lough and in a very beautifully shot eight minute film we saw the wonders of Strangford Lough.

Q16 Chairman: Eight minutes?

Mr Wilson: At peak time on a Sunday night. That is quite a significant period of time.

Chairman: That rather makes my case.

Q17 Mrs Robinson: It does, but they chose the right place.

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Mr Wilson: The viewers across the United Kingdom also appreciated it and it got into the final. I think it was the second most popular view in the United Kingdom. In terms of showing a different side, while ITV does not do a great deal the work that it has done has been very popular.

Q18 Chairman: Perhaps you could do some more.

Mr Wilson: As I said, I am not a commissioner for ITV. I would encourage that.

Q19 Chairman: I really would put it to you that in the rest of the UK there is a profound ignorance of the beauties and positive side of Northern Ireland. I really do feel, as someone who lives in another lovely part of the UK, that if I did not have this job, if I was not a Member of Parliament, I would have very little knowledge of what this part of our Kingdom has to offer. It is quite beautiful and marvellous in so many ways and yet the vast majority of the population of the UK is profoundly ignorant of this. You, gentlemen, in your varying capacities have a duty to address that ignorance, and I hope it is one that you will respond to.

Mr Johnston: I would share that. I absolutely want to see the diversity of Northern Ireland reflected to the UK audience as best as we can. There are some examples of things we are beginning to do that can help. We are now making *The One Show*, which goes out at seven o'clock on BBC1. Next year we will be producing 40 of the films for that from Northern Ireland. There is a range of topics inevitably but our emphasis is we want to make sure as many as possible of them showcase life here effectively to the UK audience.

Q20 Chairman: Positively.

Mr Johnston: Exactly. By the nature of that programme it is very different. It might be about news but there are other challenges in that it has to be a valid news story obviously. I share the ambition and we are making some progress but there is more we can definitely do.

Mr Cosgrove: I would agree with that and broadly agree with what you were saying, Chairman. I think the emphasis for us would be on the word that Peter used, which was the word "diversity" rather than beauty. Channel 4 is not charged necessarily through its licence, its remit or, indeed, its custom and practice to always be searching for beauty in life.

Q21 Chairman: It might be rather better if it did!

Mr Cosgrove: That is a fair point and there is a lot of beauty on Channel 4. Let me just give you an illustration of what I mean. We are working on a programme just now which is on a really rich and largely unknown success story in Northern Ireland around the local dance music scene, particularly youth culture and hip hop. I know, Chairman, you are not the target audience for this particular programme.

Q22 Chairman: How did you guess!

Mr Cosgrove: I think it is probably Iris who is more inclined in that way! It is the case that it was this young talent who came to us with an idea. They had been filming for four or five years on the streets of Belfast and one of the dance groups in it, who are a Belfast break-dance crew, were the World Champions over two years. They have turned this form of street culture into something that is world class and is actually art, if you like. Working on that is diversity about Northern Ireland. It is not necessarily about scenic beauty but it is about creative and cultural beauty in ways that we have to respond to. It is for that audience and for our audience.

Chairman: It is now strictly come Hepburn!

Q23 Mr Hepburn: Just on the digital switchover, I wonder how much of a risk would digital switchover be for commercial Public Service Broadcasting in the region? Specifically, obviously digital switchover will mean an increase in the number of channels and pressure on the amount of advertising, et cetera. What sort of threat is it? Do you see the implementation of a regional fund as some way of getting round it?

Mr Wilson: In terms of the extra channels that the digital future may offer, Northern Ireland has been unique in the United Kingdom in that for many years there has already been overspill on the RTE channels, TV3 or the Irish Language channel. If you like, we have been in a multi-channel world a lot longer than the rest of the United Kingdom. We are also now at a point where, by your definition of quality, Chairman, Northern Ireland is about on par with the rest of the United Kingdom and my personal view is we will reach a digital plateau where as soon as we get to DSO things will stabilise. One of the things that will help us stabilise is volume of high quality public service content and the places that the audience have always found that will be the places that they find it in the future, although we may be offering it on different platforms, both television and online platforms or on-demand. In terms of commercial challenges, yes, it does increase commercial challenges but they are challenges that we are used to living with and we are in a place where we are strong enough and we offer advertisers a platform that is popular enough to maintain their spend with us. In terms of the fund, the UTV licence runs out in 2014 and our position is, and will remain, we believe this year and next year will be the toughest years in the current economic cycle but we believe that we can maintain our current news in terms of quality and volume. In fact, last year we increased our volume of news. Our news requirements in terms of the Ofcom licence went down but we launched our own news at 10.30 in the evening which has proved both popular in audience terms but opinion formers and commentators have also made very positive comments about the content and the additional choice that programme offers. That programme is here to stay and will be here, as the best forecast I can make, until 2014. Northern Ireland does not need a pilot for news. UTV is the most watched regional

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news in the United Kingdom and we are committed to it. Where UTV would absolutely encourage public funding is in a wider non-news fund which would allow us to expand programmes such as *Lesser Spotted Ulster* and *Ultimate Ulster*, and other broadcasters would have access to it as well. We hope at the grass roots that would encourage independent producers to come up with ideas that at the moment might not get on-air. I would hope that the network broadcasters could avail themselves of it with some more network representation. If we are talking about public funding let us end the debate on news: it is not needed in Northern Ireland, UTV is utterly committed and it is high quality well-watched news. In terms of non-news we would actively encourage a fund and believe it would benefit the audience, the broadcasters and the independent production sector.

Mr Johnston: Very briefly, because it is less appropriate for me to comment given the nature of the question, what I would say is I think the audience in Northern Ireland has been well-served by plurality in the past and possibly more so than many other parts of the UK due to the strength of UTV, as Michael has said, and other broadcasters here too. Whatever happens, there are tough financial circumstances that we are all facing in different ways, but particularly commercial broadcasters, as you said, with the ad revenue issue. It is important that we protect and maintain that. Is a fund outside of the news a good idea? Again, I would want to know a lot more about how it was funded and the structure element, how it would operate and all of that. What I can agree with is the principle of the best range of local programmes for local audiences because there is the evidence there that they are popular with the audience here, so there is a demand. We should not neglect what we already do well and we should make sure we protect and enhance that wherever possible.

Mr Cosgrove: I broadly agree with all of those remarks. Michael Wilson's remarks about the plurality of a fund that is non-news would be something that Channel 4 would welcome. The direction of travel of our new remit that has been shaped as part of the process of *Digital Britain* and the Digital Economy Bill is clearly that Channel 4, whilst maximising commercial revenues on its main channel, can also deliver its public purposes on the most apposite and suitable platform, whether that is online, on E4, Channel 4 or whatever. It is really important to understand that within the portfolio world that we live in where there are so many new channels and often what happens is the audience is disaggregated into their different age groups or time availability. For example, E4, our entertainment channel, is the best channel in Britain for reaching young people and clearly if it is the best channel in Britain for reaching young people then it has a role to play in creativity and diversity. We would welcome that, but they are tough times.

Q24 Mr Hepburn: Can I go to the ITV/BBC partnership. Whilst, on the one hand, it does seem eminently sensible to pool resources on, say, news programmes, on the other hand does it not suggest

an intent to put less and less money in because you pool the resources and thereby take away an element of plurality of service?

Mr Wilson: To answer your question it might be useful to explain where partnership is in other parts of the United Kingdom. BBC and ITV in England and Wales discussed plurality and came to heads of agreement and then ITV believed there was not a great enough transfer of value from the deal and as far as I am aware there is no partnership in England and Wales between the two organisations working at a practical level. In Scotland, the BBC and Scottish have heads of agreement and it is early days to see where the partnership is. Peter and I have spoken on more than one occasion about a partnership on a number of levels. We have agreed to move forward in terms of partnership in training and the use of operational resources. Meetings have yet to take place with department heads to push this forward but we believe there is a partnership that can benefit both our organisations and the audience. To return to your question and talk about news content, I am almost 20 years a journalist and I have very strong views on plurality. The moment you start to use somebody else's footage that plurality is eroded and while I am not saying that at some point in the future we may have formal discussions about sharing news content, the strength of UTV and the BBC at the moment means that sort of partnership is not something that is necessarily right now in Northern Ireland.

Mr Johnston: I absolutely agree with the way Michael has summarised the position. What I would say is undoubtedly elsewhere there are other challenges and issues and the BBC has made its partnership offer in good faith as a way to help maintain plurality. It would be wrong for that to lead to a diminution as you have described it, so in discussions about that I would have thought that would need to be the starting point really. As Michael suggested, historically we have got into some degree of sharing physical and technical resources, training, and there is more we can do there for the whole industry, not just our two organisations but others in it and beyond it. There are other important areas to talk about where, as Michael described earlier in response to that, there is a very different position in Northern Ireland with news provision and cost-wise from elsewhere so we have a different approach as a result.

Mr Cosgrove: By its nature Channel 4 is a partnership organisation. The biggest partnership we have is actually with the independent production sector who supply all of our programmes and also have the principal ownership of rights within those programmes outside of the UK transmission market. That is the fundamental partnership that we have. ITN currently produce *Channel 4 News* and, indeed, there is also a news independence fund embedded within that contract which they have access to as well. The second key partnership that we have been engaged in has been in dialogue with BBC Worldwide as part of a strategic partnership and that dialogue remains ongoing and has some significant potential. Last week we announced a further

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partnership with YouTube to take a lot of our programmes into the global net space where we derive not only an income from advertising but a greater reach for some of UK public service programming via the web, IPTB or whatever. Locally, here in Northern Ireland we have a very strong ongoing partnership with the screen agency and Northern Ireland Screen and Richard Williams and his team who have worked with us on some of our biggest shows: *Hunger* the show I mentioned earlier that won the Oscar, a big Mo Mowlam drama that we have got coming up later this year in our schedule and a very big project next year that we will be announcing this side of Christmas. We enjoy really strong partnerships with the local screen agency and I think they are one of the best in Britain in terms of finding ways of partnering broadcasters where there is shared value. Usually for us it is to do with hiring talent development or investing in new talent or whatever.

Q25 David Simpson: You are very welcome, gentlemen. Whilst this morning we have been dealing with the restructuring and partnerships and the future of broadcasting, you will know that in Northern Ireland things are a bit more controversial than on the mainland. Maybe some of my questions will be pointed towards Peter. When it comes to the broadcasting of the Irish language, where do you see the future of broadcasting for Ulster Scots in this day of equality? Where do you see that moving?

Mr Johnston: A couple of years ago we looked at all of these issues in the round. We did a big piece of audience research and developed a strategy for how to approach the different, I would argue, issues of providing content of interest in Ulster Scots and Irish. What we concluded from that research was we have committed to increase resources for both but it takes on different forms in the two areas based on the volume of research we got and on an assessment of the supply base. We are in the process of increasing what we do for Ulster Scots through radio and creating a new online presence and making the archive more available where that is there. What we found in terms of people with an interest in Ulster Scots from that research was there was a definite and distinct appetite for programming of cultural relevance to people in those communities. There was less of a distinct and separate demand for language programming per se on television. From that research, on the Irish language side there was an appetite for further Irish language television output. We are in the process of investing more in both areas but we are doing it on the basis of that body of research in terms of what are the right media, what are the right ways of defining it in terms of what manifests itself on television, radio and online. That is one of the issues with this whole debate, of course, that it manifests itself in lots of different ways. We want to ensure that those cultural and linguistic traditions are reflected appropriately across those media. There are different stages of development, supply and all the rest of it that come into play in both cases and we are taking those into consideration and have increased that investment as

a result. The simple figures based on that plan are approximately a million spent on Irish and about 400,000 on Ulster Scots across the three media. That is based on the assessment of demand need from the audience. Inevitably, because it is quite a political/cultural area, what we tried to do was some unique research to plan what we did in response to the demand that we got from the audiences in the different interest areas, including the broad general audience as well in Northern Ireland. The truth of the matter is when Ofcom and others have done research people will often point to indigenous language provision being much lower in Northern Ireland than it is in Scotland and Wales. There are a host of historical and other reasons for that that we can all imagine. The truth is we have a broad Northern Ireland-wide audience who were surveyed on this matter and there was less of a priority placed on that provision, but undoubtedly we recognise there are important groups within Northern Ireland who have a passion and an interest in both cases so we have tried to design our portfolio based on that.

Mr Cosgrove: As you pointed out, it is not the principal remit area of Channel 4, but since Ulster Scots is the only language that I have any fluency in I would like to make one comment. I think it is an area of media that is uniquely well-suited for the new forms of digital and participative media, particularly online. We are working on a project just now with a young company who have got an innovation called Wordia which is actually a global dictionary of words, new words or whatever. We are talking to them about how it can be specifically used in an Ulster Scots context. It is user generated so you can put films up there that you make or whatever. It is very purposeful. If I was to take a word like "stoor", a thin film of dust, something like that is actually used philologically in Scotland and Norway, and you can trace the philology of a language as well as its use in the current times. In that case, in the Wordia project we are working on it shows you that making a half hour documentary is of less value than building a platform within which a language can be cultivated, better understood and better analysed. We will probably do it within digital reader context.

Mr Wilson: UTV, as you are aware, is 100% English language output. We try across our output to reflect all the cultures and diversity within Northern Ireland and recently we were the broadcast sponsor of the Belfast Mela and for the first time we have been in discussion with the Ulster Scots Agency and the Irish Language Broadcast Fund about projects for next year because the diversity of portfolio is important as we move forward.

Q26 David Simpson: I think it was Stuart earlier on who talked about the portrayal of Northern Ireland across the whole of the United Kingdom and perception. Peter, you will realise that there is a perception out there in Northern Ireland that the BBC in some ways are very biased when it comes to the Nationalist or Republican side of broadcasting. Rightly or wrongly, that is a bit of a perception inside the Unionist community. A journalist recently spoke to me and the journalist was from the Unionist

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community and he described the BBC in Belfast in their experience as “the coldest media house for a Unionist journalist” that they ever walked into. “An experience more chilling than a greeting at a Sinn Féin press conference”. What would your opinion be of that? Maybe it is not easy to answer.

Mr Johnston: Let me be very clear about this. I have heard that perception portrayed from both sides feeling equally strongly about that, from politicians primarily and some associated interest groups. Over many years we have done a huge amount of audience research and ranged widely in talks, including in that recent survey I mentioned about the Irish language and Ulster Scots, and that is not what the audience believes in the generality. When we do our research we are very careful. A core purpose of ours is impartiality. I have never seen any audience research evidence where that perception is shared more widely in the way it is portrayed to me. There may be occasional pockets or times in doing what we do and undoubtedly for all of us it is difficult in Northern Ireland to cover a broad range of topics and for some representing a particular topic or interest is anathema and for others it is the absolute heart of what they are about. It is not an easy task. For any BBC journalist impartiality is at the core of what they are about. I have to say I have heard that portrayal and you say it is perception. We have done lots of research and I do not see that coming through. In terms of the take-up of the programmes, the popularity of Radio Ulster or television programmes, some will speak for themselves in that regard and in terms of the balance of these programmes it is a very, very good range of balance, including urban and rural as well as the other traditional ways of dividing people up. I cannot comment on the experience of one individual, I have no idea who it was and do not know enough about the motivations or otherwise of the individual or the experience of the individual. Certainly that is not what I want it to be, there is no doubt about that.

Q27 Chairman: Thank you very much indeed. Could I bring this to a close and ask a couple of general questions. I hope that you will all assent to the proposition that it is your collective and individual duties to do what you can to serve the people of Northern Ireland by giving them as broad and diverse a range of programmes as possible, and at the same time to inform the rest of the United Kingdom of the unique nature of this part of the UK. Would that be a reasonable proposition to make, that that is what you would subscribe to?

Mr Cosgrove: Yes, in all its diversity.

Mr Johnston: Absolutely.

Mr Wilson: Yes.

Q28 Chairman: Thank you very much for that. In that context, do you think the changes that are imminent, and in particular the proposed Independently Funded News Consortia, are going to enable you better to discharge those duties or are they going to make it more difficult for you?

Mr Wilson: That is a very good question. I absolutely agree with the sentiments of the question and in terms of our local programming I think UTV does exactly that. We have concerns about the consortia. I do not think we yet know enough about the mechanism for awarding or the mechanism for bidding to be able to comment fully. We would welcome the Department giving clarity as soon as possible. I know the Digital Economy Bill will be published within the next few weeks and we hope that we will get clarity then or around then. Our number one concern is that when people come to Northern Ireland and watch UTV news from outside Northern Ireland they see the amount of effort, the strength of the journalism, the quality of the coverage for the full half hour at 6.00 and the full half hour at 10.30. In Northern Ireland there is almost not a recognition of how different the service is from both ourselves and the BBC from other parts of the UK. We have hard news for half an hour, we do not get to a feature at eight minutes past six with some pop star coming into the local concert hall that you often see that in regional news in other parts of the United Kingdom. I think there is a great risk that something that is not broken could be damaged. Am I complacent and saying it could not be improved? No, I am not, the potential could be there for improvement, but if you look at *Digital Britain* that is looking for content delivered on all platforms, and UTV is doing that. We went through a very painful corporate reorganisation last year mostly through voluntary redundancy with compulsory redundancy by one person, we reshaped our news gathering and that news gathering element is online, on radio and on television, and we believe that a lot of the issues of heritage costs that are often talked about in ITV have been done away with. The capital costs of our studios and outside broadcasts disappeared ten or 15 years ago and there is no issue there. While not complacent, we struggle to see how anybody could serve the audience in Northern Ireland better than UTV. Anybody who is taking public money has got to deliver a diverse service and get a significant share of the audience. Small city stations, community stations, while absolutely serving a purpose will not deliver the reach, the audience and the scrutiny that a devolved nation requires.

Q29 Chairman: Thank you very much for that. Before I bring the others in, I am aware that this is your 50th anniversary and you will be celebrating it with a series of special programmes next week. Could I congratulate you on your 50 years and thank you for what you have done during that period.

Mr Wilson: Thank you, Chairman, we appreciate that.

Mr Cosgrove: It is probably worth restating that *Channel 4 News* offers a pan-UK service and traditionally across the years has been devoted to in-depth news and to some extent is perhaps more international in its outlook than many of the other news services. Because *Channel 4 News* does not opt out of particular nations and regions then it has a very different role to play within the range of news

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services offered in the UK, so Channel 4 would not be at the forefront of a news consortia bid or whatever. That is not to say that we might not have a role to play within digital media. If you look at the role of regionality, I think a good example I would give would be one from South Wales. I do not think it is the role of *Channel 4 News* necessarily to represent the affairs of Bridgend and Glamorgan but when 32 young people die over three years of suicide in Bridgend and Glamorgan that is of substantial interest to everybody in the UK and needs to be dealt with in-depth and well, and that is the role that *Channel 4 News* plays specifically.

Mr Johnston: I absolutely support the continuing plurality of provision in Northern Ireland, the tricky bit is about how best to do that and crucially how to fund it as well. In terms of the models, we do need to be sensitive to the circumstances in Northern Ireland and the strengths that exist and how you develop and protect those. Undoubtedly, we have an independent sector we work with as well, as Stuart has mentioned, which produces just over 35% of our content. Making sure that all of the organisations

are healthy in the future is important. Where I would have stronger views on the BBC's position is as how best to fund and continue that. Clearly we need to be careful that we do not simply move money from one place to another and the overall net impact is negative rather than a positive one. We need to ensure that we genuinely increase, improve and protect plurality by whatever model is appropriate.

Chairman: Thank you very much. Thank you for coming and thank you for the evidence you have given. The Committee will want to reflect carefully on what you have said and we shall make our report. I hope there is one thing that would unite us all, and that is we need to have continuing quality broadcasting in Northern Ireland that reflects the special characteristics of Northern Ireland and we need to have quality broadcasting within the United Kingdom that enables the people in the rest of the UK to appreciate the unique significance of Northern Ireland, just as it is important that the people of Northern Ireland should be able to appreciate the significance of the other parts of the UK. Thank you very much indeed.

Tuesday 27 October 2009

Members present

Sir Patrick Cormack, in the Chair

Rosie Cooper
Lady Hermon

Dr Alasdair McDonnell

Witnesses: **Mr Denis Wolinski**, Director, Ofcom Northern Ireland, and **Mr Stewart Purvis**, Partner, Content and Standards, Ofcom, gave evidence.

Q30 Chairman: Mr Wolinski, Mr Purvis, could I welcome you. Thank you very much indeed for coming to this session. Were either of you here this morning?

Mr Purvis: Yes, we were both here.

Q31 Chairman: I thought so. So you heard the questioning of the representatives from UTV, BBC and Channel 4. Have either of you anything you would like to say by way of opening statement?

Mr Purvis: I just thought it was worth reminding us what our role is. Basically, Parliament asked Ofcom to conduct a review every few years of public service broadcasting. That is effectively BBC, ITV, Channel 4 and Channel Five. The purpose which I think is most relevant to today was a purpose on those broadcasters "to reflect UK cultural identity, to reflect and strengthen our cultural identity through original programming at UK, national and regional level". What we have done is to monitor that programming, to analyse it and, where appropriate, to offer policy options to the government and Parliament for how the situation can not only be sustained but possibly improved in these uncertain times ahead. Denis, as our Director of Northern Ireland, has been involved in all aspects of those reviews in terms of Northern Ireland.

Q32 Chairman: Is there anything you would like to add, Mr Wolinski?

Mr Wolinski: Just that in the case of Northern Ireland during that Public Service Broadcasting Review we identified some key areas. These were in particular news, which is an area right across the United Kingdom which there is concern about, and in the case of Northern Ireland non-news, which is valued and watched probably more than elsewhere in the UK, the issues which were raised again this morning by yourselves of network production and portrayal of Northern Ireland, and issues around indigenous language, the Irish language and Ulster Scots.

Q33 Chairman: Thank you. Would the two of you say that you see it as one of your prime duties, if not your prime duty, to do all in your power to try and ensure that Northern Ireland has high quality public service broadcasting?

Mr Purvis: Absolutely.

Chairman: So we can take that as the working remit on which we will base our questions today.

Q34 Rosie Cooper: I would like to ask you a two-part question and for both of you to answer it, but each half of it will impact on you differently. The first is whether the cost of being a public service broadcaster has become greater than the benefit. The second part would be what you would envisage as suitable limited public service commitment for Channels 3 and 5 and how you weigh those two things.

Mr Purvis: Absolutely. When we looked at the situation overall we believed, as Denis has said, that the issue of news was important but it was not the only thing. In terms of the Cost Benefit Analysis, as it is sometimes called, of public service broadcasting there is a very simple concept at the heart of public service broadcasting and it is as follows: certain broadcasters are given privileged access, sometimes for money as in the case of BBC through licence fees, sometimes to airwaves, or spectrum as it is sometimes called, which is all those other public broadcasters that I mentioned, Channel 4, ITV and Channel Five, and in return they are expected to provide certain public services. The value of that privileged access to the spectrum has come down and down as there are other ways of getting programmes to audiences, for instance by satellite and cable. What we have tried to do is to balance the declining value of the spectrum with the costs associated with a public service. What we did in our PSB Review was to make another adjustment which in most of the UK meant that the Channel 3 licensees, as we call them, sometimes called the ITV companies, would have to provide public services but at a slightly lower level in order to balance the lower value on the spectrum. In the case of Northern Ireland we literally put those public service requirements a little bit higher and the reason for that is digital switchover, which is already well underway and there is about to be the biggest urban switchover yet in the Manchester area, the Granada area, comes very late to Northern Ireland so the effect of there being more competitors in the market, which you talked about this morning, happens later in Northern Ireland. There is also a series of one-off factors in Northern Ireland which mean that the impact of DSO perhaps is not going to be so great. What you heard from Michael Wilson this morning was a quite confident and optimistic scenario in which, for instance, in terms of public funding the option we put to the Government was if we were going to lose citizens plurality, in other words, if we

were going to lose competition, to put it simply, on ITV or Channel 3 against BBC News in relation to the regions there was an argument for a public intervention which can be done in a number of different ways. What you heard from Michael this morning was the case that that is not needed in Northern Ireland, I guess for the reasons I have explained. What we would say to that is that first of all these are decisions for government, all we do is put forward policy options. There are perhaps other scenarios where the situation in Northern Ireland might not be as optimistic as Michael thinks and perhaps there should be a fallback plan for Northern Ireland where if the Channel 3 licensee in Northern Ireland was not able to sustain a competitive high quality service, would there be an argument for public intervention then. What we can say is in Scotland and Wales, where digital switchover is well advanced, there is a passion almost that there must be resolution to this issue of competition with the BBC in relation to regional news. What you have heard today is that is not felt so strongly in Northern Ireland for various reasons.

Q35 Rosie Cooper: As Member of Parliament for an area which is about to switchover on 4 November—
Mr Purvis: Indeed.

Q36 Rosie Cooper: — I think a great many more people will read about it than it appeared would be the case because there is a lot of investment in making it work. To go on from there, would you see it as a priority to ensure that limited public service commitments from Channels 3 and 5 were compatible with the desire to have financially robust providers of public service content alongside the BBC as we heard this morning?

Mr Purvis: What we said in our last Public Service Broadcasting Review was we envisage a system in which particularly Channels 3 and 5 are commercially based but with limited but important public service requirements, and I think that is still our view. The question of what exactly those requirements are, the priorities that we have identified are news, some non-news in the nations, not so strongly felt in England, original production, which we think is very important, and an independent quota. Those requirements as a list are not a terribly long list but I think they are all important points. We think you could end up with a situation where that is a sustainable business. I have to say ITV plc has another option as the licence holder and that is to walk away from public service broadcasting and just become a commercial broadcaster. That has implications for Northern Ireland and has certain implications for Scotland and the Channel Islands.

Q37 Chairman: Would you deplore that?

Mr Purvis: I often say, Chairman, that holding a PSB licence is a voluntary activity. Were ITV to walk away from that licence we would have to consider our options and Parliament would want us to consider whether they should be advertised or not. That is a hypothetical situation but it is an option

which ITV plc has and who is to know what the next chairman or chief executive of ITV might decide to do. It is material to Northern Ireland, Scotland and the Channel Islands because it would effectively mean that Ulster Television would not have a network schedule in which to insert its programmes, and that is why we have raised it not as a scare story but if you analyse the facts of the situation you cannot ignore that option. If ITV plc stays as a PSB and if UTV continues with the high quality service that it provides today there need be no problem, and let us hope that is the case.

Q38 Chairman: You have this responsibility to the general public.

Mr Purvis: Yes.

Q39 Chairman: It is a responsibility given to you by Parliament. Do you not think that all of those who are purveying information via television to the public have an overriding duty to be conscious of their public obligations, whether you define it as PSB or not?

Mr Purvis: Certainly while they hold a PSB licence, a Channel 3 licence, they have to be accountable to Ofcom and eventually to the government and, indeed, to Parliament for performing their part of the deal. When they took on this licence they took on certain obligations.

Q40 Chairman: Of course, but I did interject earlier and ask would you deplore it if they sought to walk away?

Mr Purvis: For instance, we would deplore it to the extent that Parliament has authorised us to sanction them with a fine. What I am saying is we cannot make them be a PSB if they do not want to be.

Q41 Chairman: Do you wish you could?

Mr Purvis: Certainly that is not something Parliament has envisaged up to now, that you could hold somebody in perpetuity in terms of being a PSB. The situation is much as we have described it. There is a balance and at the moment the balance probably points to ITV remaining a PSB with all the benefits to the nations and regions, but we have to look at an alternative situation that might occur. You referred, Chairman, to the Independently Funded News Consortia and may I just say a word on that because it was referred to this morning?

Q42 Chairman: Please.

Mr Purvis: That is an idea which we put forward and it is now government policy. The idea is that in a part of the UK where, for instance, it did not make economic sense for the Channel 3 licensee to be asked to provide a news service that there could be public funding. Where this public funding should come from is a matter for government to decide and we have put forward a series of options. If there is public funding we believe that should be a contestable process and people should be able to bid to produce that service, a kind of public service broadcasting contract if you like. The people who would bid for that, if there were to be one in

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Northern Ireland, would be Ulster Television and another two organisations, the Belfast Telegraph in association with an independent producer called Ten Alps, have indicated that they would like to bid for the right to produce that service as well. In a sense, you have a potentially competitive situation for the right to produce the news with public money but if that service is not required then that would not be a very good use of public money. I do not agree or disagree with what Michael said this morning, I just paint an alternative scenario which is one we think should be covered.

Q43 Chairman: Can I just take you back a stage because when I asked my first question you said absolutely you agreed with that.

Mr Purvis: Yes.

Q44 Chairman: At the moment, how far do you think the quality and variety of television broadcasting in Northern Ireland measures up to what you consider to be appropriate standards? Taking the UK as a whole, and the twin-track of our questioning this morning which you heard, how far do you think Northern Ireland is adequately and accurately portrayed in the rest of the UK so that people in other parts can have a balanced understanding of what the country is like?

Mr Purvis: I will give a mostly positive answer to what you have asked but I should explain by way of background that I am a television journalist. I was the chief executive and editor-in-chief at ITN, I first came to Northern Ireland in 1972 as the ITN producer here, so I know a bit about the scene here. On that basis, and as a result of some international experience where I can compare broadcasting in countries of a similar size to Northern Ireland, I think the people of Northern Ireland are very well served by the BBC and UTV. The fact that UTV achieves the highest level of penetration in terms of market share on the early evening news is a remarkable achievement and is one that it has every right to be proud of. I do not think anything Ofcom suggests by way of a fallback situation should problems arise should be seen as criticism in any way of the BBC and UTV. In terms of the perception and how it looks across the UK, perhaps I might ask my colleague, Denis, to speak to this in a second. All I can tell you is the research that we see says that UK audiences believe that the PSB broadcasters cover well the nations and regions, and personally I would agree with that. Where they have a less positive opinion is whether their region or their nation is reflected well to the rest of the UK.

Mr Wolinski: I think it has been identified by the Committee and others that this appears to be a particular problem in the case of Northern Ireland.

Q45 Chairman: Yes.

Mr Wolinski: Some of the reasons for that are quite varied. The television networks are based in London. The process probably is quite London-centric, as indeed many other industries are London-centric. Commissioning editors, I suppose, are risk-averse. There was a story in *Broadcast* magazine

earlier this week where a commissioning editor, for instance, who is required to provide network programming is more likely to go to a big London-based producer rather than, let us say, a smaller Northern Ireland-based producer because the outcomes are that if a big producer, say like Endemol, does not produce the goods the commissioning editor is not seen necessarily as being responsible because that outcome could not be predicted, whereas if they take a risk with a smaller, more minor producer their head is on the block. There are other factors at play. For instance, Northern Ireland is geographically probably further away from London and much of the rest of the UK, and in other ways as well more than physically. Stereotypes persist about Northern Ireland. Much of the programming that has been produced on the networks, going way back to something like *Harry's Game*, right up to *Hunger*, very often tended to be to deal with The Troubles, much as people like to get away from that. We have not seen a series produced from Northern Ireland, only one-off programmes, although we get series from all parts of the UK on network television. Even the Channel Islands had a programme like *Bergerac*. Yet producers in Northern Ireland can produce the goods. A company like Waddell, for instance, has produced two series for US networks. Currently Northern Ireland Screen is backing a pilot for a series for HBO in the States which could be worth up to £60 million. There is definitely progress. For instance, the BBC has committed to doing 3% from Northern Ireland and Peter Johnston described that this morning. There are glimmers of hope about this. There is a range of reasons why Northern Ireland has not punched its weight and they are quite complex.

Q46 Lady Hermon: Such as?

Mr Wolinski: The basis of commissioning, which is London-centric, the geography and it is a lot to do with perception.

Q47 Chairman: How far is it your responsibility to draw attention to this over-emphasis on London?

Mr Purvis: I think in our PSB Review we publish all sorts of data. We publish it annually and every few years. That points to a fairly consistent pattern and that is why Denis is able to draw those assumptions from it. We have raised this issue a number of times. One option we put forward in the PSB Review was a contestable fund for non-news programming, and Michael Wilson mentioned that idea this morning. That was not an option that the Government prioritised in the *Digital Britain* plan. The Government has put a lot of attention on news and current affairs but in Westminster overall there is not perhaps an awareness of how important this issue is in devolved nations. Certainly that has not been thought to be a priority for funding.

Q48 Dr McDonnell: How do we change? You have described the problem there and it is not quite your responsibility, but whose responsibility is it and how might we open that out?

Mr Purvis: I think the BBC has taken a very clear position on this by setting a series of targets. It is worth saying that we regulate for programme production out of London, we do not actually break it down by nation. The BBC has, in a sense, been more specific in its targets. What you begin to see is clusters of talent. That sounds a little bit airy-fairy but what really happens is a programme gets commissioned in a location, talent moves to the location and other things develop from that. Sometimes in the industry it is said talent follows the money. In other words, if the BBC or a broadcaster says it is going to commission from a certain area and puts some money there people will go there in order to get those commissions. That has been proved to be true over the years. In a sense, the BBC's commitment is a lead. I have to say that Channel 4, as you heard this morning from Stuart Cosgrove, is trying harder particularly in the area of digital media. ITV plc, again Michael referred to it, has not seen this as a priority. It does meet the quota out of London but it only just meets it and when it failed to reach that quota recently we imposed a sanction on it, so it is something that Ofcom takes extremely seriously. I have to say I do not think it has been suggested that regulators should or could go any further than that.

Q49 Dr McDonnell: If we park the regulation, are you telling me when you say the BBC has a quota that there is a willingness beyond the BBC? Has ITV a commitment to it?

Mr Purvis: To be slightly optimistic, I would say when Denis and I held an event here about a year ago with independent producers it was a pretty sorry story, I have to say, but I do see signs of progress. It is definitely associated with the growth of talent, the development of production companies and sometimes people with network experience in London come back to live in Northern Ireland and bring contacts that lead to commissions. There is a more optimistic scenario but you would have to say that we are working off very low levels of production. Denis, I do not think there has ever been a series commissioned from Northern Ireland?

Mr Wolinski: That is right.

Q50 Chairman: That is a pretty shocking statement, is it not?

Mr Purvis: It is surprising. It surprises us.

Chairman: It concerns me very much when you consider how many series have emanated from Scotland and Wales. Northern Ireland has not come out of this very well, has it?

Q51 Dr McDonnell: The other point I would make is there is a number of quite successful series organised not very far away in Dublin and throughout the Irish Republic, so it is not as if there is not some potential and some talent in the region. That is really the point of my question: which comes first, the chicken or the egg? We have got to break that cycle here.

Mr Purvis: Indeed. The example that is always mentioned, and it sounds a cliché but it is absolutely true, is *Dr Who* being produced in Cardiff. BBC

Wales pitched *Dr Who* to the BBC network and they commissioned it in Cardiff and now Cardiff is seen as a major drama centre for the BBC. In a sense, if there was a bridgehead in which there was a series or return of a series, as Stuart Cosgrove referred to this morning, that could be the starting point for a lot more, but that has not happened so far. Until it happens we probably have doubts that it is going to be of any great scale. As Denis said, the fact that Northern Ireland producers are picking up commissions from American networks but not from British networks means something must be up. Denis has identified some of the facts that we think are responsible for it, but I have to say that so many of those are human frailties that could be overcome in a more concerted way and that is the way the BBC is trying to do it, I think.

Q52 Dr McDonnell: Have you any suggestions as to how we might lever or push or move the image of Northern Ireland within the system as well? They are both variations on the same theme. While *The Troubles* and the very difficult times we have gone through are a very real thing in people's lives, nevertheless that is not all there is here. If there was some production here it would help totally orientate a more positive image of Northern Ireland's contribution or potential contribution.

Mr Purvis: I totally understand. I will ask Denis to speak to the second point, but let me speak in favour of Northern Ireland Screen which has done a lot to bring production here. It has had real achievements. This week's edition of *Broadcast* magazine, which Denis mentioned earlier, has a wraparound with all the commissions that are actually happening in Northern Ireland, so there is a message and it is going out thanks to Northern Ireland Screen.

Mr Wolinski: Where we are is we are not at the low point, we are at a point somewhere moving up. We have already mentioned that the BBC is committed to doing 3% and that is a huge commitment. It will not reach that until 2016 but, as Peter Johnston mentioned, it includes programmes like editions of *Panorama* and *The One Show* as well as drama productions. Channel 4 has committed from a very low base in future as a result of that and the Public Service Broadcast Review to doing 3% in the three devolved nations. That is a starting figure and we would expect that to increase. I do not think we would want to take a completely doom and gloom view of things because I do think that the situation is moving forward. Northern Ireland is not where it was even three or four years ago.

Chairman: Before I bring in Lady Hermon could I just put on the record the apologies of the other two Members from Northern Ireland, but those of you who were here this morning will know that they had to go to London as the DUP has a debate on the floor of the House today. I would just like to put that on the record. It is not lack of interest or anything like that. We are delighted that Lady Hermon is back from the funeral that she had to attend this morning and Dr McDonnell is back from a rather more interesting event on which I do not wish to damage his chances by commenting further!

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Q53 Lady Hermon: Thank you very much for being here this afternoon. Before I take you back to the digital switchover, I am a radio addict and I would like clarification about several issues. Let us look at the *Digital Britain* report—an unfortunate title—which should include Northern Ireland and does include Northern Ireland. I know I am right in that the recommendation of a pilot has been suggested for an Independently Funded News Consortia in both Scotland and Wales but mysteriously not in Northern Ireland. Why did Northern Ireland fail to get a pilot?

Mr Purvis: That is a government decision and I should say that decision is subject to confirmation.

Q54 Chairman: But feel free to criticise it.

Mr Purvis: I am offering you the background, Lady Hermon, and you can come to your own conclusion. That is what we do at Ofcom, Chairman, we offer facts and analyses and people come to their own decisions.

Q55 Lady Hermon: Were you surprised?

Mr Purvis: No, I was not surprised for the reason I mentioned earlier. The driving force is digital switchover. I think we have provided the Committee with some background information. The fact is by 2012, which is only a few years away now, the Cost benefit Analysis of the Channel 3 licences shows that they will be in serious deficit. In other words, economically there would be no point in holding one of those licences under the present conditions. The difference is that in Northern Ireland that is not the case. Arguably, the licences are not even in deficit at 2014, which is the end of the licences. In a sense, if there is not a problem in Northern Ireland, as you have heard from Michael Wilson, why would you make it a priority for public funding. It is no disrespect to the people of Northern Ireland, it is not a statement about the relative values of the nations, it is purely a factual basis, an evidence-based analysis that says the problem has arisen mostly in Scotland and secondly in Wales. There is also an issue about England, which is why potentially there is going to be a pilot in an English region, but for Northern Ireland, for the reasons we have explained, the situation is not so urgent and may never be needed, therefore, why would you pilot it in Northern Ireland?

Q56 Lady Hermon: Was that explained in the *Digital Britain* report?

Mr Purvis: Probably not.

Lady Hermon: Exactly, that is what I thought. Then we would have had it in black and white.

Q57 Chairman: But then you did not write the *Digital Britain* report.

Mr Purvis: No.

Q58 Lady Hermon: Coming back to the digital switchover, I did take down precisely what you said. You said: “Digital switchover comes later in Northern Ireland”. Could you just give us the timescale and indicate what you would suggest

should be put in place to help people actually pay for the making redundant of their analogue radios and switching over to digital. Why should I be persuaded to do that when I really have an affection for every radio I own?

Mr Purvis: Understandably, Lady Hermon, there is a crossover here between digital switchover on television and what is I think now called by *Digital Britain* a digital upgrade on radio. The fact is in television terms you have to turn the analogue signal off in order to make digital television work. What we have got on television is a series of moments when the analogue signal has been turned off in some parts of the UK and is about to be turned off in others. It happens in Northern Ireland in 2012, virtually one of the last places to turn off.

Q59 Lady Hermon: Why are we the last to be turned off?

Mr Purvis: I do not know. I guess engineers would probably have some say in it. I have to say in the United States it was all done in one day but in Britain we have chosen to do it in a series of events, I think partly to learn the experience from each place before moving on. Again, I do not think there is any disrespect meant to Northern Ireland. There had to be an order and somebody chose an order in which it happens that Northern Ireland is one of the last to go. In fact, there are benefits to being last as well as disadvantages.

Q60 Lady Hermon: Absolutely, yes.

Mr Wolinski: I think a lot of it is to do with spectrum co-ordination.

Q61 Lady Hermon: Translate that, please.

Mr Wolinski: We need to do negotiations with those who share the spectrum round about us, so in this case the Republic of Ireland, likewise places like Tyne Tees and Meridian, where there is potential for interference and they are towards the end of the process. It is for purely practical reasons.

Mr Purvis: In other words, where there is a crossover with a neighbouring state, even if it is not a common border, where there are frequency crossovers it takes longer to sort out.

Q62 Chairman: When this has happened in 2012 will the people of Northern Ireland have as ready an accessibility to programmes emanating from the Republic as they have today?

Mr Wolinski: That is primarily a matter for the two governments.

Q63 Chairman: Perhaps you can tell us what the answer is likely to be.

Mr Wolinski: I think the answer is likely to be a positive one because there is a commitment to ensuring that the kinds of services people have enjoyed to date will continue. There are particular commitments, for instance in the case of the Irish Language station, *TG Ceathair*, that that should be available and the two governments would like to see

continued availability of RTÉ's two stations as well. That is work that they are engaged in and we provide advice to them on that.

Q64 Chairman: Do you relate to your comparable body, whatever it is, in the Republic?

Mr Wolinski: Yes. There are two regulators in the South, the television regulator, the Broadcasting Authority of Ireland as it is now, and ComReg, which deals with the spectrum issues. We work closely with them on a range of cross-border issues, including telephones and that kind of thing as well.

Q65 Chairman: Do you have a sort of link committee, a liaison group or whatever?

Mr Wolinski: It is not formal but we have regular meetings.

Q66 Chairman: You are quite satisfied that they are sufficient to help expedite the process we have been talking about?

Mr Wolinski: I think progress is being made in that direction.

Q67 Lady Hermon: Come D-Day when we are all going to be switched over, are we going to be gradually switched over or will County Tyrone or County Fermanagh be last?

Mr Purvis: Are you talking about television as opposed to radio?

Lady Hermon: Do them separately. I have a particular interest in this because I have a particular bias towards radios.

Chairman: Ever since *Listen with Mother* she has never been able to turn off!

Q68 Lady Hermon: No, since we lost the very, very good *Dr Who* produced in Cardiff or whatever.

Mr Purvis: Perhaps if I could answer on the television and then Denis will come in.

Q69 Lady Hermon: It is a worry. Switching over is a worry. It is a financial cost to people, particularly those in Northern Ireland who do depend on the radio for so much and along the border areas we rely on the radio for getting news from RTÉ as well as the BBC and all the rest of it. If we could have some detailed information on this I think that would be very helpful.

Mr Wolinski: I will leave the radio to Stewart. On television it may change as a result of the experiences that we are going through already in other parts of the UK. The idea is that you will switch over just on one day.

Q70 Lady Hermon: All of them?

Mr Wolinski: Yes, the analogue service goes off. Currently it is in stages where BBC2 goes first, or rather you keep BBC2. It is quite likely because the difficulties are not as great as were envisaged initially that the whole process might occur in one fell swoop, as indeed Stewart mentioned happened in the States. We call it digital switchover but in many ways it is really analogue switch-off because nearly 80% of people, even in Northern Ireland, now have digital

television. It will be a point where it is those last 20% and, given that we still have three years before we go completely in Northern Ireland, it is quite likely most people in Northern Ireland would already be switched over to digital. What will happen is the analogue signals will disappear. You have rightly mentioned that there are analogue signals that come from across the border and that is one of the issues that we are trying to deal with by working with ComReg and the BAI, and the two governments are concerned to try and expedite that process.

Mr Purvis: I will try and give you a concise answer on radio. What is different about radio is that you do not have to turn off the analogue signal, so you do not have to shut anything down in order to make the digital happen because as of today analogue radio and digital radio sit side-by-side. What the government envisages happening, which is why they call it an upgrade, is if you can remember the days when we had long wave and medium wave and then we moved to medium wave and FM, it is a move to FM and DAB. People's analogue radios would still work, it is just that they would no longer receive those stations which had moved to DAB. For some people that will be a major loss in their lives and that is why the whole process of how that is going to be achieved is longer, and 2015 has been mentioned as the first possible date and other people think it will take even longer. It is a different process, a different set of issues, and I think all parties are aware of the politics of asking people to throw away transistor radios. It is a different thing to actually put a small box on your television to enable it to become a digital television. It may be that technology such as that can be adapted for radio, but it is more likely that people will buy digital radios. The slight problem we have at the moment is that people are buying digital only radios without FM when really they should be buying radios with FM and digital on. There is an issue there which the public need to be better informed of, and that is one of our roles.

Q71 Chairman: As a great listener to radio I am interested in what you say and pleased that I bought the right equipment.

Mr Purvis: Its relevance to Northern Ireland is no greater than anywhere else.

Q72 Chairman: I appreciate that and I want to bring us back to that as we come to a close. What we are concerned about is television broadcasting particularly within Northern Ireland and the two themes that came across this morning were first of all the quality of broadcasting within Northern Ireland to the people of Northern Ireland and also the image of Northern Ireland conveyed via television to the rest of the UK in particular. Where do you think there is greater need for improvement taking those two areas? Or, if you want to put it another way, where should we be worrying most or are you entirely happy that admirable progress is being made on both fronts?

Mr Purvis: On the first issue, Chairman, we are working from a very strong position where we have two high quality services in Northern Ireland and a

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whole series of other services, including radio. What we are about at Ofcom is trying to sustain that high quality situation. We also put forward options in case there is a threat to the status quo. On the other area, in terms of production we do what we can via the information we put out there, by the stimulus we can provide sometimes informally, but there is a limit to what regulation can do in this area. On the issue of portrayal, which is a separate issue, I have to say I think there is a limit to what regulation can achieve there, and you heard some of the reasons this morning in trying to get definitions. I think it comes down to awareness. Broadcasters are more aware of Northern Ireland as such things as your inquiry make people think more. Stuart Cosgrove from Channel 4 gave the most precise response on Northern Ireland and, therefore, processes such as this have a positive role to play but they are not the only thing that can be done.

Q73 Chairman: Thank you for that. We do have a role to play. Speaking for myself, and I hope the Committee, I am passionately attached to this part of the UK and am concerned that the passion of my attachment, which is based on seeing Northern Ireland as Northern Ireland is, is not shared by many people in my constituency because they do not see it and understand it as it is. Those who have charge in whatever capacity, whether it be regulatory or, more importantly, production of television broadcasting have a duty to try and address that. Would you agree with that?

Mr Purvis: As somebody who spent 30 years transmitting negative pictures of Northern Ireland into people's homes, I will do what I can and what Ofcom can to try and offset the balance.

Chairman: Thank you very much indeed for that. Thank you for the evidence you have both given.

Witnesses: **Mr Séamus Dooley**, Irish Secretary, and **Ms Dot Kirby**, Chair of NI Broadcasting Branch, National Union of Journalists; **Ms Jannine Waddell**, NI Representative, and **Ms Dawn Simpson**, Senior Policy Executive for Nations and Regions, Producers Alliance for Cinema and Television, gave evidence.

Q74 Chairman: Could I welcome you very much. It is very good to see you. I understand that one of your number has become indisposed and, Dawn Simpson, you are here to replace him.

Ms Simpson: I am the last minute replacement!

Ms Simpson: I was not here this morning.

Q79 Chairman: Were you here this morning?

Ms Waddell: No, I was not.

Q75 Chairman: Would you like to introduce yourselves, starting with Dawn Simpson, so that we know precisely what you do.

Ms Simpson: Dawn Simpson. I am the Senior Policy Executive for Nations and Regions at PACT.

Ms Waddell: I am Jannine Waddell. I am the Northern Ireland Representative of PACT and am also Managing Director of Waddell Media.

Q80 Chairman: As you know, we are looking into this whole area and you will have heard from the last questions that I asked that we are concerned on two fronts. First of all, in the face of change the quality of broadcasting, television broadcasting in particular, that people receive here in Northern Ireland is not sufficiently indigenous for their needs and is there a good link-up with the Republic and is that going to continue after the digital switchover and so on. We are also concerned about the image of Northern Ireland which television portrays -using the word properly—in a unique way in a way in which most people gather their impressions of most things these days via television and downloading. We are concerned about the quality and the accuracy of the picture of Northern Ireland that people in the rest of the UK and the wider world, but particularly the rest of the UK, receive. To be able to benefit from the experience of people such as yourselves, journalists, production executives and so on, is something that we are very grateful for. I am sorry that we do not have our other two Members from Northern Ireland but, even as we have this session, they are disembarking at Heathrow to go and take part in their debate in Westminster. That is why we are a little thin on the ground. One of our number is indisposed as well. Would any of you like to say anything by way of opening statement before I call Lady Hermon to ask the first question?

Q76 Chairman: You have already had an honourable mention in dispatches today.

Ms Waddell: I have been delighted.

Mr Dooley: Séamus Dooley, Irish Secretary of the National Union of Journalists responsible for representing journalists on the island of Ireland both from an industrial relations point of view but also in terms of policy.

Ms Simpson: As an observation on the representation of Northern Ireland, because there is such a lack of network broadcasting coming from Northern Ireland there is naturally a lack of representation from Northern Ireland. There are

Q77 Chairman: You are based in Dublin, are you?

Mr Dooley: Based in Dublin but I spend a great deal of time in Northern Ireland.

Ms Kirby: Dot Kirby. I am the Chair of the Northern Ireland Broadcasting Branch of the National Union of Journalists.

Q78 Chairman: Thank you very much indeed. You are all very welcome. I think I am right in saying that most of you have been here throughout the sessions. Has anybody not heard everything?

many factors, which I am sure we will come on to later, as to why that is. I know from the Ofcom report they stated that 80% of people in Northern Ireland found that it was more important to them than anywhere else in the UK which averaged at 61%, so there is a natural interest both within Northern Ireland to see themselves and represent the country that it is but also if there is a lack of network production then there is a lack of people understanding about Northern Ireland, its culture and its surroundings. It really stems back to a lack of visibility. The portrayal, probably from history, has been very much that the producers in Northern Ireland have always been good at current affairs and news and it is time for commissioners to move on and realise that there is a lot of talent in other genres, in entertainment and drama. Until those are recognised we are going to be in the same position where there is going to be lack of representation outside of news and current affairs.

Q81 Chairman: I will go along the table, that is probably the best thing, and after that if you dive in and take the questions as you think most appropriate.

Ms Waddell: I totally agree with what Dawn has said. Historically there has not been a huge range of programming made here. The sector in Northern Ireland has changed and moved on but the commissioners in London have not moved on. We need to convince those commissioners that we can make returning series from Northern Ireland. That is what needs to happen.

Mr Dooley: I would agree with the issue and I am going to approach it from a slightly different angle. That is, I would agree that there is an issue about the portrayal of Northern Ireland but I would link it more not to how others see Northern Ireland or not the story of “Isn’t Northern Ireland wonderful? Yes, it is, and there is a need for positive images”, I would have grave concerns that the reduction in current affairs output as distinct from news means there is a lack of analysis which tells the unfolding story of Northern Ireland. Among news managers, and this was an issue which we had very stern arguments over during the restructuring of UTV, there is a notion that in post-conflict Northern Ireland you can do less current affairs whereas I believe that in terms of the portrayal of Northern Ireland we need more investigative journalism and more analysis in relation to health, education, poverty, immigration, all of those issues. Those stories of Northern Ireland in post-conflict Northern Ireland are not receiving coverage. That is both from indigenous media and I would be quite critical of some of the media from Dublin that came up and spent a great deal of time here but have now walked away. In terms of the portrayal of ordinary life in Northern Ireland, the current affairs issues in Northern Ireland, that is also an issue as well as the issue which my colleagues have mentioned in relation to the wider issue of production and coverage and documentaries.

Ms Kirby: I would go along with that, but just to facilitate the Committee I wondered if you had come across this line in a recent Ofcom report, which says:

“In Northern Ireland the value of programmes produced in the Province in the last two years increased from £4 million in 2006 to £6 million in 2008. As a proportion of total programme budgets this represents a small increase from 0.2% to 0.3%”. I do not think you need to say anything more than that really.

Chairman: That is a very revealing statistic. Thank you for drawing it to our attention. It is on the record, it will be produced in our report and we may well want to comment on it. Thank you very much for that.

Q82 Lady Hermon: It is very nice to have all of you here to give us an insight into the wealth of knowledge that you have at your fingertips. If I could just put on the record my sincere gratitude and admiration for journalists who through the most awful years in Northern Ireland very courageously reported in Northern Ireland, many of whom bear the scars and some of them did not live to tell the tale. We do appreciate that.

Ms Kirby: We will be delighted to pass on your kind regards to our colleagues.

Q83 Lady Hermon: Not at all. Post-conflict, and Mr Dooley referred to that several times, what are the main sensitivities and other issues that inhibit broadcasting, particularly television broadcasting, which is the main focus of our inquiry, still in Northern Ireland?

Mr Dooley: First of all, much of this comes down to money. I thought it was interesting in the first session this morning that the broader subject of money and resources was something that did not feature very strongly. You cannot have investigative journalism and meaningful analysis without the allocation of resources. It is as simple as that. Obviously the NUJ has a bias towards public service broadcasting because public service broadcasting recognises the need for investment in editorial resources. We recognise the need and it is important to say that in the commercial sector these are extremely tough times. Broadcasting is a national resource and when you are engaged in the business of broadcasting you cannot do serious broadcasting on the cheap. When you ask what is the big issue, the big issue is resourcing and how you provide the resourcing. It was interesting in the earlier discussion when you made reference to why Northern Ireland had been “left out” of the idea of a pilot project. I have serious reservations about the pilot project. It has not been thought through. For instance, at an employment level there has been a huge decline in employment in journalism, the same as in many other sectors, and what would you do with the people currently engaged in journalism full-time. Not just my members, the commercial sector, but the others, the secretarial and administrative staff. What would happen to those people engaged in the current service while you had your experiment? They would not be covered by a transfer of undertakings and what would happen if the pilot worked or if the pilot did not work. The union is not opposed in principle to the models that are being talked about but it raises

many questions that have to be asked about the provision of an alternative service. I have disagreed with Mr Wilson on many issues, but his warning today that you cannot apply a template in Northern Ireland that you have taken from any other region is something that I think the Committee should heed very seriously. There is a particular characteristic about the broadcasting in Northern Ireland and there is a particular challenge, cultural, political and social challenge, which means that you cannot just superimpose a template.

Q84 Chairman: Would you like to expand on this particular character? Not because I disagree with you, in fact personally I agree with you, but I would like to have on record some of these particularities and peculiarities.

Mr Dooley: I would say particularities rather than peculiarities.

Q85 Chairman: Using it in its strict Dr Johnson sense and not in its odd sense.

Mr Dooley: I will give you an example. In most areas of the United Kingdom coverage of sports would be seen to be a relatively uncontentious or non-controversial area, other than the sharp divisions which exist in the pub afterwards between two sets of fans. In Northern Ireland the editorial decision as to what victory or defeat leads a bulletin, the placing of an all-Ireland hurling final, a football final or a rugby match is not just a statement of sporting priority on the part of an editor, it is a statement of political allegiance as well and great care has to be shown. Equally in the area of language coverage we have to recognise the importance of both the Irish language and Scots Gaelic. They are not issues which many other regions or nations have to deal with. There is a delicate balance which journalists over the years covering The Troubles in Northern Ireland would have been aware of. My own union is very proud of the fact that it is a British and Irish union and we never entered the political divide. All of our members managed to stay united. Media organisations managed to provide by and large, and I disagreed with one of the statements issued here this morning, a down the line fair and objective service. They are challenges which continue. It is not just the PSB, the public service obligation, every broadcaster has to make that balance work every day. That is why I say it is different in Northern Ireland. That difference is important. It should not be looked on as a negative. The work of the BBC and UTV in Northern Ireland has been to hold a mirror to the community and in the changing development of that community we would like to ensure that the resources are there to maintain that same work.

Chairman: Do any of you wish to add to that? You obviously have the unanimous support of your colleagues, Mr Dooley.

Q86 Dr McDonnell: I have some questions here and some of them refer to broadcasting and some to production. If I could come to the production people first. I want to go back on the production because how do we make it happen, and by that I mean how

do we get more local production going? We raised this issue earlier with Ofcom. Have you any views coming from the production end, if you like? How do we make this stack up because at the end of the day that is what we have to know? There are so many bits of the jigsaw and obviously they are not falling into place.

Ms Simpson: There are. There are a couple of elements. The BBC now have committed to their 50% out of London, 17% for the nations with an ambition to get 3% from Northern Ireland. They are setting quotas where they have to meet them. It still goes back to commissioning attitudes and this is where the real battle has been for many years. Whether that starts to change because they have now got targets to achieve is another matter. We have found that commissioners will come in and spend five minutes with producers. Ofcom hit on that earlier when they were saying that to have a relationship with a commissioner, if they make a mistake and they have commissioned Endemol and the programme does not reach the target audience it is not seen as so bad but if they are less risk-averse and opt to choose somebody they have never commissioned before on the back of a really good idea and it does not achieve what they need then they are less likely to take those risks again. In order for them to find out what the supply is in Northern Ireland they need to spend time with producers in Northern Ireland. Currently, coming in for a couple of hours doing five minutes' speed-dating with the production companies does not set and build any relationships and they have a lack of understanding of what the supply is. We have recently done a production supply across the whole of the UK and Northern Ireland in the past 18 months had the highest amount of commissions per hour for international programming in the whole of the UK outside of London. They beat every nation, every English region across all of the UK, so the supply is there. People recognise that there is talent here that can deliver, it is quality and they have got good ideas, but unfortunately the London-centric commissioner attitude has still not been broken through. Setting quotas and targets is a start because they have to achieve them and come out and start to work with producers outside of London.

Q87 Dr McDonnell: Is there a case to be made for some high risk-taking within the quotas, not just a quota but a quota for dealing with new producers?

Ms Simpson: Absolutely, yes.

Q88 Dr McDonnell: That 25% of the business should go to new producers?

Ms Simpson: Yes.

Ms Waddell: You also have to look out for the indigenous companies who have been fighting and have lasted the course through this time and put in the investment but have always been turned back just at the last hurdle. If there are two good ideas on the table they will take the London one, sadly, rather than the one from Northern Ireland, Wales or even Scotland. Going forward we need to break that cycle. BBC Archive are making efforts in that area by

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putting some commissioners in, but we need a commissioner here who has got power and a pot of money to spend. They need to have some money to spend so they can actually—

Q89 Chairman: Money provided by whom?

Ms Waddell: By the BBC. The BBC would need to put a commissioner into the region who actually has money to spend.

Q90 Dr McDonnell: Purchasing power.

Ms Waddell: Yes.

Q91 Chairman: Just help the Committee. If we were going to take up this recommendation, what sort of sums are we talking about?

Ms Waddell: If the BBC meets its targets by 2016 it will be £30 million coming into the sector here. That is a lot of money coming into the sector. We need to make sure we meet that target otherwise that money will go to the other nations and we will miss out and Northern Ireland will never get the chance to get on that ladder again.

Q92 Chairman: Just to pin you down on this, if we were to take your argument that there should be such a commissioner funded out of the public purse, because that is the licence payers' money, and I am not saying there should not, what would the cost be?

Ms Waddell: The BBC will just have to move a genre commissioner. Manchester is getting children's and sport, why do they not move arts to Northern Ireland. Religion has gone to Manchester as well. It is not going to be a huge cost.

Q93 Chairman: Perhaps they should move religion to Northern Ireland.

Ms Waddell: They could do.

Q94 Chairman: It would be very interesting.

Ms Waddell: It has just moved to Manchester but we are very happy for it to make the swap over here.

Q95 Chairman: What you are talking of is a repositioning of an existing person with the necessary administrative back-up, but this is not a whole pot of new money, it is using money here rather than using it in Manchester and the add-on costs, therefore, would not be appreciable.

Ms Waddell: No. They would not just be commissioning out of Northern Ireland.

Q96 Chairman: I appreciate that. We are just trying to pin you down because if we are to make recommendations, and whether we will or not I will have to consult my colleagues, it is helpful to have that on the record, and thank you for that.

Ms Simpson: I think the alternative to that as a suggestion is, as we said before, commissioners fly in and out and do not spend enough time, but I think what Jannine is saying is if you have somebody here you would naturally build a relationship up and, therefore, you are more likely to get a commission from them. If we had commissioners of all genres, because we have companies here that produce

different genres, not just in one specific area, and they spent quality time—I am talking days per month—to get to know them and understand what their business is and how they can deliver, then I think that would also impact as well. Up to now there has been no commitment for any commissioners. We have got the commissioning executives in place now but the danger with this is they could end up becoming gatekeepers and actually stopping independent companies themselves creating that relationship.

Q97 Chairman: You want them to be cash buyers, not gatekeepers, is that right?

Ms Simpson: Absolutely. If we had commissioners here with budgets and power that is a completely different thing. The commissioning executives currently have no money, no power and they are more a messenger who goes back and sells the products.

Q98 Chairman: You have made a clear proposition and we note that, but what do your journalist colleagues think of that idea? Is that something with which you can go along?

Ms Kirby: Certainly, but I would not just have it as a BBC recommendation. I think the BBC have made moves in that direction and have said that by 2016 17% of their production will come from the nations and the nations together—Scotland, Wales and Northern Ireland—have 17% of the population, so that is fair. Just to take other public service broadcasters as an example, Channel 4 have 35% of their output that must be from outside the M25 and their current target in the nations is 3%. That is 3% for all the nations. 17% of the population, 3% of the output. That is not fair.

Q99 Chairman: That does seem to be a strange imbalance, does it not? Mr Dooley?

Mr Dooley: Yes, I would go along with that.

Dr McDonnell: I wonder if I might make a move to current affairs and broadcasting rather than production.

Chairman: He is very interested in current affairs!

Q100 Dr McDonnell: Yes, at the moment. For the next three months especially. I gather Channel 4 suggests an opt-out from main news bulletins. What impact would this have on the portrayal or projection of Northern Ireland and vice versa?

Ms Kirby: It would depend how it is done. If you are talking about Channel 4 coming into Northern Ireland with a revised remit to cover local news properly and on a cross-platform basis with built-in safeguards on editorial independence and impartiality, guarantees on reach and impact which would be measured presumably, and there would be a financially stable model, that they would bid for that every two or three years or whatever, I presume you are talking about it as an alternative to the UTV coverage?

Q101 Dr McDonnell: Yes.

Ms Kirby: So UTV would be able to throw their hat into the ring for that contract as well, and so would other news consortia. That would be something we could probably support. We would need to take a careful look at exactly what the components of the arrangements were, but if you are talking about Channel 4 doing a happy little opt, and an opt sounds to me like something that is very quick and over before you realise it is on air, if you are talking about a three minute, five minute or ten minute opt as an alternative to what we have now, which is half an hour every night at six o'clock and another half an hour at 10.30, that is not anything that we could support. The other thing to come to on that is what Channel 4 would probably say is it depends on the resources: "If you give us the resources we will do it properly. If you want it cheap and cheerful, we can do it cheap and cheerful". An important point that has been lost in this whole debate, and it has not been made in the submissions to the Committee, is that what happens with regional news across the UK at the moment costs between £40 million and £60 million according to Ofcom. That is something which the public at the moment does not pay for because it is basically paid for out of the advertising revenue of the network. What you are being asked to approve with this new Independently Funded News Consortia, which is cross-media and more localised, will cost between £60 million and £100 million, and that is new money, money that the taxpayer at the moment is not paying.

Chairman: That is very helpful of you to emphasise that.

Q102 Dr McDonnell: UTV's news requirement has dropped from five hours 20 minutes to four hours a week. What impact has that had on journalism?

Ms Kirby: Huge. They have lost their mid-morning bulletins. We have lost *Insight*, or *Counterpoint* as it used to be known. As well as the five hours 20 minutes to four hours, they have also been allowed to reduce their non-news content from four hours to two hours. The initial proposal was that it dropped to one and a half hours. In terms of a reflection of the community back at itself and the analysis that has a profound impact on their journalism. The BBC needs a strong commercial sector. We think what you want to be aiming for is a strong BBC versus a strong commercial sector and they will drive one another up if there is proper competition, but the competition needs to be robust and credible. You do not want to weaken the opposition.

Q103 Dr McDonnell: Do you think that regional news partnerships sharing infrastructure and raw material would restrict the neutrality of journalists or affect or compromise them in any way?

Ms Kirby: Potentially it could, yes. Presumably you would build in safeguards in terms of editorial independence. Certainly there would be a danger in reducing audience choice. I can see that is an attractive idea, but one of our members put it quite eloquently at our branch meeting last week when he described the idea as being "a nonsense". You

probably could not get the existing two studio sets of UTV and BBC into one studio physically and give cameras enough room to move around, but I am sure it is not beyond the wit of man or woman to design a couple of studio sets that could sit side-by-side. It probably sounds like a good idea because you have got one big expensive studio being fired up at six o'clock and then half an hour later the BBC does the same thing, but on a practical level it would not work because both studios would be involved for at least an hour, probably an hour and a half or more, in rehearsals before they go on air, and how do you have Paul Clark telling people the UTV news whenever Noel Thompson is over in the other corner of the studio trying to do the local BBC headlines into the London output. Studio sharing would not work. You could share some crews on some stories like big court cases or where there is a double fatality, say.

Q104 Chairman: But you could not have the competition of which you recently spoke if you had that?

Ms Kirby: No, you could not. You could send two reporters and pool the cameraman or woman. I think Ofcom has said that it would not really reduce the burden of producing regional news. As I say, regional news costs £40 million to £60 million. Ofcom reckon that in 2011 the sharing of regional news facilities on the news side of the house could save £1.5 million and by 2014 £5.7 million. It would be a lot of effort for not the sort of savings you want to be aiming to achieve.

Mr Dooley: Can I just make one other point. I would welcome the comment that was made this morning about the potential for the sharing of facilities in relation to training. Anything that would enhance training in a strategic manner is something that we would welcome. We believe there should be more work done in the area of training. This is not just an issue about the sharing of technical resources, it is also about the sharing of the editorial decision-making process, and by definition if you are talking about using one crew to cover one story that means that some other story, be it the announcement of a contender for the election of the leadership of a political party or whatever, is going to be jointly decided to be taken off not one list but potentially off two lists. There are delicate editorial issues there, it is not just a question of sharing.

Chairman: Surely it would also blur editorial integrity.

Q105 Dr McDonnell: Diversity too.

Ms Kirby: Yes, absolutely, there is a danger of that. I do not think anybody would dream of having the pooling of crews on all stories, that would be absolutely crazy, you might as well not bother having an opposition if you were going to do that. It would just be on one, two or three stories depending on the news day where you know that both sides are going to be there. As was said this morning, really outside of news there would be huge potential for the sharing of resources. When you get into the digital

side of the house and things outside of news you could do it, and you could do it a lot more comfortably than you could on news.

Q106 Chairman: Of course, at the moment one has that with the printed media PA existing happily side-by-side with the individual newspapers and that may be something that to a degree could be an example, but the blurring of the distinction would be the negation of the competition that you believe is the lifeblood of vigorous journalism.

Ms Kirby: That is a very good way to put it.

Mr Dooley: I think the analogy about PA and the use of agencies is an interesting one because traditionally in the print media, and we will use the home example, PA and other agencies were used to enhance own staff coverage of Northern Ireland. Independent News and Media no longer have an office in Northern Ireland, they rely entirely on agencies, so you have the largest media organisation on the island of Ireland relying either on one of its sister papers, *The Telegraph*, or on agency copy. I think that is an unhappy comparison. We believe that agencies play an important role but the use of own staff by even sister papers within the print industry is something that we would all see as being desirable because you need many voices. There is a lesson in how the print industry has moved on that one and we would regard that as retrograde.

Q107 Rosie Cooper: I have two questions. What impact do you think the new production targets for the BBC and Channel 4 will have on Northern Ireland? It is easy to say, but realistically do you have a sufficient production base here because you are arguing that it is drifting away and you are not getting enough production here? Do you have a sufficient production base to increase local programme making if that were to happen?

Ms Simpson: There is a production base here, it is just not recognised. From the recent survey that we did it proved that across the BBC, for instance, only 2% of their overall average network turnover came from the BBC, yet there is lots of production in cable and satellite, in overseas and international. It exists. The additional spend and income, as my colleague has already indicated, just from the BBC could create another £30 million. That will trigger more talent to move here so there will be companies moving in and it will also give indigenous companies the confidence in developing and buying in additional talent as well provided the commitment is there. It should not just be left to the BBC. I think the BBC has made a good step forward in their first commitment, particularly ring-fencing about 17% to the nations. Channel 4 does very little within Northern Ireland and in 2007 I think they spent £300,000 out of their nearly £600 million budget in Northern Ireland. The figures that I have seen from 2008 look not much improved on that. If Channel 4 were to equal the 50%, as in the BBC, then you would have two competitive broadcasters that were investing in Northern Ireland and that would create

a catalyst for indigenous companies to grow and develop but also for the new companies and development to move into the region as well.

Q108 Rosie Cooper: We heard before that the move from £6 million to £8 million meant an increase from 0.2% to 0.3%. The 2009 PACT census indicated that two-thirds of independents were based in London and Northern Ireland was the lowest of the regions having 1%, Wales 4% and Scotland 5%. How confident are you that the regulators can ensure that you get your fair share for Northern Ireland?

Ms Simpson: It has been an ongoing battle. It is a matter of trying to convince the commissioners. We know that the talent is there and if more investment was made and more commitment to Northern Ireland it would attract and build and grow that talent and spread. If there was another commitment from another broadcaster, such as Channel 4, to increase spend that would give people confidence to invest more in their own companies and also to move into the Northern Ireland area. It is a battle and it is not an easy one. You can go to the BBC, Channel 4, ITV and say, "The talent is here" and you can show them figures and graphs about how much they are doing internationally, and as I mentioned before Northern Ireland rated the highest amount of hours in the past 18 months for international commissions with over 400 hours, so they can produce in volume and good ideas, but the battle is down to the commissioners and unless they are targeted specifically, and we talked about a target for investment and taking more risks on new companies and they start to do that and see development, it will not happen. There are things in place and it is still very early on with the BBC, but the problem of leaving it to just one broadcaster is a big problem.

Ms Waddell: Also Northern Ireland Screen has invested in several companies coming into the sector as well, which is another boost. What the sector really needs is a returning series from the BBC or Channel 4 to kick-start everything happening here.

Q109 Rosie Cooper: You talked about trying to convince the commissioners, but the second part of my question was about the ability of the regulators to ensure that whatever levels were set were at least adhered to. What confidence do you have that that can happen?

Ms Simpson: We do our own reports on that as well. From our last report in 2008 that was comparing what Ofcom produced and what we feel has really been produced and should be attributed to Northern Ireland or the nations and regions. We constantly question that. We highlighted some anomalies in ITV and Ofcom mentioned earlier that they had then gone back and realised they had not hit their targets. We try to oversee that. One thing that has recently arisen is a change in the out of London definition. Ofcom only regulate the fact that it is out of London and up until recently you could spend a minimum spend in Northern Ireland to qualify for a Northern Ireland production and that could only mean 20% of the production base, so economically Northern Ireland does not really benefit from that but it takes

away what has been committed to Northern Ireland. We have recently proposed to Ofcom that those out of London definitions should be specific to a particular nation or English region if they want to qualify and take a piece of that target otherwise there is no sustained growth, no economic impact or benefits. We have a doubt as to whether those targets would mean anything if they could just ship people in and out, spend a minimum amount and they could tick that box and qualify and that would take that away from the nation.

Chairman: Could you let us have some illustrative figures later. I do not want to put you on the spot here, that is not fair, but if you could let our clerk have some illustrative figures that would be rather helpful when we come to frame our recommendations.

Q110 Rosie Cooper: This is a question and a statement from me too. The question would be, would you believe that more production in Northern Ireland would improve the portrayal of Northern Ireland? I believe that is a given. As somebody who has been coming here since I was a child, the view I have of Northern Ireland—great people, beautiful country—does not necessarily reflect the view of people who have seen Northern Ireland over the last 50 years via the news, so you really have to work very hard at getting more of that production so that people see the real Northern Ireland. I am answering the question myself. It is so important that you get that over. Do you share that view?

Ms Waddell: Absolutely. The more production you get, the more portrayal of the country and accents. We need to get the business in first of all.

Q111 Chairman: I think we would all agree with that. If you had to make a choice as to which area needs the greatest attention, would you say that it is the production and programmes for what I might call indigenous consumption within Northern Ireland or the production of programmes, such as Rosie Cooper just alluded to and has come up time and again in our session today, which help to give people outside, and especially in the rest of the UK, an adequate picture of what life in Northern Ireland is like? Which of those needs most or more attention in your view?

Ms Waddell: It is the second half, the portrayal in the UK. I think our local indigenous programmes are very good.

Q112 Chairman: Personally, I would concur with that. Would you all agree with that?

Ms Kirby: I think it is a chicken and egg. If you have the production ability the programmes will follow, and equally the reverse is true. You almost have to put the commissions in Northern Ireland and the talent will come.

Ms Waddell: I think we would argue the talent is already here.

Q113 Chairman: I am just very concerned that those of my constituents who do not have the privilege that I have of coming here frequently and regularly have

a very different impression of Northern Ireland, not the one that I know to be the truth. Because most people derive their information these days from either television or the Internet and things being on-line I do believe this is a great challenge and a great opportunity for all of you who have influence, whether it is as journalists or producers, over the transmitted television programme and subsequent Internet use and so on. Would you agree with that?

Ms Waddell: Absolutely. We welcome this Committee because this is a very big step forward for us.

Chairman: Good.

Q114 Lady Hermon: Could I just ask you about the morale. What about the morale of journalists in the BBC, UTV and producers? You seem terribly enthusiastic about what you do but I heard you say that there is speed-dating of commissioners coming to Northern Ireland. It has a completely different meaning but leaves a lasting impression. It has been a very interesting session, I have to say.

Mr Dooley: First of all, I believe that morale in the media is generally very low because there has been a dumbing down. I would be quite critical of standards. The real difficulty in that area is there are less journalists and, therefore, less time to do the things you want to do and many journalists find themselves in the position of fire fighting. There is more and more demanded in less time. Quite frankly, forget about portraying what is happening at a wider level in the United Kingdom, there is very little of what is called “fresh air” journalism, ie the opportunity to go out onto the street, a greater reliance on spin doctoring, on media releases, lack of time and resources for analysis. That is very, very demoralising. If I were to identify what may be outside the scope of this meeting in answer to your question, morale is low everywhere because we are in a recession and times are bad, and we understand that, but in terms of the specifics of journalism the real lack of morale is the denial of the opportunity to tell the story of what is going on and have the time and space in broadcasting, in print or on-line to give people the time to give the long version of their story. That is a really depressing aspect of the media. I am sorry to end on a depressing note.

Q115 Chairman: That is very helpful. Frankly, I find that a very positive answer because I share your view of dumbing down, that we live in the era of the news clip and the sound bite and what people both need and deserve is more extensive coverage and to be treated as intelligent people. It is a paradox that in an age where we are all the time talking about education and increasing the capacity of people to understand that we give them colour supplement civilisation, and I find that rather depressing. I am glad you said what you said. Does anybody else want to add to Mr Dooley’s answer on that?

Ms Waddell: Morale amongst producers has been low due to the lack of network commissions in the last two years and then we were hit by the recession. BBC Northern Ireland has had a consistent commissioning policy over the last 18 months and

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we are just coming out of that at the moment. It has been a tough time. Equally, we are beginning to see improvements. There are commissions there and we are all willing to get to the table, so this should be a different picture.

Ms Simpson: Partly because the morale was so low there was a lack of engagement with broadcasting and producers. As Jannine has highlighted, there was a problem with the commissioning so there was no commissioning happening. Even throughout 2007 there was only ten hours of independent production coverage across the whole PSB network. That was ten hours across a whole year.

Ms Waddell: Less for 2008.

Q116 Chairman: That is about what the BBC presents on snooker in two weeks.

Ms Simpson: If you talk about portrayal, there was not really any portrayal throughout the last two years of anything on Northern Ireland. There is a glimmer of hope now. We have spoken to the BBC about engagement and we have agreed to set up a working group with the BBC and independent sector to try and work through strategies and look at the problems and work together on that. That is a good step forward. The BBC has just done their

commissioning round. There is starting to be a glimmer of hope, but it has been quite a depressing time over the last two years and morale has been down. With all the independent companies here, they do not take it lying down and have managed to support their companies by going out to international markets as well. Also, the PSB is a really important side. Not only does it have the highest income for them, so they pay a lot more for the commissions, but because of the terms of trade they have the right to then sell those programmes internationally and recoup and make more than just on that one programme.

Chairman: Thank you very much indeed, it has been extremely helpful evidence and we will certainly be studying it carefully when we get our transcripts. You will have those sent to you very shortly. Thank you for saying you would supply some of those figures, that would be very helpful. If there are any other points that you feel you would have liked to have got across and when you see the transcript feel you did not make a point sufficiently strongly, please make sure that you tell our clerk because we will be aiming to produce this report in the very early part of next year which means that there is a little more time. Thank you very much indeed.

Monday 4 November 2009

Members present

Sir Patrick Cormack, in the Chair

Mr John Grogan
Lady Hermon
Dr Alasdair McDonnell

Stephen Pound
Mrs Iris Robinson

Witnesses: **Mr Siôn Simon MP**, Minister for Creative Industries, and **Mr Keith Smith**, Deputy Director, Department for Culture, Media and Sport, gave evidence.

Q117 Chairman: Minister, I understand that this is in fact your first appearance before a select committee, so you are doubly welcome and I hope it will not be too distressing or stressful an experience for you! You will know that we took evidence last week in Northern Ireland, in Stormont. We took evidence from the BBC, UTV, Channel 4, from Ofcom and from representative producers and journalists. It is our intention to report to Parliament very early next year on this whole issue and we are grateful to you for coming to add to our deliberations. Minister, one thing which just concerned us a little, and I hope you can set our minds at rest, is this Digital Britain report, with which obviously you are very familiar, has the title Digital Britain, it does not say Digital UK or Digital Great Britain and Northern Ireland, but Digital Britain. Does that title accurately reflect the priority placed by your Department on broadcasting in Northern Ireland?

Mr Simon: Yes, the title is deficient in the extent to which it accurately reflects the Department's commitment to the whole United Kingdom. As you will know, I was not here when they were thinking it up and I do understand why. Digital Britain has a certain twenty-first century snappiness which Digital United Kingdom, Great Britain and Northern Ireland does not quite have, but I can also understand how, if you were a Northern Ireland citizen, you might feel a little bit slighted and so for that I am sorry.

Q118 Chairman: I am sure your apology will be accepted by the people of Northern Ireland so long as you are able to ensure that in delivery they are not in any way in the second division. Looking at this whole subject, Minister, of public service broadcasting, do you believe that the costs are greater than the benefits?

Mr Simon: Of public service broadcasting, no. I think the benefits are unquantifiable because many of the benefits lie in the public good, in social good, in defining for ourselves what kind of a country we are, what kind of people we are, who we want to be, who we aspire to be, what we stand for. It covers all kinds of things which might not necessarily be economically rewarding or commercially viable but which are nevertheless, for all kinds of reasons, really important. I genuinely think you cannot really talk about public service broadcasting in this country without the BBC looming hugely large within that

and despite how much we talk about it I think we underestimate the importance of the BBC, the centrality of the BBC to our national life. It is much more pervasive, it is much bigger and more all-encompassing than even people realise, I think. BBC regional television, BBC regional and local radio, as well as all the more headlining national services, I think really have been, over the last century, a fundamental aspect of how we as a nation define and understand who we are and what we stand for.

Q119 Chairman: Would you accept that the very individual identity of Northern Ireland is such that public service broadcasting there has a very special significance for the people who live within Northern Ireland?

Mr Simon: I would have thought so, and so I am led to believe. It is not for me to tell you or the people of Northern Ireland what is important to them, but certainly if you look at UTV and its news output, as a news provider it is unrivalled in the rest of the UK for its coverage and reach, and indeed its credibility, authenticity and respect in the community and that is, although commercial, a public service broadcaster.

Q120 Chairman: Have you had a chance yourself to see the broadcasts it makes?

Mr Simon: I have not.

Q121 Chairman: Is it your intention to take an opportunity to go to Northern Ireland to have a look at this?

Mr Simon: That is exactly my intention. I have to say, having done a certain amount of homework for this inquiry and this Committee, I feel now that obviously I know more about broadcasting in Northern Ireland than I did, I am greatly interested and engaged and, yes, I am very keen to visit Northern Ireland and see for myself.

Q122 Chairman: Could I just suggest to you that you not only look at the evidence that we received last week but that you give serious consideration to trying to talk to some at least of the same people?

Mr Simon: Certainly.

Chairman: Thank you very much.

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Q123 Lady Hermon: It is very nice to see you before us this afternoon, Minister. I am going to change the subject slightly and I am going to move to digital switchover. As I am sure you can appreciate, Minister, Northern Ireland shares a land frontier here with another EU Member State, the Republic of Ireland. There is a significant amount of broadcasting in the Republic of Ireland. Could you just explain to us the negotiations which have taken place to date between the British Government and organisations in the Republic of Ireland to guarantee that there will be no loss of signal or broadcasting post the digital switchover?

Mr Simon: There are lots of issues there. One of them is the range of very technical issues, which are about ensuring that having two jurisdictions broadcasting back-to-back, next to each other, the signals do not interfere and cancel each other out. That issue is being dealt with at a technical level and I do not pretend to know the technical details of how it is being dealt with, but I am assured that it is being dealt with and that the people dealing with it are confident that by the time Northern Ireland switches over nobody should be experiencing interference or signal problems, or any problems relating to being interfered with from the Republic that would not apply to any other part of the country that did not have an international border. As you say, these are problems which apply in the east coast of England and the south coast of England as well; there are issues with Holland and issues with France.

Q124 Lady Hermon: Yes. Could I push you a little further then? Are you actually guaranteeing to the people of Northern Ireland that by the time the digital switchover takes place, which is delayed in terms of Northern Ireland, there will be no loss of broadcasting, either radio or television broadcasting, from the Republic of Ireland?

Mr Simon: Now we are talking about the loss of incoming signals from the Republic of Ireland, which is a different question to the one I first answered. On that question, TG4 is guaranteed in the Belfast Agreement and currently reaches about 65% of Northern Ireland. After switchover it will be available to the full switched over percentage of the population, which will be 98%, or whatever, so its coverage will be greatly enhanced. In relation to RTE, there are discussions ongoing with the Irish Government about making RTE available digitally after switchover, which are ongoing and on which I cannot really say very much more now. I think it is fair to say that discussions are ongoing and we hope to announce some kind of preliminary conclusions fairly soon.

Lady Hermon: Excellent! I can see your official nodding his head.

Q125 Chairman: How soon is “fairly soon”?

Mr Simon: It is fairly soon.

Q126 Chairman: But is it before Christmas?

Mr Simon: I do not know. I do not think it is that soon.

Q127 Chairman: Is it before the Election?

Mr Simon: Yes, we think so. I am not prevaricating, I genuinely do not know when it will be. It is not me personally who is doing the negotiations.

Q128 Chairman: But I think it would help very much if you could give us an idea. I do not want to press you too much, but is it likely to be in February or March, or are we talking of April? When would you expect this to be?

Mr Simon: I would not expect it to be in the next couple of weeks, but –

Q129 Chairman: You have just said it would not be before Christmas?

Mr Simon: Probably not before Christmas, although possibly before Christmas, and hopefully not very long after Christmas if it is after Christmas.

Q130 Lady Hermon: Is there someone else within the Department you would like to nominate to come and give us evidence who would have responsibility?

Mr Simon: No, I do not think so. It is a negotiation with the foreign government. It is ongoing. I do not think we would want to give a running commentary on the negotiation, where it is going, what the terms are and when it will be concluded. It is happening, we are doing it, it will be done pretty soon, and whoever else was here nobody else would say any more than that, in fact I have probably said more than most other people would.

Q131 Lady Hermon: Thank you. Your official is nodding in agreement with that, so thank you very much. Could I finally just ask you, if ITV plc were to stop being a public service broadcaster with its obligation to provide news and current affairs programmes, which comes with the status of being a plc, would access to all-Ireland broadcasting provide sufficient plurality?

Mr Simon: No.

Lady Hermon: That seems fairly succinct.

Chairman: We are very happy with monosyllabic answers as long as they are definite. Thank you. We have that on the record.

Q132 Dr McDonnell: Arising out of some of the evidence last week, when we took some evidence in Northern Ireland, is it your opinion, Minister, that public service broadcasting should have production quotas from Northern Ireland for programmes made, for the volume of spend, or indeed for the programmes made by local independent companies? In other words, what I am saying is, should Ulster Television, for instance, have a quota feeding into the ITN channels of their productions? How would you see public service broadcasting investing in Northern Ireland going forward?

Mr Simon: They do have quotas of some kind, so they have all got, outside the M25, quotas. I understand what you are saying is should they have specifically national quotas.

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Q133 Dr McDonnell: The sense we got is that yes, quotas are there, but they are very low and that there is a big London orientation and that 60 or 70%, whatever, comes and is sprayed out from London towards the various regional television companies?

Mr Simon: I think it varies broadcaster by broadcaster according to their strength and ability to do it. The production quotas in the BBC are relatively high. The production quotas in ITV and the commercial PSBs are also relatively high outside the M25, so it is still 35% outside the M25, but where it does not immediately seem to help directly is that there is not a national production quota for ITV companies. Ofcom has just directed Channel 4 to bring in national production quotas, which are set fairly low in the first instance, I think it is 2 or 3% for Northern Ireland. I think what we need to see in respect of, for instance, Channel 4, is that they need to hit those targets straight away and then Ofcom needs to be looking at, within the confines of their whole business, what they can afford and what is realistic, constantly pushing that envelope as far as it can be pushed, given always that there is no point in pushing it so far that they cannot make the books balance.

Q134 Dr McDonnell: The sense we got was that where there are quotas they are very small and basically my sense was that there was not even the capacity in some cases to create the critical mass to create a production industry. There is a critical level which needs to be reached. Can you give us an undertaking, or is that asking too much, that there will be an emphasis going forward to the peripheral nations, as it were?

Mr Simon: I think it is fair to say that in the t.v. production sector Northern Ireland has not been the strongest region in this and it has not been its strongest suit. That should mean that there is an opportunity, that this is a market which can be grown in Northern Ireland. As I say, there are quotas of various different kinds and all kinds of different thresholds for the production and programming, and so on, across the different broadcasters. As you say, some of them are set quite low. Some of them are set quite high. What we need to see is the ones that are low, that are new, being achieved.

Q135 Chairman: Northern Ireland does not come out of this very well and I hope you are not complacent about that, Minister?

Mr Simon: I do not think it is true that Northern Ireland does not come out very well. I think it is reasonably balanced. There is a big concentration of this entire industry within the M25 and that is why there is a whole range of different targets and quotas for programming and production in the nations and the regions. It is very complex.

Q136 Chairman: I think you do need to look at the evidence we received last week in Northern Ireland and to talk to the people. You have undertaken to do that, and for that we are extremely grateful, but I do

think it is necessary if you are to inform yourself as to how this is seen on the ground in Northern Ireland.

Mr Simon: As I have said, I am keen to go and talk to people and listen to their experience. What the broadcasters and the regulators tell me is that while television production is not an industry in which Northern Ireland would claim to be leading the way, nevertheless it is a nation with a very strong broadcasting sector in which its slice of the production pie, whilst small, is real.

Q137 Dr McDonnell: I think, Minister, we accept some of the points you are making but the difficulty for us is that the evidence we heard last week, both from officials of organised structures like Ulster Television, which does a certain amount of production itself, but equally from small independent companies was that it was very difficult. The flow of business was neither reliable enough nor sustainable enough to maintain the critical mass of operation there, and that is the dilemma. There may be quotas at some level, but they found it very, very hard to maintain a critical mass, and that fed back then in other ways because there was a deep sense that as a result of a shortage of home production, as it were, within Northern Ireland, that Northern Ireland was not being portrayed to the rest of Britain and that it was still being seen as a place apart, a place that we should not go or should not even think about. So I would urge you, Minister, to try and ensure that that is pursued. There is a number of issues there still around quotas, but quite honestly, Chairman, I would rather perhaps leave them at the moment until we come back to that in some shape or form, because there are issues around quotas in terms of getting stuff done. There are issues in terms of the M25 circuit and production not getting outside that, and certainly the submissions we received were that small independent producers in Northern Ireland found it easier to get work from the US than they did from London, and that was a very, very damning indictment.

Mr Simon: Can I just say that I take those points. As a matter of principle, I am on your side. I would like to see the production sector in Northern Ireland grow. I would like to see more Northern Irish home-grown programming and I would like to see the UK portrayal change, partly through that mechanism of production, as you say. I have tried to avoid saying, because I do not want to deflect from the fact that in principle I support what you are arguing for, but nevertheless I do need to say that the BBC, which is owned by the Government, to use the shorthand—you know what I mean—

Q138 Chairman: We hope we know what you mean and it is an interesting take on it, but yes.

Mr Simon: The BBC, which is a directly publicly funded public sector broadcaster, public service broadcaster, has got, I think a 12% production quota for Northern Ireland. Channel 4 has now got a 3% production quota for Northern Ireland and the other broadcasters, the commercial public service broadcasters, the amount they can do depends on

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them. These are commercial questions and it is Ofcom, the regulator, which has got to make these judgments and set these quotas. While I and the Government are sympathetic to what you want to happen, I do not think we can just wade in and –

Q139 Chairman: Minister, I think there is a certain confusion between quotas and targets and I would ask you to look at that very carefully. I would just like to take you back to one of the points Dr McDonnell made before I bring in Mrs Robinson. When we were questioning last week, it became quite clear that it was a twin-track inquiry because the two points which emerged which were of equal importance to our witnesses were first of all the quality and the security of indigenous broadcasting within Northern Ireland, such as the excellent UTV news bulletins to which you yourself referred, but also the betrayal of Northern Ireland to the rest of the United Kingdom. This is something which is of acute concern to our colleagues from Northern Ireland and to all of us who know that very beautiful part of the United Kingdom and who feel that for far too long whenever it has been portrayed, whether in news bulletins, dramas, documentaries, or whatever else, it has been “The Troubles, the Troubles, the Troubles,” and very little has focused on the positive. This is something which came across very strongly last week and whilst we do not like to think the BBC is owned by the Government and we never want that to happen, we think a little gentle influence to try and achieve a better balance would be a good thing, and we hope you will be sympathetic to that.

Mr Simon: I am sympathetic to that, although sensitive to not owning the BBC!

Chairman: Thank you very much.

Q140 Mrs Robinson: Can I just ask, first of all, what is the Government’s assessment of the amount and diversity of t.v. news provision within Northern Ireland at the moment?

Mr Simon: I am told that all the research shows that, as the Chairman was just saying, the UTV news output is the most watched and the most highly esteemed in the UK and remains commercially viable at a time when that is not true in much of the rest of the UK. The BBC is the BBC, as it is all over the world, a beacon of high-quality public service news broadcasting, and in that respect I think it was the Chief Executive of UTV giving evidence to you quite recently who said, “We’re in pretty good shape,” or something of that ilk, I think.

Q141 Mrs Robinson: I am pleased at the fact that you recognise how well the UTV is doing in Northern Ireland, and indeed both communities watch the news programmes. Can you tell me why the Government decided not to have an Independently Funded News Consortia pilot in Northern Ireland when it is piloting the idea in Scotland and Wales, which really just gives more weight to the fact that the people of Northern Ireland feel they are being treated very differently?

Mr Simon: The answer is the answer to the first question. The man from UTV, I think, said that it is not broke so it does not need fixing. The UTV output is the most successful and the best in the country and the IFNC pilots essentially are aimed at addressing a problem in places where news has become economically unsustainable. That is the simple answer. I can understand, from the point of view of the people of Northern Ireland, that when they are getting a pilot in Scotland and Wales it obviously begs the question, “Why not us?” but that is the answer. The answer is that the Welsh and the Scots really need one, they really do. You have got a first-class commercial news service on television in Northern Ireland, which is just not true in –

Chairman: I think we would all say “Amen” to that.

Q142 Lady Hermon: Yes, absolutely. That is a very significant point. Was that point mentioned in the unfortunately titled “Digital Britain” report? Was that explanation given to the people of Northern Ireland when the report was published? There is a very significant difference between Northern Ireland and the other regions.

Mr Simon: I think it was clear in the report that the problem which was being addressed was the declining revenues of regional commercial broadcasters and their declining licence values, and the fact that several of them either had become or were about to become negative in terms of their licence value, alongside the huge changes and difficulties being experienced by regional newspapers, another area in which, although under some pressure, the situation in Northern Ireland is stronger and better than in many other parts of the country. So I think it was clear in Digital Britain what the question was that needed to be answered, what the problem was that needed to be solved. I think it probably does not explicitly say that this does not so much arise in Northern Ireland, but I think that is the case. While we are on the subject, very briefly, I notice that there have been expressions of interest from Northern Ireland and in particular Ten Alps were talking about being part of a pilot and being very disappointed that that was not going to happen, and I just wanted to say here that everything I read that they were talking about, much more than anything else, was absolutely bang on the concept of what we want to do with these pilots. So in that sense, it is a shame that Northern Ireland does not need one as badly as other parts of the country because I think if we had had one in Northern Ireland it would have been a very good one, but these are intended to roll out. We will have one in Northern Ireland, it just will not be one of these small group of three that are piloting first.

Chairman: A post-pilot.

Q143 Mr Grogan: Just to follow on from that, I think you are right, if you go into the building of UTV, as many of us have, you get an impression of what perhaps Granada would have been like 25 or 30 years ago, a very, very strong broadcasting station. Just to be clear what happens next, if these three pilots work—and Ofcom has said that Government

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should plan now for an alternative model based on Independently Funded News Consortia, and I presume that means Northern Ireland eventually, or does it? So come 2012, if all the Government's plans go through and remain unamended, a contained, contestable fund that everyone would apply for, would Ulster TV still be able to bid for some of that? Could they be the successful applicant from Northern Ireland, or would they have to become part of some wider news consortium?

Mr Simon: The plan is that in 2012-13 these IFNCs (if we can call them that) will roll out nationally. That is the plan, and how the roll-out works will clearly be very significantly informed by the pilots. If the pilots went catastrophically badly, then perhaps the roll-out would not work, but the plan is that they should roll out across the country and what would roll out would be a consortium. So we would not expect it to be a single broadcaster.

Q144 Mr Grogan: Why not in Northern Ireland, because everywhere else, in my region, Yorkshire Television, they are throwing in the towel and ITV generally is throwing in the towel on regional news, but in Northern Ireland there is a unique situation where you have a well-established broadcaster who would want to continue to provide an integrated news service. Admittedly, there might be other bidders against them, but why could they not bid to do that and get a share of the cash on offer if they were successful in bidding? Why on earth not?

Mr Simon: However successful they are now, there is no reason why they could not be part of a consortium which did new, extra things. This is very strongly about a multi-platform news offering, it is not just about t.v. but integrated broadcast, newsprint, online, and all they do in different ways and tries to find a new economics which, for instance, does not just fill the existing Channel 3 news slot but also changes the economics of regional newspapers, which ends up doing things in the local, regional, online spaces that are not currently resourced, and so on. It is about doing more, extra new things.

Q145 Mr Grogan: I think they would argue that they are also involved in radio and online as well, but leaving that aside, in Northern Ireland is there also an additional factor to take into account that in many other parts of the United Kingdom it is regional newspapers who will be expected to lead the news consortia and I think in Northern Ireland particularly whoever would be a successful bidder would have to be seen to have a cross-community appeal?

Mr Simon: Yes, I would assume that whoever was a successful bidder would have to be seen to have a cross-community appeal, but it is not for me to say who that would be. I do not think Northern Ireland needs to worry now about the fine detail of the consortium which gets put together in 2013. I think it should be looked at as an opportunity. Currently some parts of the country whose local broadcasts and print news are under massive pressure are going to trial these things. Northern Ireland is absolutely

fine for the moment. It is the best output in the UK and the most watched. In a few years' time, when we have seen the pilots and seen the experience of the two other nations and one English region, then we will look for players in the sector within Northern Ireland to think some new thoughts about how the news offering could be updated and energised.

Q146 Mr Grogan: Just finally on the contained contestable fund which is planned to come in in 2012, will there be possibilities for companies in Northern Ireland to put in bids to make other sorts of programmes other than regional news potentially, or will it be just for Northern Ireland news that they will be able to put in bids?

Mr Simon: We have not ruled out the potential in the future for the funding stream for this to include things which are not news, but for the moment it is just news.

Q147 Chairman: Before I bring in Mr Pound, could I just put one point to you which came from witnesses last week, when it was suggested that Wales had got enormous impetus from Doctor Who, not a programme about Wales but because it was produced in Wales and there was a consequential suggestion that if Northern Ireland had a resident commissioner perhaps there would be greater attention to Northern Ireland as a really exciting centre of broadcasting. How does that idea commend itself to you?

Mr Simon: It is a commendable idea. It is not an idea for me. As you know, I do not own the BBC!

Q148 Chairman: You have withdrawn your prior comment. Never has it been owned so briefly!

Mr Simon: I take the point. I have a certain sympathy. It is a matter for the Trust, but the Doctor Who paradigm is an excellent one.

Q149 Stephen Pound: I would point out, Chairman, that a number of our Parliamentary colleagues feel that the Doctor Who benefit is Cardiff-centric and does not do Swansea any favours at all, and I never realised that such loathing existed! Can I repeat the welcome to you, Minister, and say that your strong and firm grounding in the metaphysical poets has stood you in very, very good stead today, particularly when it comes to defining the elasticities of chronology. It is a pleasure to welcome you. Everybody everywhere—and I know you must have had many representations already—people make the case for the unique characteristic and quality of the region they are representing. I have heard you make eloquent speeches about your own region, which has its own culture and possibly its own language. However, I would suggest that Northern Ireland is unique by any definition. Do you think it would be viable for there to be a separate nations fund for Northern Ireland in terms of treating it as a separate nation, in terms of funding?

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Mr Simon: Do you mean within the BBC?

Q150 Stephen Pound: Yes. In the report, which we shall now refer to as "UK Digital", the report formerly known as Digital Britain, there was reference to this mechanism.

Mr Simon: It is not a reference which rings a bell with me and it is not something that –

Q151 Chairman: Does it appeal to you? You have disclaimed ownership of the report quite recently and now, having briefly advanced, you have disclaimed ownership of the BBC, but does this idea commend itself to you?

Mr Simon: I would need to hear a bit more about it.

Q152 Stephen Pound: That is fine. Perhaps we can follow up on that one. Can I just say that one of the difficulties of broadcasting in Northern Ireland is that so much of it has been news-led broadcasting, and so much of that predominance of news broadcasting has been preordained and is very often quite depressingly negative, or has been in the past. How does the Government prioritise funding for non-news programmes, bearing in mind the especial significance in the area we are talking about?

Mr Simon: The majority of the public sector funding is through the BBC, and we have talked at some length about targets and quotas, and production, which conversation was about non-news programming content and production, so it is central to what the BBC tell us. I think it is 12% in the regions and 3% in Northern Ireland. I agree and understand the portrayal point. It is a chicken and egg in that you need the production to get the portrayal, and vice versa. There is production in Northern Ireland. As I said earlier, it is not Northern Ireland's central industry by any means, but it is not that it is not there.

Q153 Stephen Pound: I am sure it will not have escaped you that many of our very skilled technicians and also journalists such as Steven Owen and Eamonn Holmes, a great many people in fact work in GB. I do not think there is a shortage of skill and talent in Northern Ireland, but it is the issue of non-news broadcasting, and I am thinking particularly of some of the famous programmes, Ultimate Ulster, which I am sure you have got many a DVD of. How do you actually prioritise, or is there a policy within Government rather than in your personal state broadcaster to actually prioritise non-news?

Mr Simon: As I say, yes, non-news is important, non-news in the nations is important and supporting this through programming and production is important. The central government intervention is the licence fee and the BBC. We have already talked through the various targets, quotas, production programming. It is all there. I take the point that sometimes the quotas and targets seem lower than one would like them to be, but the fact that every broadcaster of every kind has got, whoever sets its targets and quotas, a range of targets and quotas for regional, national, non-metropolitan production

programming is because it is fundamentally understood by the Government and the regulators that non-news programming in the nations and regions is important.

Q154 Stephen Pound: The non-news programme can be padding, it can be cartoons, it can even be, God forbid, X Factor or Strictly Come Dancing, but in Northern Ireland the experience is that the non-news programmes have a much wider role. I think I will perhaps leave it at just making that point but close by asking you why the Government chose not to prioritise a contestable fund for non-news broadcasting in the report formerly known as Digital Britain?

Mr Simon: Put that question to me again, sorry.

Q155 Stephen Pound: Why did the Government not prioritise a contestable fund for non-news broadcasting? They chose specifically not to prioritise.

Mr Simon: Why did we prioritise news over non-news?

Q156 Stephen Pound: Yes, that is a far more elegant way of putting it, rather more succinct.

Mr Simon: Because the problem of news was so acute, because in news the research is very clear that people very strongly want a second source of local, regional broadcast news. Regional broadcast t.v. news is very important to them and they do not just want to get it from the BBC, they want another source of it as well, and there is clearly a real danger that if somebody does not do something that will just disappear.

Stephen Pound: I appreciate that. I have just been passed a note saying that in addition I should have actually mentioned Andrea Catherwood. I apologise for not doing that sooner. Thank you.

Q157 Chairman: Of course also, further to the point you have just made, news is incontestably public service broadcasting. Two questions I would like to put to you before we finish, if I may, Minister. First of all, what is the future of funding for Irish language broadcasting and Ulster Scots broadcasting in Northern Ireland? One of our number, who sadly cannot be here today, David Simpson, was particularly anxious to raise this last week, the Ulster Scots point. What is the future of funding for both of those?

Mr Simon: The Irish language programming, as you know, the Government took over from DCAL this year and is committed to fund to the tune of £3 million a year until the end of 2011. Beyond that, we are into the next CSR period and, like everything else in the next CSR period, will have to take its chances.

Q158 Chairman: And Ulster Scots?

Mr Smith: BBC spending on Ulster Scots is approximately £400,000 a year, mostly on radio, and that is the extent, to my knowledge, of funding for that.

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Mr Simon: I think it is worth noting, while we are on it, that in relation to the Scottish Government fund, of the £14 million that is spent on Gaelic broadcasting the Scottish Government spends 10, so that is perhaps a message which can go out from here.

Q159 Chairman: That brings me neatly on to the final question I want to ask you. Do you envisage the possibility of devolving broadcasting in Northern Ireland to the Northern Ireland Assembly, two distinguished Members of which we have present this afternoon?

Mr Simon: Notwithstanding the distinction of the Members in question, and indeed many of their colleagues, no, we do not. I understand, obviously, why there is always a pressure for more. I think this has been looked at a lot over the last few years and I think there are lots of good reasons why broadcasting remains more appropriately a reserved matter. The economies of scale that you get from broadcasting at the national level, the highly capital-intensive nature of the business, the international licensing agreements and arrangements which again we can more productively do as the United Kingdom than as regional broadcasters, and the fact that

broadcasting, in the administration of the business, is inherently devolved and distributed anyway. It is not as if there is a single signal going out from Hilversum.

Chairman: Thank you for that and for the clarity of that answer. Thank you for the honesty and frankness with which you have tried to deal with our various questions and I think that everything that has come out this afternoon—and I do not say this in any critical or still less in any patronising sense—does underline the importance the Committee would attach to you, as the broadcasting minister, being able to go and familiarise yourself on the ground in Northern Ireland and to look at the two issues which this Committee is focusing on. One is, as I say, the preservation, the security for the future of broadcasting which is indigenous and of great importance to the people who live in Northern Ireland, and the other is the image of Northern Ireland which people in the rest of the UK have. At the moment that image is very, very single track and, frankly, does not do credit to what has been achieved in Northern Ireland. I think we would all very much take that line. So we thank you very much, wish you well on your journey, and we look forward to hearing from you when you get back. Thank you very much indeed.

Wednesday 18 November 2009

Members present

Sir Patrick Cormack, in the Chair

Mr John Grogan
Stephen Pound

Mrs Iris Robinson
David Simpson

Witnesses: **Mr Richard Williams**, Chief Executive, **Mr Rick Hill**, Chairman, Northern Ireland Screen; **Mr Trevor Birney**, Managing Director, Below the Radar; and **Mr Paul Connolly**, Group Managing Editor, Independent News and Media, gave evidence.

Q160 Chairman: The Committee is now quorate which means that we are now being officially recorded. Please continue with your submission. It is not too long a submission?

Mr Birney: No, it is not. Last week I was part of a delegation that met with the DCMS, that is the Department for Culture, Media and Sport, in London and during that meeting we asked how Northern Ireland was to benefit from *Digital Britain* and we were told frankly that it would not. Northern Ireland, said the senior civil servant, had “fallen off the end of *Digital Britain*”. The public funding that will now go to Scotland, Wales and England would create jobs in Northern Ireland and help tackle the democratic deficit caused by the lack of investment and deterioration in the quality of our local television news and current affairs. Crucially, it would also help pump-prime our digital economy and ensure we kept up with the rest of the UK. Today, the Minister for Culture, Arts and Leisure in Northern Ireland, Nelson McCausland, was due to meet his counterpart at DCMS to discuss Northern Ireland’s role in *Digital Britain*. Last night that meeting was cancelled. The Minister, who is indignant at Northern Ireland once again falling foul of the same London-centric attitudes that have caused many of our problems, told DCMS that he will only come to London once this Government has a firm proposal on how Northern Ireland is to be included in the pilots to be rolled out across the UK. Today, we applaud the Minister for taking that stance. For too long Northern Ireland has failed because of a lack of leadership in our industry on top of soft touch regulation and a narrow commercial interest. This Government appears satisfied at inflicting a democratic deficit on the taxpayers of Northern Ireland which may be caused by a diminished news quality. Most of all, the people of Northern Ireland will suffer because the DCMS decision points to something else: that Northern Ireland, its news, its licence payers, its politics and its institutions simply do not matter as much as the rest of the UK.

Q161 Chairman: Thank you for that. That was quite a long statement and I hope the rest will not be quite as long because we do want to have some discussion. I completely take your point. Of course, we raised

some of these very issues with the Minister when he came before this Committee, and doubtless you have seen the transcript of that evidence.

Mr Birney: I have indeed.

Q162 Chairman: I was very unhappy at even the title of the paper, *Digital Britain*, which does not refer to Northern Ireland at all. Mr Connolly, did you wish to say something?

Mr Connolly: I think I would agree with what Trevor has said. I understand the Committee is addressing the totality of broadcasting in Northern Ireland, but this issue of *Digital Britain*, IFNCs and the millions of pounds that could be invested in Northern Ireland has really gone right up the agenda in the last couple of weeks and we feel the situation now is quite serious. I would respectfully urge the Committee to take this issue and run with it because Northern Ireland has been relegated to the slow lane of *Digital Britain*. You were right when you highlighted that the name of the report, *Digital Britain*, caused a lot of questions in Northern Ireland. I am thinking of it now as “Digital Backwater” because that is the risk that lies before us if we do not go forward. It shows very importantly a question that I am sure you will come to later about whether broadcasting should be a devolved matter in Northern Ireland. Having been at the meeting last week with Trevor, with DCMS, I now feel that Northern Ireland has been completely wiped off the radar from DCMS and I feel very strongly that—

Q163 Chairman: Not just Below the Radar, off the radar!

Mr Connolly: You asked about the uniqueness of broadcasting in Northern Ireland. The uniqueness of broadcasting in Northern Ireland is that it represents the totality of life. The people of Northern Ireland have triplets and quads the same as people in the rest of the UK, we commit domestic murders as well as political murders, we shop and buy stuff in the same way, but when we are portrayed on a national level none of that is shown at all and we do get the Troubles stereotype. That is why it is important that a regional flavour and identity for Northern Ireland is preserved. It is very important for that. I do notice that the BBC has been making some strides in improving the portrayal of Northern Ireland at a network level and we would applaud that.

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Q164 Chairman: Mr Williams, Mr Hill, did you want to add anything?

Mr Hill: From a Northern Ireland Screen perspective, we see a country where we have dared to re-imagine the future and creative industries play a really crucial part within that. We, at Northern Ireland Screen, have what is the tallest enclosed studio space in Europe in the Paint Hall. In that studio recently we have had Universal Pictures complete a film and we have HBO at the moment. We have had notable successes with TV dramas and film in the last number of years. All of this despite the fact that very often when it comes to an appropriate level of network commissioning we find ourselves very much in the slow lane of how public service broadcasters are advancing. Perhaps you would like to add to that.

Mr Williams: Picking up from that, the concern from Northern Ireland Screen's perspective in relation to the collective evidence given to this Committee is that two things have been largely absent from the evidence, although I would have to say not necessarily absent from the questions from the Committee. Those two things are, firstly, the tremendous strides that Northern Ireland is making within the screen industries in terms of internationalising its activity and producing programming and exported programming on a global basis. More importantly, there is an issue to do with the extent to which Northern Ireland has failed to receive appropriate value from public service broadcasting across the whole range that public service broadcasting is. One of the things that has not much featured in the evidence is money. A very conservative estimate of the annual loss, if you want to put it that way, to Northern Ireland is about £50 million. Every nation within the United Kingdom, every region within the United Kingdom, is very anxious to develop its creative industries. Creative industries are seen to be the future, a very important building block for the future of any economy, and certainly Northern Ireland's. To develop our creative industries without a building block as large as £50 million is something of a challenge. The key point from my perspective would be to focus very closely on that. That completely interlinks with portrayal, but this is an economic issue. Northern Ireland has been very poorly served for quite some decades and I would endorse that aspect of my colleague's comments, that to a certain extent that has been copper-fastened within *Digital Britain*.

Q165 Chairman: I think we can take it as read that there is a sufficient talent base in Northern Ireland. I do not think any of us who travel regularly to the Province would for a moment deny that, but one of the things that came up in the questioning in Belfast, and I would like you, gentlemen, to briefly give me your opinion on this, was are targets and quotas the best way of ensuring that Northern Ireland receives a fairer deal or would it be better to have a rather dramatic gesture? For instance, somebody suggested to us in Belfast, and you will have read this, that it would be good if one of the BBC Commissioners was

stationed in Northern Ireland, and somebody else talked about the enormous boost that Cardiff producing *Dr Who* had given to broadcasting within Wales even though, of course, it was not a Welsh programme in any sense. Briefly, could we have your reflections on those various alternatives because we will want to make some recommendations and I would like to feel that whatever we recommend is in tune with what Northern Ireland needs.

Mr Birney: It is a very toxic issue when you come to talk about quotas and targets and what is a quota and what is a target and the semantics that go on around that. Again, going back to *Digital Britain*, many of us in Northern Ireland believed that Lord Carter would cement the relationship between Northern Ireland and the network broadcasters in imposing more stringent adherence to targets for the PSB stations. When you look at the PSB broadcasters it is quite clear they are saying many positive things about their intentions in Northern Ireland, and the BBC has gone much further than that, but when you look at Channel 4's commitment it has been miserable in Northern Ireland. It has promised to double its output from Northern Ireland, but twice nothing does not amount to anything more than that. We do have to look again, unfortunately, at the PSB broadcasters' intentions in Northern Ireland. The message we would send out is that there has to be stricter regulation, stricter monitoring and far more transparency around what exactly is being produced in Northern Ireland and the portrayal of Northern Ireland. We think that the soft touch regulation has helped to land us where we are at the moment in that Northern Ireland has fallen off the radar in the rest of the UK.

Q166 Chairman: Does anybody want to add anything to that? Do not feel you have all got to speak on everything, but equally I do not want to shut anybody up.

Mr Williams: I would like to speak strongly on that point. I would strongly endorse the proposal for quotas and I would question some of the logics against them. The suggestion is that quotas somehow might undermine creativity or they are an unnecessary interference with the marketplace. On the latter point, broadcasting is an enormously regulated marketplace so really introducing this sort of quota is not particularly significant in that context. The first point is more important. The suggestion has always been that creativity will be diminished if there are quotas but there is absolutely no evidence in the context of Northern Ireland that that is the case. Indeed, the opposite is the case. As I have already said, we have produced the least amount of network production for UK broadcasters over any period of time that you want to look at if you analyse the percentage of that programming that was award winning, the percentage of that programming that was critically acclaimed. Recently, after literally in my professional career a decade of being told that making projects in Northern Ireland would lead to critical embarrassment for the broadcaster that chose to do it, one of the first pieces that the BBC made in

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Northern Ireland was declared by one of the most well-known critics as the finest piece of television of the decade. Lord Carter said that he did not believe in light touch regulation or heavy regulation, there was only regulation that worked and regulation that did not. It is transparently clear that the present regulation does not work and I would, therefore, call for a number of things. One, for the developments at the BBC, which have to be welcomed, the introduction of a 2% target by 2012. I would dismiss the 3% target for 2016 because it is so far away it is irrelevant. There is at least a 2% target and I would say that target should be a quota. It should be monitored by the BBC Trust and that should be overseen by Ofcom to ensure that the spirit and intention of that is clearly driven through. There has been so much debate around quotas and from the point of view of Northern Ireland it has been nearly exhausting. In a sense, it is time to have less debate about it and more delivery.

Q167 Chairman: The reason that there is debate is that there is disagreement, and it is quite clear that this afternoon even between you witnesses there is disagreement. On the one hand, we have Mr Birney rather dismissing quotas and targets and opting for regulation, and we have you rather dismissing regulation and opting for quotas and targets. Is the distinction as clear as that?

Mr Birney: I am not dismissing quotas. I completely agree with everything that Richard has said. We have had so much promised in previous years about targets or quotas that it renders the two words to be almost meaningless. If the broadcaster states it is going to do something I believe that it should be regulated that they do.

Q168 Chairman: So you would have regulated quotas and targets?

Mr Birney: Yes. Regulation is the element that is missing.

Mr Hill: Part of the issue here is that we represent Northern Ireland Screen and our friends represent another grouping. In Northern Ireland Screen we do see some movement from the BBC, which is very welcome. 2% by 2012 would be very welcome, but it ought to be a floor and not a ceiling. We ought to make the most of the opportunities that that brings. For years we have been told and given reasons why we could not do it in Northern Ireland. Northern Ireland Screen commissioning, with Government funding, has shown not only can we do it but we can do it in an outstanding fashion.

Q169 Stephen Pound: Gentlemen, welcome. Before I ask the question returning to quotas, can I just apologise for being the slow learner round the table. In light of the slightly iconoclastic opening comments by Mr Birney, which I welcomed, they were very refreshing, “betrayal”, “robbery” and various other words, could you just say how does digital rollout work in the context of the Republic of Ireland?

Mr Birney: What we should not do is get confused between digital rollout and the promises made in terms of production and portrayal and what this Government has prioritised out of *Digital Britain*. In DCMS’s response to *Digital Britain* they prioritised news and current affairs at the core of public service broadcasting and what we are saying is having prioritised news and then rolled it out in Scotland, Wales and English regions, by not including Northern Ireland it means there is nothing in the report, *Digital Britain*, for Northern Ireland. Despite paying our licences and our taxes in Northern Ireland, we are not to be included in the only element of *Digital Britain* that could have given Northern Ireland a real shot in the arm.

Q170 Stephen Pound: We agree with that. In fact, we re-titled the report in front of the Minister, “Digital UK”. Can you imagine a system where you had a Digital Ireland and a slow-stream Northern Ireland?

Mr Birney: What has happened in Ireland is that there has been top slicing of the RTÉ licence fee for many years which has gone to a separate fund holder, which my colleagues can talk about in more depth than I, the BCI. That organisation then takes the money that it gets from the licence fee and decides how best it should be spent and in what areas and what areas to prioritise over others. We came forward this time last year during the whole PSB debate and said that what should happen in Northern Ireland is that we should have a very similar fund and we should call it the Northern Ireland Broadcast Fund which would ring-fence the money that was going to be raised, whether from digital switchover or industry levy or wherever it came from, for Northern Ireland, which we estimated at something like £30 million a year, which should then be spent on production and portrayal which London-based broadcasters could come in and take advantage of if they were going to either produce a documentary or piece of public purpose television in Northern Ireland or, indeed, local broadcasters and local production companies could also use. What it meant was that it does not matter what happens in the future, whether my children watch content via mobile phones or some other device in five or ten years’ time, what we were saying was let us ring-fence the funding so we accept that what is sacrosanct is the public purpose television. That is what has happened in Ireland and we are saying that is what should have happened in Northern Ireland. We did not get that in *Digital Britain* and now we have also been excluded from the IFNC pilots which has left us, again, stuck in the slow lane of the digital revolution.

Q171 Stephen Pound: Underlying all this is the portrayal of life in Northern Ireland and overcoming the negativities, and I think all of us agree with that. One of the problems with quotas, and I am actually a fan of quotas, I remember the quota quickies we had at the beginning of the early days of television which was some of the best broadcasting ever seen,

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how do you actually combine a quota with a light touch, particularly when it comes to analysing the portrayal of the region?

Mr Williams: The quota only relates to the value and volume of the programming.

Q172 Stephen Pound: What is the value of the programming?

Mr Williams: How much it costs.

Q173 Stephen Pound: Sorry, you mean the commercial value?

Mr Williams: Yes.

Q174 Stephen Pound: I was thinking aesthetically.

Mr Williams: The quota is that £10 million, £20 million, £30 million has to be spent, and that is the best way to construct it in my view, or it could be by the hour, 30 hours, 40 hours whatever. The editorial decision as to the nature of the portrayal has to remain with the broadcaster and the production company involved in making the programming. The regulation is merely of the funding and where it is channelled to. There has to be separation between the Government and broadcasters in terms of editorial. Does that answer the question?

Q175 Stephen Pound: When we had the 2003 Act, one of the debates was about the BBC having a quota for regional broadcasting which did not specify which regions. Do you see the future for Northern Irish production being broadcast in Great Britain? Do you feel that would be positive?

Mr Hill: I think it has to have a future. We have seen some good examples of it in the past, but it is quite a challenge sometimes.

Q176 Stephen Pound: Which is the best example, could I ask?

Mr Hill: *Occupation*, a three-part drama on the BBC starring James Nesbitt.

Q177 Stephen Pound: They always seem to star James Nesbitt!

Mr Hill: He was particularly good in that drama.

Q178 Stephen Pound: That is not a criticism.

Mr Hill: We can be very proud to be associated with it. It was a good drama featuring a leading Northern Ireland actor and a Northern Ireland accent. Sometimes to get a Northern Ireland accent on the network is hard work, never mind a programme on the network that might actually be about Northern Ireland, that is a step even further. It is one thing to have our accents heard, it is another step to have, say, a returning drama series or a regular series in Northern Ireland as you might find in other parts of the UK. That is the challenge.

Chairman: Mr Simpson?

Q179 David Simpson: It is more of a comment really. By the way, on the last comment from Rick Hill, I am very proud of the accent, too, I can assure you, but, having said that, I take his point it is very difficult to get someone from Northern Ireland because of the

accent or whatever. In some of the opening comments I think Paul Connolly said that the landscape is changing, and it is changing. For 30 or 40 years Northern Ireland came through hell on earth with a lot of difficulties. We are now trying to get our lives together for the betterment of the next generation coming behind us. I think it is very sad that the Government has taken this decision that we are not going to be equally treated to other regions of the United Kingdom. The point has been made that we are paying our licences, we are paying our taxes, and we believe that we should be treated exactly the same. It gets to a very bad state when a government minister has to cancel meetings with other government officials because of this and that shows how—and I will use the word ‘bitter’—how bitter it is getting because it is unacceptable. It is not right. Northern Ireland should be treated exactly the same as every other part of the United Kingdom. For many years the old saying in Northern Ireland was that we were the poor second cousins to the rest of the United Kingdom. That day has gone and I believe that we should be getting a fair crack of the whip. Hopefully, the point that has been raised in relation to lobbying, I think the Committee is right in taking this on board and, with your help, Chairman, perhaps we can push this forward and try and get some good positive results from that. There is just one question I want to finish with. Maybe you could outline for us the opportunities. What opportunities would the presence of an independently funded news consortium provide to local television operators or local print media? Could you outline some of the benefits?

Mr Connolly: We view that sort of opportunity in two ways. There are potential commercial opportunities for consortia to raise revenue by leasing office space in existing buildings, by providing skills training and various other things. We would also see the benefits of sharing editorial copy throughout groups in the country with weekly newspapers and our colleagues in other parts of the media. I think also funding could be unlocked for newspapers in particular to get reporters back into the hearts of local communities. What you are seeing across the UK—and Northern Ireland is no different—is newspapers and radio stations and television retreating from the organs of our local democracy like councils, like courts, like health trusts. I feel very strongly that a pilot IFNC programme for Northern Ireland would allow us to start seeding reporters back into communities. Everyone talks over here about the Londoncentric approach. That happens in Belfast, too. The papers and television stations are highly Belfastcentric and have retreated in a lot of ways from councils and courts. A lot of the meat and drink of most local newspapers used to be that sort of stuff.

Q180 Chairman: This is one of the reasons this Committee travels around a lot in Northern Ireland because it is very Belfastcentric. Belfast is an important and very fine city. It is one to which we wish unlimited prosperity but nevertheless it is not Northern Ireland.

Mr Connolly: I am from a small village in the Glens of Antrim and you would not see a television camera there from one end of the year to the other. Another benefit of it would be we would have multi-skilled journalists who would be video journalists as well as print journalists and possibly also audio journalists, so you would have these trained reporters living, working, breathing and sleeping in communities and not stuck in offices in Belfast and that to me is a very important innovation which would help us.

Mr Birney: When you look back to PSB2 and what Ofcom were trying to achieve with PSB2, and then what Lord Carter was trying to achieve with *Digital Britain*, basically it was not as much about the here and now but about the future. It is going to back to where we are going to be and how we access our news and current affairs in five or ten years' time. What we do know about that is our habits are highly likely to be very different than they are now. It is very unlikely that we are going to have to sit down in front of a TV at six o'clock in the evening to see our news. It is highly likely that we will be getting our news from all sorts of sources, whether it be the internet, mobile phones or whatever other technology appears. What Lord Carter in *Digital Britain* was trying to do was to ring-fence and future-proof that provision of news so that we are always going to get a source of public purpose news from somewhere; news that is going to have integrity; news that is going to have sustainability; news that is going to have reach. Chairman, you talked earlier about image and talked about how Northern Ireland is portrayed in the rest of the UK, whereas where I come from in Fermanagh, if you go down there, the issue is how Fermanagh is portrayed by the Belfast-based broadcasters. The issue there is that the BBC has 700 staff based mainly in Belfast and one, or two maybe at tops, in Fermanagh. What Lord Carter was trying to do was recalibrate all of that so that news was not simply about the BBC but also ensuring that we always had plurality of provision and that wherever that provision came from, that second source, that it had proper sustainability.

Q181 Chairman: Is not the problem that, yes, you want plurality of provision but you also want centrality of provision within Northern Ireland? You talked about the internet and all the rest of it. If you have too much fragmentation, then you lose the opportunity, surely, of having central news that is applicable to the province of Northern Ireland as an integral part of both the United Kingdom and the island of Ireland, and have you not got to get the balance right there?

Mr Birney: Absolutely and we would agree with what *Digital Britain* set out on how to ensure that, whether that is in Northern Ireland, Scotland, Wales and the English regions. We agree with the infrastructure and that at the moment what needs to be serviced is television news output for news. That is where the vast majority of people are coming together at six o'clock in the evening to access news. Yet in Northern Ireland, according to the BBC figures, something like 350,000 people visit their Northern Ireland *News Online* website. That is

maybe three or four times as many people as watching UTV News at six o'clock in the evening so you can see how things are changing.

Q182 Stephen Pound: Is that a daily figure? Is that a total figure?

Mr Birney: It is a total figure per day.

Q183 Stephen Pound: Per day?

Mr Birney: So that people are now coming to the internet to watch the news. What we are saying is the *Belfast Telegraph* or the *Irish News* or the *The News Letter* simply cannot cope with an organisation sitting very dominantly in Northern Ireland and being able to update its website minute-by-minute hour-by-hour. Paul would be very lucky if he could update it once a day because he simply does not have the resources to do that. *Digital Britain* and IFNC were meant to be the silver bullet solution that brought in newspapers and broadcasters whose business models were being challenged. The ITV business model, as we know, is under severe challenge. UTV's figures today would attest to that; again advertising has been dropping horrendously in the last few months and the outlook is not that bright. What PSB and IFNC was about was to ensure that, whatever happens, that in the next five or ten years there will always be a second service of news, whatever the reach of that, whether the majority of people reached it through mobile phones or still by watching television at six o'clock in the evening. What it is about is saying give the money, put it in the middle, and let Ofcom or others (we would say others) decide how best to reach the audience, whether or not in five years' time they realise that television is not the best way to provide plurality of service. We say that it could be on-line and maybe a pilot in Northern Ireland should focus on-line. We believe it should. We believe the money that should be spent in Northern Ireland coming from INFC should be there to be spent on challenging that dominant position that the BBC has so that, yes, you can look up a story on the BBC website but you can get an alternative view by turning to a website that has the same sort of level and equity of funding as the BBC. UTV, the *Belfast Telegraph* or any other newspaper or media organisation in Northern Ireland simply cannot compete with the BBC at the moment so we have something of an Orwellian society where there is only one major source of news. How do we change that?

Q184 Chairman: Do you agree with this?

Mr Hill: We have already given you a written submission on some of our thinking.

Q185 Chairman: You are now giving evidence in public; do you agree?

Mr Hill: I will give the evidence in public. We believe that there ought to be a broadly based public service broadcasting fund for Northern Ireland. That would include news and it would include other things as well that would be captured within public service broadcasting. That broadly based fund would

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support all those who are creating content for distribution, by whatever means, whether it is on-line or on television in the more traditional linear models that currently exist. We believe that this is important. If you look at the demographics in Northern Ireland, the only other area of the UK with such a young population is London, so they are consuming media in different ways, they are watching less and less television, so you are going to need to support the change in the medium to longer term and to support public service broadcasting across the range of distribution platforms.

Q186 Chairman: The diversity of distribution must not compromise, surely, the quality of production? So in other words what is being produced and distributed must be of a high quality if it is going to serve the interests of Northern Ireland both within and without Northern Ireland?

Mr Birney: Absolutely and that is what Lord Carter set out to achieve. As former editor of current affairs at UTV I won two Royal Television Society awards for in-depth investigations that were broadcast in their current affairs series *Insight*. UTV does not broadcast *Insight* any more. It does not do any more current affairs investigations. It has jettisoned that so that means we have only one platform that produces investigative current affairs now and that is on the BBC at half past ten on a Tuesday night. UTV does not do that type of current affairs investigation.

Q187 Chairman: UTV does provide something which is of enormous value within Northern Ireland in its news broadcasts.

Mr Birney: In its news, absolutely. Its audiences come two-fold as opposed to the BBC.

Q188 Chairman: As one who watches that when I am in Northern Ireland I am always impressed by both the diversity and the quality.

Mr Birney: Absolutely. You only have to turn to the Minister, your DUP colleague Nelson McCausland, in his call for a pilot for Northern Ireland. He said he wanted it broadened for current affairs. You have to ask him why he wanted it broadened to current affairs if he felt that the supply of current affairs in Northern Ireland was sufficient.

Q189 Chairman: Are all of you united in wanting a pilot for Northern Ireland?

Mr Williams: Absolutely we are united in wanting a pilot for Northern Ireland. I think it would be true to say that there would be different emphases amongst us as to what that pilot should be, but the first point where we are all absolutely in agreement is—and maybe it was colourful language—the notion that Northern Ireland was robbed in the context of the only financially backed Government intervention coming out of *Digital Britain*; we would collectively agree. Northern Ireland Screen is already on record, and I am happy to reaffirm it to you, that we would not have prioritised news provision as the most immediate need for further public intervention. We would emphasise, as I have already said, production and portrayal. We would

certainly endorse what has been said about the digital future, about the fact that the landscape is very much changing, that the models of distribution are changing and that Northern Ireland from every way—an economic way, a cultural way, a representational way, a constitutional way—needs to be at the forefront of that, not lagging at the tail of it. Northern Ireland Screen's view is that we would not have prioritised news but it does not therefore follow that Northern Ireland should not have a pilot. There can easily be a pilot that includes current affairs, that has a strong focus on digital distribution, and includes production and portrayal.

Q190 Chairman: Do you gentlemen go along with that?

Mr Birney: Absolutely.

Q191 Chairman: So there is a unity among you on this pilot issue?

Mr Birney: Yes.

Chairman: This is something we are anxious to be able to deliberate on and reflect upon. We may well come to recommend it. I want to ask you in a few minutes about the sort of recommendations you would hope we might make, but before that I know that both Mr Grogan and Mrs Robinson want briefly to ask some questions. We have about ten minutes left.

Q192 Mr Grogan: I will be very brief and my apologies for going in and out but I am hosting a reception on behalf of the university in my constituency, York. That would be my first point. Do you protest too much really? There are going to be three pilots. There is a *Digital Britain* Bill, which I agree is misnamed, to be published later in the week. Those pilots are going to be largely to plug the gap in regional television where I wish in Yorkshire we had half your provision. Given that one is going to be in Wales and one is going to be in Scotland, are you being a bit unfair to the English regions? Can you not wait like most of the English regions will have to wait until 2012/2013, particularly when you have such a good UTV.

Mr Connolly: UTV's position is quite precarious. ITV is a big institution sitting there and UTV maybe represents 2% of output. If ITV wants to do something it is very hard to see how UTV can stop it or respond. If ITV were to hand back its public service obligation, it is not unforeseeable that Northern Ireland could be left without a significant news provider. It is not just speaking as a representative of a commercial company but also as a news consumer in Northern Ireland. It is absolutely vital for our democracy that news continues and that we have certainty about news continuing. That is a big concern.

Q193 Mr Grogan: I know we are pushed for time so perhaps I will just ask one more question, if that is all right, Chairman. You said you worked for UTV and so on. Part of *Digital Britain* is that the existing companies will not be allowed to compete for the contract. You may have one view of UTV's efficiency

and so on, but they have got radio interests, they talked a little bit about their on-line presence and so on. If there was an independently funded news consortium would you be prepared to take them on head-to-head and do you not think they should be allowed to compete with you?

Mr Birney: Just to correct you, UTV would be allowed to tender.

Q194 Mr Grogan: Not alone though, they would have to find a partner.

Mr Birney: That is not a decision or something that we put into it.

Q195 Mr Grogan: Why should they not be able to compete?

Mr Birney: I am completely competitive, absolutely: leave it open and let us work it out. This is a Bill that will pass through the House of Commons in the next few months—

Q196 Mr Grogan: It should allow them to compete effectively with you?

Mr Birney: Absolutely.

Mr Connolly: No-one minds losing a tender but we want the option of getting into the tender.

Q197 Chairman: You make your point very well, yes.

Mr Williams: May I quickly respond to the first point. No, I do not think we protest too much. I would take you back to the wider context of *Digital Britain*, of the Ofcom reports and prior to that I would take you back to what I was saying that Northern Ireland is anonymous—genuinely anonymous—and has been for my lifetime anyway on the UK networks, so we do not protest too much.

Mr Hill: Can I put some figures on that anonymity. It has gone from 0% to 0.03% of network production as measured by Ofcom.

Q198 Mrs Robinson: If you have nothing how do you get anything?

Mr Hill: 0.03% is where it is at the minute. It is going to reach 2% by 2012. It cannot come soon enough so if we are protesting, it is because there is a long history of feeling a little colder in relation to fair funding.

Chairman: You feel out in the cold. Mrs Robinson?

Q199 Mrs Robinson: Rick has highlighted the issue very well that yet again Northern Ireland is treated as a backwater and not recognised as very able with people like this here coming and being able to sell our wares. Can I be devil's advocate and just put two points to you? Do you think that broadcasting should be devolved to Northern Ireland, either in the short term or the long term? What would be the advantages or the disadvantages of that? Just something simple!

Mr Hill: Can I push that back and say that that is a matter for you and for the politicians to decide.

Q200 David Simpson: Pass the buck!

Mr Hill: Our role will be to build a vibrant creative industry in Northern Ireland whether it is devolved or reserved and we will continue to do that with the funds.

Q201 Mrs Robinson: It is really in light of how we are perceived to be the backwater and the last to get anything thrown at us in terms of money.

Mr Williams: I would endorse some sort of compromise position on that. I suspect that there would be difficulties in fully devolving broadcasting. While I am very critical of the BBC in many ways, I would not want to see it dismantled, as would probably have to be the case if it was devolved. That said, I would strongly endorse the devolution of aspects of the funding, aspects of the policing, and some sort of mechanism that would ensure that rather than broadcasting being fully devolved that Northern Ireland played its appropriate representational part. I am no expert but I suspect that there could be compromise mechanisms developed along those lines.

Mr Hill: An example of where funding has been successfully devolved is the Irish Language Broadcast Fund. What we have seen is where there is a fund; if you build it, they will come, to take the image from the movie. Where you put the funding you get the added value and the added investment. If you put in the funds, the content will follow with network commissions.

Q202 Chairman: What would you two gentlemen say to Mrs Robinson?

Mr Birney: I go back to the proposal that we made a year ago in saying that the funding should be devolved.

Q203 Chairman: The funding but not the authority?

Mr Birney: Not necessarily broadcasting but again the funding should be devolved down into something like the BCI style of funding which ensures competition standards and that the money is spent on local talent. I think it is best in local hands to decide how local money is spent. What we said is that that fund should encompass everything from news, current affairs, right through all the public purpose broadcasting through to Irish language and through to Ulster Scots. We are a production company that this year, despite having very few Irish language speakers, has just produced our first three-part series on health issues in Ireland for TG4 and we have just been commissioned again to produce another three-part series on the economy for TG4 for next year. That is about helping to build skills and helping allow us to bring young filmmakers into our company who are getting the experience necessary to make documentaries and public service content in whatever language. What we are saying is that it is absolutely critical and the Irish Language Broadcast Fund has had a huge impact, particularly in the last couple of years, that has helped build a skills base in Northern Ireland. What we are saying is to broaden that to encompass right along all

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genres to make sure that all indigenous languages are ring-fenced along with all the other public purpose broadcasting.

Q204 Chairman: Mr Connolly, I want you to be able to comment on this before I ask the final question.

Mr Connolly: I certainly think that mechanisms should be found to give the Stormont Government a much stronger say in broadcasting matters. We would not want to dismantle or undermine the valued role the BBC has, so we would need to find mechanisms to protect that, but we should have a much stronger element of devolution of broadcasting in Northern Ireland.

Mrs Robinson: Do you not find it ironic that although it is part of the whole industry we are now on the map for filming. The Paint Hall down in Titanic Quarter is an amazing spectacle to see. My husband was down there quite recently and the expertise in the producing of the backdrops, carpentry, and the making of costumes, et cetera, it is a whole new industry coming.

Chairman: I am sorry to interrupt but Mr Simpson has to leave at quarter to otherwise he will not get his plane.

Mrs Robinson: So have I!

Chairman: You are the same, in that case we will become totally inquorate, so could you just tell me very briefly, if you had your wish, what would each one of you like this Committee to recommend?

Q205 Stephen Pound: It is Christmas after all!

Mr Birney: I think that the Committee has to immediately review its position on *Digital Britain* and DCMS and urgently do that as a result of—

Q206 Chairman: We have not got a position. We are here to make a report and what I am saying to you is what would you like us to recommend?

Mr Birney: I think immediately the Committee has to make some sort of engagement with DCMS over its decisions in Northern Ireland this week, because I think once again those are going to have a huge impact in Northern Ireland. I think that if they are

not redressed, if there is not some message sent to DCMS that Northern Ireland simply cannot afford to lose out at this critical point.

Q207 Chairman: Thank you for that. Mr Connolly?

Mr Connolly: I would echo that and I would also like to see maybe the Committee could give some support to Minister McCausland in his stance. I think that would be quite good.

Q208 Chairman: Thank you. Mr Williams?

Mr Williams: I would like the Committee to press for the BBC target to become a quota and to be brought forward from 2016 to 2012.

Q209 Chairman: And Mr Hill?

Mr Hill: I would like to thank our elected representatives for their interest in this matter and encourage them to continue with this level of interest. We have seen in Scotland and Wales with measure of success political interest in broadcasting matters has delivered to the creative industries there.

Chairman: Thank you very much indeed all of you. We have been quorate for virtually the whole of the session so it is all on the record. If there are points that you feel that you have not got across or that we have not sufficiently probed on, please let us know. I am sorry about the time constraints, but clearly we cannot carry on with only two of us, and Mr Simpson and Mrs Robinson have to go off to get the plane. We wish you all a safe journey back. We will be reflecting on all of this. It is our aim to publish a report well before the general election. We would hope to publish probably end of January/early February, so there is time to take further evidence both written and oral. All I would just say to the representative of the *Belfast Telegraph* is when articles are written about the Committee do not jump to conclusions. This Committee likes to hear evidence from as many people as possible and likes to be able to reflect a variety of views and then to make its recommendations. We shall seek to do just that. Thank you very much indeed. I declare the session closed.

Written evidence

Written evidence from ULTACH Trust¹

1. SCOPE OF THIS SUBMISSION

This submission will be directed at the issue of indigenous language broadcasting in and for Northern Ireland, with particular attention to the Irish language and the Irish Language Broadcasting Fund (ILBF). Our representation seeks to ensure that Irish language programming is embedded into the public service broadcasting framework in Northern Ireland through the following measures:

- an adequate distribution mechanism;
- maintenance of current development and support mechanisms;
- a realistic long-term development strategy; and
- enhanced opportunities for the production of Irish language programming in the future.

2. ULTACH TRUST

The ULTACH Trust is a cross-community Irish language charitable body established in Belfast in 1989. We are particularly active in the area of Irish-medium broadcasting. We have:

- published five reports since 1990 on the issue of Irish-medium television in Northern Ireland;
- campaigned for a training and production fund for Irish language television in Northern Ireland, for guaranteed access to the Irish language television channel TG4, and for provisions for the Irish language in the Communications Act;
- managed the first Irish-medium television training course in Northern Ireland (2002);
- developed and co-funded support packages for emerging Irish language television producers;
- organised and funded a showcase exhibition for the emerging television sector at the 2003 International Celtic Film and Television Festival in Belfast; and
- been active in all stages of the Ofcom review of public service broadcasting and BBC Charter Review.

3. SUMMARY OF ULTACH'S VIEWS

ULTACH Trust argues that the following modest measures are necessary to ensure that the UK Government fulfils its legal and other obligations (for example, the Belfast Agreement and the European Charter for Regional and Minority Languages—see below) to provide for Irish language television broadcasting. These measures will also bring considerable economic, social and cultural benefits to society in Northern Ireland. We ask the British Government to:

3.1 Ensure that agreements entered into by national Governments, such as the Belfast Agreement, are enshrined in the broadcast and production structure and, as appropriate, in any future legislation. The Belfast Agreement involves two critical commitments by the British Government:

- (a) access to TG4, the Irish language television station in the Republic of Ireland, and
- (b) funding to support the production of Irish language film and television programmes within Northern Ireland.

3.2 Guarantee that sufficient funds are made available to develop programming of a high quality in the Irish language by means such as the Irish Language Broadcasting Fund (ILBF) and ensure that the level of such funding reflects the growing use of and interest in the Irish language. We note the clear endorsement of the success of the ILBF in the Deloitte Report to the Department of Culture, Arts and Leisure.

3.3 Provide a 10-year guarantee for the ILBF. ILBF funding should also be index-linked, in line with Welsh language support for S4C.

3.4 Establish a long-term framework for Northern Ireland which will ensure a stable and well-funded television landscape to serve the Irish language community and those with an interest in the language. The framework should reflect the greater stability provided for the Welsh language through the S4C licence and BBC production support, and that for the Gaelic Digital Service in Scotland.

3.5 Create within that broadcasting framework sufficient opportunity for the continuing and wider distribution of programming in the Irish language from the Republic of Ireland as an essential part of public service broadcasting in Northern Ireland.

¹ Further, revised written evidence Ev 102.

4. PROBLEMATIC STATUS OF THE IRISH LANGUAGE BROADCASTING FUND (ILBF)

4.1 The ILBF was launched in September 2005 under the aegis of the Belfast Agreement, but does not appear to have been mainstreamed within the UK's funding structures. The original funding of £12m appears to have been sourced in the government's Contingency Fund rather than the Department of Culture, Media and Sport (DCMS), and paid directly to Northern Ireland's Department of Culture, Arts and Leisure (DCAL). Early in 2008, it was announced that funding for the ILBF would cease at the end of March 2009. As part of a deal to sustain the Northern Ireland Assembly, it was announced 17th June 2008 that the Prime Minister had made a commitment to extend the fund until March 2011. This additional funding, £3m per annum, also appears to have been sourced from the Contingency Fund.

4.2 That the two-year extension of the ILBF was contingent on short-term political leverage underlines the need for the development of a long-term strategy for funding Irish-language television in Northern Ireland.

5. THE IRISH LANGUAGE

5.1 The Irish language is one of the two national languages of the Republic of Ireland, has been a Treaty language of the European Union since 1973 and became an official working language of the EU in January 2007. It is also an essential aspect of the heritage and living culture of Northern Ireland, and is spoken and understood by a growing number of people. As such, its place as an integral part of the linguistic landscape of the United Kingdom needs to be enshrined in any UK broadcasting structure that affects Northern Ireland.

5.2 The 2001 Census for Northern Ireland reported that 167,489 (or 10.4%) of the population claimed a knowledge of Irish. This compares with 142,000 in 1991—almost a 20% increase over the decade.

5.3 There are more than 4,000 children in the Irish-medium education sector in Northern Ireland (compared to 2,385 in Gaelic-medium schools in Scotland). The sector is growing at a rate of nine new schools every two years. A further 20,000 children study the language at English-medium schools.

5.4 Of all adults in Northern Ireland, 29% consider Irish language and culture very or fairly important (McCann-Erickson February 2000).

5.5 Research carried out by Ofcom has shown that "In Northern Ireland, just under one-third of people thought that some programmes needed to be in Irish" (Ipsos MORI research, April 2008).

5.6 Research carried out by PriceWaterhouseCoopers on behalf of the BBC in 2007 stated that 34% cited language as an important part of their identity. 55% of those who had some knowledge of the Irish language want more local programmes in the Irish language.

6. CREATING A NEW PUBLIC SERVICE BROADCAST LANDSCAPE

6.1 Irish is the only Celtic language in the United Kingdom which has a significant presence in a neighbouring state. This fact involves two separate but related issues of principle. The first is that, while the UK has sole responsibility for broadcasting in Welsh and Scottish Gaelic, it can share the responsibility—and costs—of an Irish language service with the Republic of Ireland. Implicit in that principle, and reflected in the Belfast Agreement, is a requirement to make the service provided by the Republic available to the Irish-speaking community of Northern Ireland. The Trust will look at the implications of these two complementary principles for a broadcasting framework that will assure the availability of Irish language programming sourced in both the UK and the Republic of Ireland.

6.2 *TG4.*

6.2.1 This is the dedicated Irish language channel in the Republic of Ireland, which provides a unique public service broadcasting function for Irish speakers in Northern Ireland. The Trust believes that, in the special circumstances of the Irish language situation, no distinction should be made between Northern Ireland and the Irish Republic regarding access to its services.

6.2.2 The Trust supports the proposal of allocation of UK digital spectrum to TG4, and would argue that this spectrum should be sufficient to permit TG4 to satisfy the needs of Irish language users, and enable them to receive a full range of public service programmes. We would also suggest that TG4's Irish language programming should have a "must carry" obligation on all platforms serving Northern Ireland. To future-proof its services, the Trust proposes that, as better technology permits, further broadcast opportunities should be afforded to TG4 to utilise spectrum released by higher efficiency for further channels in the Irish language.

6.3 *BBC.*

6.3.1 The Trust welcomes the decision of the BBC to commit further funding (announcement 24 April 2008) to the development of programming in the Irish language, and notes that the BBC Trust is committed to an incremental increase in provision for Irish. However, funding from the Licence Fee dedicated to Irish language programming amounts to only £950,000 a year and is spread across radio, television and the internet, rather less than half being spent on television.

6.3.2 While there has been an improvement since 2001 in the BBC's Irish language television provision, there remains an unacceptable discrepancy between provision for Irish and that for Welsh and Scottish Gaelic. This variation is far too great to deliver the BBC's own Charter obligation with regard to the "importance of appropriate provision in minority languages." The following table will outline the discrepancy between the various services:

Table 1
BBC CELTIC LANGUAGE SERVICES: FUNDING FROM LICENCE FEE

	<i>2001 Census knowledge of Welsh, Gaelic and Irish</i>	<i>BBC television and online service (from Licence Fee)</i>	
		<i>Spend</i>	<i>Spend per speaker</i>
Wales (Welsh)	580,000	£25,000,000	£43
Scotland (Gaelic)	92,000	£4,600,000	£50
Northern Ireland (Irish)	167,000	c £650,000	£4

6.3.3 It must also be added that the BBC's Irish language television programmes are funded from two sources, the Licence Fee (*circa* £450,000) and the Irish Language Broadcast Fund (£1,200,000). The implications are clear: if funding for the ILBF is not sustained, the BBC will be unable to maintain its current modest level of Irish language programming, never mind provide an 'incremental increase' in the future.

6.4 RT Television.

6.4.1 RT Television broadcasts its own Irish language material both on television and radio, as well as providing TG4 with 365 hours of programming material every year; a contribution that forms a core part of TG4's topical programming. The Trust believes that, quite aside from arguments relating to access in Northern Ireland to RT on grounds of cultural identity and cultural diversity, the fact that RT itself provides more Irish language broadcasting than does the BBC makes a case for broader access to its services throughout Northern Ireland.

7. LEGAL AND GOVERNMENTAL BASIS FOR IRISH LANGUAGE BROADCASTING

7.1 *The Belfast (Good Friday) Agreement.*

7.1.2 Section 6 of the Belfast (or Good Friday) Agreement sets out the UK Government's pledge on Irish language broadcasting in the UK. The Agreement has the legal force of an international treaty. The paragraphs relating to broadcasting issues are cited below:

(3) All participants recognise the importance of respect, understanding and tolerance in relation to linguistic diversity, including in Northern Ireland, the Irish language, Ulster-Scots and the languages of the various ethnic communities, all of which are part of the cultural wealth of the island of Ireland.

(4) In the context of active consideration currently being given to the UK signing the Council of Europe Charter for Regional or Minority Languages, the British Government will in particular in relation to the Irish language, where appropriate and where people so desire it:

- explore urgently with the relevant British authorities, and in co-operation with the Irish broadcasting authorities, the scope for achieving more widespread availability of *Teilifís na Gaeilge* in Northern Ireland; and
- seek more effective ways to encourage and provide financial support for Irish language film and television production in Northern Ireland.

7.1.3 These commitments were made by the British Government: unlike other elements in the Belfast Agreement, no other party was involved. ULTACH Trust believes it would be a breach of this Agreement if the Government were to fail to either:

- (a) offer sufficient broadcast spectrum to TG4 (formerly *Teilifís na Gaeilge*), or
- (b) provide direct funding for television production through the ILBF or an alternative mechanism.

7.2 *Joint Declaration, April 2003.*

7.2.1 The Joint Declaration of the British and Irish Governments of 1 April 2003 stated:

The British Government will continue to discharge all its commitments under the [Belfast] Agreement in respect of the Irish language. Specifically, in relation to broadcasting, the British Government will take all the necessary steps to secure the establishment as soon as possible, following the receipt of the final business case in April, of a fund for financial support for Irish

language film and television production. The two Governments will continue to work with the relevant regulators [ie Ofcom] and broadcasting authorities to address the technical and other barriers with a view to increasing substantially the reception of TG4 in Northern Ireland.

It was this Joint Declaration which led to formation of the ILBF.

7.3 *European Charter for Regional or Minority Languages.*

7.3.1 The UK Government signed this Charter on 2 March 2000 and it was ratified on 27 March 2001. The Charter came into force on 1 July 2001. It is, therefore, a full obligation of the UK Government.

7.3.2 This international convention is designed to promote and protect regional and minority languages. In Northern Ireland, the Charter applies to the Irish language (Parts II & III) and Ulster Scots (Part II).

7.3.3 The UK Government has already signed up to 36 provisions for the Irish language under Part Three of the Charter, ranging from education to the media. In Article 11, in the section on Media, the British Government made the following commitment to the Irish language in Northern Ireland:

“to the extent that radio and television carry out a public service mission . . . [the Government undertakes] to make adequate provision so that broadcasters offer programmes in the regional or minority languages.” [Paragraph 1a (iii).]

7.3.4 An International Committee of Experts examined the performance of the UK in relation to the Charter and published its first report in 2004, before the ILBF was set up. Their report, addressed to the Committee of Ministers of the Council of Europe, found “shortcomings in the services in Irish and Scottish Gaelic, particularly regarding television”, and stated that:

“The Committee of Experts considers the undertaking fulfilled in relation to radio but not currently fulfilled in relation to television.” (p 53.)

7.3.5 The Committee of Ministers of the Council of Europe received the report, and on 24 March 2004, passed the following resolution (Recommendation RecChl(2004)1:

“[The Committee of Ministers] recommends that the authorities of the United Kingdom take account of all the observations of the Committee of Experts, and, as a matter of priority . . . improve the public service television provision in Irish.” (p 70.)

7.3.6 In reporting to the Council of Europe in July 2006, the UK Government confirmed that it had acted on the Charter to deliver more and better broadcasting in Irish. It listed the activities of the ILBF, better viewer reception of TG4, training and more BBC programming. “Together,” said the UK Government, “these mark current and planned improvement in the situation of Irish language broadcasting. The UK Government has taken the recommendation of the Committee of Ministers seriously and has acted on it.”

7.3.7 In its following report to the Committee of Ministers in March 2007, the Committee of experts considered that the obligations relating to Irish language broadcasting provision in Northern Ireland had been fulfilled.

7.3.8 Most of the funding for Irish language television broadcasting in Northern Ireland comes from the ILBF. Should the fund be withdrawn, it is inconceivable that the British Government will not be found to be in breach of its Charter commitments.

8. THE IRISH LANGUAGE BROADCASTING FUND IN THE UK CONTEXT

8.1 The ILBF is one of a number of bodies that receives direct Government funding to support broadcasting in an indigenous minority language. The Welsh channel S4C has been in receipt of exchequer funding since 1982. It currently receives direct Government of £94,000,000 per annum. A Gaelic Television Fund of £8 million was established by the Westminster Government in 1990, and went through a number of name-changes. It is now known as MG Alba, and its funding is funnelled through the Scottish Parliament. It has a current budget of £12,400,000, and is a partner with the BBC in the Gaelic Digital Service, BBC Alba.

Table 2
PUBLIC FUNDING, ALL BROADCAST MEDIA (TV, RADIO, ONLINE)

	<i>Direct Funding</i>	<i>BBC Spend</i>	<i>Total</i>	<i>Number of speakers</i>	<i>Spend per speaker</i>
Wales (Welsh)	94m	25m	119m	580,000	£205
Scotland (Gaelic)	12.4m	7.8m	20.2m	92,000	£219
Northern Ireland (Irish)	3m	0.95m	3.950m	167,000	£24

Note: These figures do not include expenditure on Welsh language radio. They include an additional £2.5 million contribution by BBC to the Gaelic Service.

9. SUCCESS OF THE IRISH LANGUAGE BROADCASTING FUND

9.1 ULTACH Trust is encouraged by the economic studies of the effectiveness of the financial support for Irish language programming, through the ILBF. Deloitte's report on the effectiveness of the ILBF between June 2005 and March 2007, commissioned by DCAL, has shown the ILBF to be a proven success. We believe that its future should be reaffirmed as an essential pillar of public service broadcasting in Northern Ireland.

9.2 Within a budget of £3 million a year and from a standing start, the ILBF has been highly successful:

- 290 hours of programmes have been created for TG4, RT and the BBC, much of it for young audiences from cartoons to sport and teen drama.
- Quality programmes have been made. The feature film *Kings* was Ireland's Foreign Film Oscar nomination. *Tri Shúile an Chait* was nominated for an Irish Film and TV Award.
- 25 independent production companies have received funding, some of which work only in the Irish language.
- 539 Irish speakers have been employed in some capacity by the Fund. Before the ILBF this number was just five.
- 120 trainees have been funded.

9.3 The fund has been a proven success, by any measure. In a very short period, from a standing start, it has succeeded in creating a nascent Irish language production sector in Northern Ireland. To maintain and build on this success, ULTACH Trust believes that sustained financial support for Irish language programming is essential, and that failure to establish a long-term strategy in this area would be extremely counterproductive.

30 April 2009

Written evidence from An Cheathrú Ghaeltachta Teo

- I am/We are concerned over the lack of secure funding for Irish language broadcasting and a lack of equity with other Celtic languages in the UK;
- Access to Irish language programming is an essential element of public service broadcasting in Northern Ireland;
- The Westminster Government has a statutory and legal imperative, through the Good Friday Agreement, to fund Irish language television. The UK Government has entered into a treaty obligation which needs to be honoured in full;
- The ILBF needs to be guaranteed long-term sufficient continuing funding to fill a serious gap in the public television service in Northern Ireland;
- The funding imbalance for programme production within the indigenous languages of the UK needs to be addressed as a matter of urgency;
- There needs to be clear principles established on which the broadcasting of Irish language programmes can be incorporated into the UK's broadcasting system and not provided mainly by external channels, such as TG4 or RT;
- The BBC has made a commitment to "an incremental increase" in Irish language television provision'. If long-term funding is not secured for the ILBF, the BBC will be unable to proceed with the proposed increase or may not even be able to maintain the current levels of programming;

- The Irish speaking community in NI continues to grow as witnessed by census figures and the growth of Irish medium education. This community must be provided with a sufficient service by the PSB provider.

28 April 2009

Written evidence from Ruairí Ó Bléine

Further to your Press Release of 2 April 2009 I wish to respond as follows:

1. The Irish language is a vital component of the past and present heritage of all the people of Northern Ireland. For the Public Service Television to neglect to serve the needs of the language would therefore be an unforgiveable neglect of duty.
2. The low level of provision of programmes in Irish or about Irish which has prevailed up to now is well recorded and has been widely remarked on. Compared with expenditure on other indigenous languages within the United Kingdom Irish comes bottom of the league.
3. Television broadcasting in Irish is out of step with the positive measures taken to acknowledge the language by the European Union, by the British Government in signing the Charter on Lesser Used Languages and through the Good Friday Agreement.
4. The provision of the Irish Language Broadcasting Fund was a most welcome contribution towards meeting Irish language requirements. The size of the Fund has been inadequate. Just as lamentable has also been the tendency to draw on this fund, not to provide extra programming out of the individual broadcasting budgets, but to use the fund to support already planned programmes.
5. While the Welsh and the Scots can be satisfied that their everyday broadcasting needs are being generously met by a friendly community and by the authorities, the Northern Irish are wearied with the amount of struggling and effort expended in making their voices heard.

28 April 2009

Written evidence from Foras na Gaeilge

1. THIS SUBMISSION

The subject of broadcasting and the use of indigenous language in Northern Ireland has been discussed at great length over the last number of years. There has been a series of consultations by Ofcom and there was the renewal of the BBC charter. Foras na Gaeilge has participated in all of these.

This submission will address the issue of indigenous language broadcasting in and for Northern Ireland, with particular attention to the Irish language and the Irish Language Broadcasting Fund (ILBF). Our submission seeks to ensure that Irish language programming is embedded into the public service broadcasting framework in Northern Ireland through the following measures:

- an adequate distribution mechanism;
- maintenance of current development and support mechanisms;
- a realistic long-term development strategy; and
- enhanced opportunities for the production of Irish language programming in the future.

2. ABOUT FORAS NA GAELIGE

Foras na Gaeilge, the body responsible for the promotion of the Irish language throughout the whole island of Ireland, was founded on the second day of December 1999.

In the Good Friday Agreement, it was stated that a North/South Implementation Body be set up to promote both the Irish language and the Ulster Scots language. Under the auspices of this body, Foras na Gaeilge will carry out all the designated responsibilities regarding the Irish language. This entails facilitating and encouraging the speaking and writing of Irish in the public and private arena in the Republic of Ireland, and in Northern Ireland where there is appropriate demand, in the context of part three of the European Charter for Regional and Minority Languages.

The staff of Bord na Gaeilge, An Gúm (Publishers), and An Coiste Téarmaíochta (Terminology Committee) and their activities have all been transferred to the new body.

Foras na Gaeilge has a role in advising administrations, North and South, as well as public bodies and other groups in the private and voluntary sectors in all matters relating to the Irish language. They will also be undertaking supportive projects and grant-aiding bodies and groups throughout the island of Ireland.

The functions of Foras na Gaeilge:

- promotion of the Irish language;

- facilitating and encouraging its use in speech and writing in public and private life in the South and, in the context of Part III of the European Charter for Regional or Minority Languages, in Northern Ireland where there is appropriate demand;
- advising both administrations, public bodies and other groups in the private and voluntary sectors;
- undertaking supportive projects, and grant-aiding bodies and groups as considered necessary;
- undertaking research, promotional campaigns, and public and media relations;
- developing terminology and dictionaries; and
- supporting Irish-medium education and the teaching of Irish.

3. SUMMARY

Foras na Gaeilge believes that the following measures are necessary to ensure that the UK Government fulfils its legal and other obligations (the Belfast/Good Friday Agreement and the European Charter for Regional and Minority Languages) to provide for Irish language television broadcasting. These measures will also bring considerable economic, social and cultural benefits to society in Northern Ireland. We ask the British Government to:

3.1 Ensure that agreements entered into by national Governments, such as the Belfast/Good Friday Agreement, are enshrined in the broadcast and production structure and, as appropriate, in any future legislation. The Belfast Agreement involves two critical commitments by the British Government:

- (a) access within NI to TG4, the Irish language television station in the Republic of Ireland, and
- (b) funding to support the production of Irish language film and television programmes within Northern Ireland.

3.2 Guarantee that sufficient funds are made available to develop programming of a high quality in the Irish language by means such as the Irish Language Broadcast Fund (ILBF) and ensure that the level of such funding reflects the growing use of, and interest in, the Irish language. The success of the ILBF was endorsed in the Deloitte Report to the Department of Culture, Arts and Leisure.

3.3 Provide a ten-year guarantee for the ILBF. ILBF funding should also be index-linked, in line with the Welsh Assembly Government's support for Welsh language programming on S4C.

3.4 Establish a long-term broadcasting framework for Northern Ireland which will ensure a stable and well-funded television landscape to serve the Irish language community and those with an interest in the language. The framework should reflect the greater stability provided for the Welsh language through the S4C licence and BBC production support, and that for the Gaelic Digital Service in Scotland.

3.5 Create within that broadcasting framework sufficient opportunities for the continuing and wider distribution of programming in the Irish language from the Republic of Ireland as an essential part of public service broadcasting in Northern Ireland.

4. STATUS OF THE IRISH LANGUAGE BROADCASTING FUND (ILBF)

4.1 The ILBF was launched in September 2005 under the aegis of the Belfast/Good Friday Agreement, but has not yet been mainstreamed within the UK's funding structures. The original funding of £12 million appears to have been sourced in the government's Contingency Fund rather than the Department of Culture, Media and Sport (DCMS), and paid directly to Northern Ireland's Department of Culture, Arts and Leisure (DCAL). Early in 2008, it was announced that funding for the ILBF would cease at the end of March 2009. As part of a deal to sustain the Northern Ireland Assembly, it was announced in June 2008 that the Prime Minister had made a commitment to extend the fund until March 2011. This additional funding, £3 million per annum, also appears to have been sourced from the Contingency Fund.

4.2 This uncertainty needs to be addressed and underlines the need for the development of a long-term strategy for funding Irish-language television in Northern Ireland.

5. THE IRISH LANGUAGE

5.1 The Irish language is one of the two national languages of the Republic of Ireland. It has been a Treaty language of the European Union since 1973 and became an official working language of the EU in January 2007. It is also an essential aspect of the heritage and living culture of Northern Ireland, and is spoken and understood by a growing number of people as witnessed by the census figures of 1991 and 2001. As such, its place as an integral part of the linguistic landscape of the United Kingdom needs to be enshrined in any UK broadcasting structure that affects Northern Ireland.

5.2 There are more than 4,000 children in the Irish-medium education sector in Northern Ireland (compared to 2,385 in Gaelic-medium schools in Scotland). Over the last number of years the sector has grown at a rate of nine new schools every two years. As well as this 20,000–25,000 children study the language at English-medium schools.

5.3 Research carried out by Ofcom has shown that “In Northern Ireland, just under one-third of people thought that some programmes needed to be in Irish” (Ipsos MORI research, April 2008). Ofcom have stated “that broadcasting in indigenous languages is an essential element of the UK PSB mix”

5.4 Research carried out by PriceWaterhouseCoopers on behalf of the BBC in 2007 stated that 34% cited language as an important part of their identity. 55% of those who had some knowledge of the Irish language want more local programmes in the Irish language.

6. PUBLIC SERVICE BROADCAST

6.1 Irish is the only Celtic language in the United Kingdom which has a significant presence in a neighbouring state. This fact involves two separate but related issues of principle. The first is that, while the UK has sole responsibility for broadcasting in Welsh and Scottish Gaelic, it can share the responsibility—and costs—of an Irish language service with the Republic of Ireland. Implicit in that principle, and reflected in the Belfast Agreement, is a requirement to make the service provided by the Republic available to the Irish-speaking community of Northern Ireland.

6.2 TG4.

6.2.1 TG4 is the dedicated Irish language channel in the Republic of Ireland, which provides a unique public service broadcasting function for Irish speakers throughout the island. Foras na Gaeilge believes that, in the special circumstances of the Irish language situation, no distinction should be made between Northern Ireland and the Irish Republic regarding access to its services.

6.2.2 We agree with Ofcom that the UK authorities should allocate a prominent DTT position to TG4 in Northern Ireland, commensurate with its mission as the dedicated Celtic language Public Service television provider there. DTT space has already been made for BBC, ITV, Channel 4 (and also for S4C and BBC Alba in their nations) to ensure their due prominence following analogue switch-off. We believe that a similar DTT allocation should also be made for TG4 in Northern Ireland. Providing for TG4 carriage on the PSB Mux would fulfill in the digital era the UK Government’s specific commitment in the Belfast/Good Friday Agreement regarding extending the TG4 signal in Northern Ireland. It would also enable TG4 to continue to serve the Irish speaking community in Northern Ireland. We would also suggest that TG4’s Irish language programming should have a “must carry” obligation on all platforms serving Northern Ireland.

6.3 BBC.

6.3.1 We welcome the decision of the BBC to commit further funding to the development of programming in the Irish language announced in April 2008, and note that the BBC Trust is committed to an incremental increase in provision for Irish. However, funding from the Licence Fee dedicated to Irish language programming amounts to only £950,000 a year and is spread across all broadcast media—radio, television and the internet.

6.3.2 While there has been an improvement since 2001 in the BBC’s Irish language television provision, there remains a large disparity between provision for Irish and that for Welsh and Scottish Gaelic. This variation is far too great to deliver the BBC’s own Charter obligation with regard to the “importance of appropriate provision in minority languages.” Table 1 illustrates the disparity:

Table 1
BBC CELTIC LANGUAGE SERVICES: FUNDING FROM LICENCE FEE

	<i>2001 Census knowledge of Welsh, Gaelic and Irish</i>	<i>BBC television and online service (from Licence Fee)</i>	
		<i>Spend</i>	<i>Spend per speaker</i>
Wales (Welsh)	580,000	£25,000,000	£43
Scotland (Gaelic)	92,000	£4,600,000	£50
Northern Ireland (Irish)	167,000	c £650,000	£4

6.3.3 It must also be added that the BBC’s Irish language television programmes are funded from two sources, the Licence Fee (*circa* £450,000) and the Irish Language Broadcast Fund (£1,200,000). The implications are clear: if funding for the ILBF is not sustained, the BBC will be unable to maintain its current modest level of Irish language programming, never mind provide an “incremental increase” in the future.

7. OFFICIAL BASIS FOR IRISH LANGUAGE BROADCASTING

A number of international agreements underpin the broadcasting of Irish in Northern Ireland. These include:

- The Belfast/Good Friday Agreement which sets out the UK Governments commitment on Irish Language broadcasting;

- The Joint Declaration of April 2003 which led to the formation of the ILBF; and
- The European Charter for Regional and Minority Languages which the UK Government ratified in March 2001.

We believe that failure to ensure the future broadcasting of TG4 in Northern Ireland through the allocation of broadcast spectrum or to ensure the future of the ILBF would constitute a breach of the Agreement and of Article 11 of the Charter which states:

“to the extent that radio and television carry out a public service mission . . . [the Government undertakes] to make adequate provision so that broadcasters offer programmes in the regional or minority languages.” [Paragraph 1a (iii).]

8. THE IRISH LANGUAGE BROADCAST FUND IN THE UK CONTEXT

8.1 The ILBF is but one of a number of bodies that receives direct Government funding to support broadcasting in an indigenous minority language. The Welsh channel S4C has been in receipt of exchequer funding since 1982. A Gaelic Television Fund of £8m was established by Government in 1990. Table 2 illustrates the disparity of spend on all media between the nations.

Table 2
PUBLIC FUNDING, ALL BROADCAST MEDIA (TV, RADIO, ONLINE)

	<i>Direct Funding</i>	<i>BBC Spend</i>	<i>Total</i>	<i>Number of speakers</i>	<i>Spend per speaker</i>
Wales (Welsh)	94m	25m	119m	580,000	£205
Scotland (Gaelic)	12.4m	7.8m	20.2m	92,000	£219
Northern Ireland (Irish)	3m	0.95m	3.950m	167,000	£24

Note: These figures do not include expenditure on Welsh language radio. They include an additional £2.5 million contribution by BBC to the Gaelic Service.

9. SUCCESS OF THE IRISH LANGUAGE BROADCASTING FUND

9.1 Deloitte’s report on the effectiveness of the ILBF between June 2005 and March 2007, commissioned by DCAL, has shown the ILBF to be a proven success. We believe that its future should be reaffirmed as an essential pillar of public service broadcasting in Northern Ireland.

9.2 Within a budget of £3 million a year and from a standing start, the ILBF has been highly successful:

- 290 hours of programmes have been created for TG4, RT and the BBC, much of it for young audiences from cartoons to sport and teen drama.
- Quality programmes have been made. The feature film *Kings* was Ireland’s Foreign Film Oscar nomination. *Trí Shúile an Chait* was nominated for an Irish Film and TV Award.
- 25 independent production companies have received funding, some of which work only in the Irish language.
- 539 Irish speakers have been employed in some capacity by the Fund. Before the ILBF this number was just five.
- 120 trainees have been funded.

9.3 These figures prove what a success the ILBF has been. To maintain and build on this success, Foras na Gaeilge believes that sustained financial support for Irish language programming is essential, and that failure to establish a long-term strategy in this area would be counterproductive and lay to waste the funding already allocated and the success achieved by the ILBF to date.

April 2009

Written evidence from Mr Dermot Lavery, Director, DoubleBand Films

Overview headlines for the Committee to consider:

- That Northern Ireland has been and continues to be failed by UK network Public Service Broadcasting in the UK.
- That this is a matter for the political leaders of Northern Ireland and Westminster as a Citizenship issue, a license fee payers issue, an issue of un-realised opportunity in the economic and cultural re- building of post-conflict Northern Ireland.

- That engagement and intervention on this issue is made more crucial by the likely settlement for a generation of all these issues by the soon to be concluded Lord Stephen Carter “Digital Britain Report”.

EXECUTIVE OVERVIEW

1.1 This contribution to the Parliamentary Committee Inquiry is focused by the author’s point-of-view as a television Producer in, and resident of Northern Ireland. It is underpinned by a conviction that Public Service Broadcasting has failed Northern Ireland in a number of key respects, and that Ofcoms “light touch” regulation has compounded that failure.

1.2 With the analysis that ITV1’s and FIVE’s incentives are no longer “aligned with public service purposes”, then the establishment of a robust funding model for the primary carriers of these PSP purposes, namely BBC and Channel4, becomes critical.

1.3 The BBC’s admittedly far reaching plans for out-of-London strategies and their stated ambition to increase the Nations output on the networks to 17% has been hugely welcomed. The BBC’s reluctance to create absolute quotas for individual Nations (rather than discretionary targets set by population % levels) along with an eight year delivery schedule, leads to the deduction that the BBC may not wish to make the structural and stimulating investments in Northern Ireland that will be required to bring it’s indigenous capacity up to the competitive levels of the other Nations and Regions. Recent anecdotal evidence (since the data is not made public) is that the BBC is already failing on its Nations target for Northern Ireland.

1.4 Channel4, with its further retrenchment into metro-centricity, and a growing pressure on its business model must now (as part to the new dispensation) be compelled to re-state its PSB credentials with particular focus on its relationship with the Nations. There was considerable unease when Channel4, as part of its 2008 strategy launch “Next on Four” stated the incomplete ambition to “double output from the Nations”. This was perceived as almost meaningless for Northern Ireland where production from and on-screen representation of, has been so low as to be barely measurable.

1.5 Ofcom’s subsequent and regrettable suggestion, as part of their Phase 2 PSB review, that Channel4 in its newly re-configured structure (likely to be with BBC Worldwide), need only commission 3% of it’s output from the three Nations has been greeted in Northern Ireland with huge disappointment. The three Nations make up 17% of the population. This is a clear message from Ofcom that Channel4 need not consider on-screen representation of, or commissioning from Northern Ireland as one of their priorities. Channel4 however, is a publicly owned and commercially funded Public Service Broadcaster.

1.6 In the context of both BBC and Channel4 both having side-stepped the full flowering of their obligations with regard to network output from, and on-screen representation of Northern Ireland, then the central recommendation of the Ofcom model 3 and the creation of a competitive PSB fund specific to Northern Ireland becomes a very credible safety net.

EXECUTIVE OVERVIEW RECOMMENDATIONS TO THE COMMITTEE

2.1 That the BBC and Channel4 are re-affirmed and enhanced as the primary carriers of PSB purpose and that their business models are re-assessed to allow the full flowering of their obligations with regard to the Nations and in the context of historical failure with regard to Northern Ireland in particular.

2.2 That the BBC and Channel4 as part of the new dispensation “sign-up” to the full and meaningful expression of their obligations to production from and on-screen representation of the three nations in line approximately with their population sizes.

2.3 That in the spirit of Lord Stephen Carters recent proclaiming of the merits of “incentive regulation” and in acknowledging the historical failure of the system of voluntary Broadcaster “targets” and light touch regulation, the Government urge Ofcom to adopt and firmly regulate a measurable system of quotas.

2.4 That a new cross genre PSB competitive fund for Northern Ireland is created to cope with the already clearly established Public Service Broadcasting deficit (a situation likely to worsen without Ofcom’s and the Government’s intervention). Such a fund could be truly “landscape changing” for Northern Ireland with its potential to absorb issues of classic PSB concern: plurality of content cross genre, local and network: local news and current affairs provision outside of the BBC: provision for the minority languages with the focus on the Irish language and Ulster Scots.

2.5 That funding for the above is made available through, in the case of a PSB Fund for NI, direct Government funding secured and copper-fastened to include the future-proofing of the Irish Language Broadcast Fund and any future Ulster Scots broadcasting provision.

2.6 That the Government/Ofcom make a clear statement on the lack of parity for Northern Ireland when compared to PSB provision in the Nations of Scotland and Wales with respect to matters of indigenous language broadcasting, plurality, network production and on-screen representation.

2.7 That the Government/Ofcom have a more robust regulatory profile on all the above matters with less semantic consideration of “markets and consumers” and more of matters of classic public service provision—plurality, inclusion, and citizenship. In Ofcom’s own words “to ensure that the broadest possible interests of the UK public are served.”

3.1 With the decline in TV viewing habits nowhere near as marked as was first feared at the turn of the millennium (a decline of only 2.7% over the last five years) and the main five public service channels still commanding nearly two thirds of all television viewing, clearly television and in particular the main public service broadcasters continue to be the main carriers of public service purpose in broadcasting in the UK.

3.2 It is an imperative that the Government/Ofcom, in a move away from “light-touch” regulation in this matter seeks to protect this unique PSB quality in British Broadcasting life—a socially cohering imperative as we move towards the uncertainties of the digital age.

3.3 But beyond this the Government should consider the meaning and influence of PSB culturally, politically and economically for the whole of the UK. That the benefits of PSB are shared and experienced equitably into every corner of every Nation and Region.

3.4 As has already been identified by Ofcom, UK originated programming is and will continue to be the backbone of PSB delivery in the UK. Audiences in the UK have historically had access to high levels of programming made in the UK, reflecting the particular UK values, cultures and perspectives.

3.5 On a closer examination of the four purposes of public service broadcasting as identified by Ofcom however, the main PSB broadcasters have signally failed the Nation of Northern Ireland, particularly in regard to Purpose 3—cultural identity: the essential purpose of content to reflect national and regional identity as can only be featured in programming originated in the UK.

3.6 For the citizens, licence fee payers and general television consumers of Northern Ireland, UK network broadcasting is a “cold house”. Statistical report after report has underlined this view, yet neither the main PSB broadcasters nor a historically “light touch” regulatory tier, both of which have the capacity in their strategies to effect real change and difference in this matter, have to date chosen not to do so.

3.7 2008 and 2009 has seen a period of extraordinary debate on all these issues in British Broadcasting. Notwithstanding the just completed two phase Ofcom PSB Review, and Lord Stephen Carter’s crucial soon to be revealed Digital Britain report, both the BBC and Channel4 generated high hopes by their far reaching internal “PSB soul-searching”.

In late 2007 both of these key PSB broadcasters launched internal reviews,—the Caroline Thomson *BBC Network Supply Review* and the Channel4 *Underperformance in the Nations* internal report commissioned in the run up to it’s “Next on 4” PSP future strategy launch. These were genuine and largely welcomed initiatives by the PSB broadcasters to re-examine the core values and move to address the issues of under-delivery that were highlighted by the processes.

These reviews were further informed by the crucial parallel activities of the Scottish Broadcasting Commission (2008) and the *Out of London* report (2007–08) commissioned by the Producers Alliance for Cinema and Television (PACT). In each of these circumstances the clear message is that, regardless of their funding model the PSB broadcasters had obligations and responsibilities to “reflect all national and regional identities of the UK” and to deliver equitably and with conviction on the universally accepted Out of London/Nations and Regions production quotas and targets.

3.8 The PACT statistics however tell us that the previous failure to deliver on this obligation has continued into 2007/8. The imperative for Northern Ireland (while the Government, Ofcom and the PSB broadcasters are in the process of resolving for the foreseeable future their place in the PSB landscape) is that it demands parity of treatment and esteem in this crucial national conversation.

The PACT statistics are startling and far-reaching in their meaning. The total value of network output from Northern Ireland in 2007 was just 0.1% of total network spend. The population of Northern Ireland is just under 3.0% of the UK total. This is a 30-fold disparity. If the principle underlined by the Scottish Broadcasting Commission (and acknowledged by the BBC) that output from any given Nation should broadly be in line with population levels, then this is an indefensible reality in British broadcasting life.

3.8 The levels of BBC network output from Northern Ireland across all their channels are far below what they should be in the context of the stated ambition of 17% equitable output from the Nations, and much worse than they previously acknowledged (only finally accepting the more credible Ofcom definition of Out of London production in 2008). BBC2 commissioned no programmes from Northern Ireland in 2006. Channel4’s commissioning from Northern Ireland has over recent years been so low that it is barely measurable. ITV1 commissioned nothing from Northern Ireland in 2007 and FIVE commissioned nothing from Northern Ireland in 2005, 2006 and 2007.

While welcoming the BBC Trusts genuine engagement on these matters and in particular it’s overseeing of the Network Output Review, the Trust’s most recent press statement on the matter has indeed declared that. “The BBC exists because of the contribution of licence fee payers right across the United Kingdom, and so we have a duty to reflect the whole of the country” and continued “we have approved a strategy that signals the start of some big changes to increase the volume of network television production across Scotland, Wales and Northern Ireland”.

And yet it has been noted with consternation that in acknowledging the overall 17% from the nations goal, the Trust has declared that:

- (i) there will be no formal targets for individual nations; and
- (ii) there will be an eight year timetable to 2016 to deliver on the 17% ambition.

The recent history of broadcasting in the UK tells us that without individual nations' quotas the 'market' will default to the detriment of Northern Ireland. Compounding this, an over long eight year delivery schedule could lead to a grinding and crippling outcome from which this region's creative industries may not recover.

The ultimate challenge for the BBC Trust on this issue is whether it acknowledges and intervenes as a matter of principle on behalf of Northern Ireland for the good of broadcasting in the UK. And whether it follows through with conviction on its Charter promise to "further deepen its commitment to the nations.. to spend the licence fee more equitably . . . (and crucially) to stimulate local creative economies".

3.9 In doing this it would copper-fasten and build on the exemplary PSB delivery by BBC Northern Ireland at the local level. This is a success that goes un-rewarded at a network level, as BBC Northern Ireland like those network focused independent production companies in the region has had its significant investment in network ambition rebuffed by a centralised (and metro centric) commissioning power structure.

3.10 What requires further consideration here is the corollary between production and on-screen regional representation in the context of purposes three and four of the Ofcom articulated key PSB purposes: Reflecting UK cultural identity and Representing diversity and alternative viewpoints. In a post-conflict Northern Ireland seeking to re-build, re-invent and regenerate, it hardly needs re-stated that the challenge and opportunity for the BBC to make a difference as the key PSB entity in the UK, is indeed profound.

3.11 This is further under-lined by Ofcom's own audience research that tells us that the people of the Northern Ireland region rate (by a long stretch) higher than any other the importance of portraying nations and regions well to the rest of the UK. The irony cannot be lost on Ofcom with Northern Ireland almost nowhere to be seen on the screens of the main UK broadcasters.

3.12 Channel 4's challenge is no less profound, if of a different scale and order. The Channel's welcomed intervention with 4IP in the on-line provision of public service purpose is typically visionary and characteristic of the Channel's ability to re-invent itself for a future PSB multi-platform age. It is to be welcomed too that this being driven by the Channel as a Nations and Regions initiative.

The real and present challenge for Channel 4 however continues to be in its status and obligation as the second most important television Public Service Broadcaster, re-stated and freshly celebrated in its "Next on 4" strategy launch this year. From a Northern Irish point of view its seemingly laudable drive to "double the Channel's output from the nations" was viewed as cynical.

Critically, from such an already low base the impact of a doubling of output from Northern Ireland would have little or no significance. The suggestion might be that through a little careful wording Channel 4 had side-stepped a meaningful intervention in the Northern Irish sector and in doing so de-valued one aspect of its claim to be the only real risk taking national PSB broadcaster. However, in the context of the current economic climate and its finance model funding gap, Channel 4 now has both a challenge and an opportunity to re-launch its PSB credentials.

[NB Given the unique nature of broadcasting in Northern Ireland, and although clearly not within the remit of this Inquiry (but already identified as significant by Ofcom), it is worth noting for the record that there are a number of issues in this debate that concern the broadcasters in the Republic of Ireland.]

30 April 2009

Written evidence from Northern Ireland Screen Commission

1. PURPOSE OF SUBMISSION

1.1 The model for Public Service Broadcasting ("PSB") in the UK is broken, undermined by the twin forces of the digital revolution, which has dramatically fragmented advertising spend, and the economic downturn, which has radically reduced the overall size of that advertising pot.

1.2 The joint DCMS DBERR Digital Britain review, following on from OFCOM's second Public Service Broadcasting review, is the key decision point in creating the new model for the future of Public Service Broadcasting.

1.3 This point of radical change creates both an opportunity for Northern Ireland to be better served by PSB in the future and poses a considerable threat that the specific interests of Northern Ireland will be lost in the larger issues of restructuring PSB.

1.4 Northern Ireland Screen submits that there is an economic, cultural and educational imperative that the restructured PSB serves Northern Ireland at least as well as the rest of the UK, something that in our view the previous model did not.

2. CONTEXT FOR NORTHERN IRELAND SCREEN

2.1 Northern Ireland Screen is the national screen agency for Northern Ireland. Its simple aim is to develop economic, cultural and educational value from the screen industries for Northern Ireland.

2.2 Over the last six years, Northern Ireland Screen has had considerable success.

2.3 From a standing start, it has made Northern Ireland arguably the most attractive film production location for international production in the UK. For example, Universal Pictures has just confirmed that it is the next US Studio to locate a large scale film production in Northern Ireland; and HBO, the USA's leading pay cable network, has also confirmed that it will produce a big budget television drama pilot in Northern Ireland in the late autumn with a view to the series being based in Northern Ireland should the pilot be a success. These two projects alone have a direct value to Northern Ireland of over £15 million.

2.4 Northern Ireland is also at the cutting edge of introducing digital technologies in schools. For example, the new Moving Image Arts A Level is the only exam in the UK assessed online using broadband technology; it is the fastest growing exam in Northern Ireland and is exported to schools in England with plans to launch it in China. Digital Britain already recognises the importance of reinventing our educational provision to account for the changes brought about by the digital revolution.

2.5 International production and digital technology have both delivered successes for Northern Ireland Screen but neither was the number one strategic priority. Instead, Northern Ireland Screen's strategy for the last 6 years has consistently prioritised the growth of Northern Ireland's share of UK network television.

3. HOW DOES NORTHERN IRELAND FARE UNDER THE CURRENT PSB REGIME?

3.1 For the purposes of analysis, we classify the current PSB regime down into five separate but related parts:

- Network production;
- Network portrayal;
- Local news provision;
- Local programming; and
- Indigenous language programming.

4. NETWORK PRODUCTION

4.1 The percentage of network programmes (ie those shown throughout the United Kingdom) commissioned from Northern Ireland based producers in 2007 was:

BBC	0.2%
ITV	0%
Channel 4	0.1%
Five	0%

Clearly this is abysmal.

4.2 To put a scale on the missed economic opportunity, a level of production equal to the population size in Northern Ireland would have been in recent years approximately £50 million, with the BBC's 3% worth between £30–£35 million.

4.3 Despite over £5 million of financial assistance from Northern Ireland Screen, there has been no discernible shift in Northern Ireland's favour and, using the agreed Ofcom definitions of regional production, the levels of production have if anything fallen.

4.4 All sorts of explanations and excuses are presented for these failings but the facts tell a different story. As well as the film success detailed above, there are several television production companies in Northern Ireland that have supplied "hit" programmes to Ireland, the USA and beyond. These companies have long faced a closed door in London (where the vast majority of commissioning decisions are made).

4.5 This extremely poor return to Northern Ireland has been achieved within a regulatory framework that includes targets for production levels outside London which should theoretically benefit Northern Ireland based producers. That this light touch regulation has not worked is well illustrated by the fact that in international markets without the support of regulation, production companies from Northern Ireland have been very successful, while within the UK where regulation is meant to offer them added advantage, they have had practically no success.

4.6 Last year, the BBC re-announced with much more authority its intention to commission at least 3% of its network programming from Northern Ireland by 2016 with an interim target of 2% by 2012.

4.7 It is clear from both OFCOM's 2nd Public Service Broadcasting Review and Lord Carter's Digital Britain consultations that current strategic thinking assumes that the BBC will deliver against these targets and by doing so fulfil a large portion of the network production expectations of the nations and regions.

4.8 This is a perilous assumption.

4.9 If the BBC is to carry the majority of future PSB obligations to the nations and regions, it seems reasonable that those obligations should be mandatory rather than couched as an aspiration with a deadline beyond the next Charter renewal.

4.10 As well as making the assumption more robust, mandatory quotas would make it easier for Northern Ireland Screen to justify ongoing financial support for a real transition.

5. NETWORK PORTRAYAL

5.1 Northern Ireland Screen considers there has been an alarming failure (despite the obligation) to represent the people and cultures of Northern Ireland on screens throughout the rest of the United Kingdom.

5.2 In our view, the scale of this failure is rarely fully grasped. In the last four decades, we are unable to list one significant high profile television series set in Northern Ireland. *Coronation Street*, *Emmerdale*, *Eastenders*, *Heart Beat*, *Hollyoaks*, *Torchwood*, *Casualty*, *The Bill*, *Monarch of the Glen*, *Ballykissangel*, *Taggart*, all the way back to *All Creatures Great and Small*—all of these long running television series are or were geographically linked to a place with all sorts of cultural and representational as well as economic value.

5.3 Northern Ireland has never experienced this type of portrayal. It is therefore not surprising that 80% of people in Northern Ireland surveyed by Ofcom rated portrayal as important as compared to an average across the UK of 61%. The highest percentage in the UK.

5.4 In recent weeks, the BBC—with additional financial support from Northern Ireland Screen—has made a start in redressing this balance with two powerful and worthwhile dramas, both of which rated extremely well right across the UK. However, this can only be regarded as a start and even in a less regulated future PSB market, portrayal cannot be limited to serious issue driven drama on BBC2 but must reach BBC1, ITV and Channel 4.

6. LOCAL NEWS PROVISION

6.1 Local news provision is the historic success story of PSB provision in Northern Ireland.

6.2 UTV has long provided a popular and comprehensive alternative news and current affairs service to the BBC's extremely comprehensive local service. Both services attract viewing levels far above the national average.

6.3 The levels of appreciation for this news provision are the highest in the UK and both Ofcom and Lord Carter appear mindful of the value and importance of continuing plurality in news provision in Northern Ireland.

7. LOCAL PROGRAMMING

7.1 Local programming has a similar profile to local news, with both the BBC and UTV producing a significant volume of local programmes. Again, these programmes regularly outstrip the audience figures for the network programmes they replace.

8. INDIGENOUS LANGUAGE PROGRAMMING

8.1 Provision for Irish Language programming in Northern Ireland is presently £3 million per annum of direct government investment through the Irish Language Broadcast Fund (administered by Northern Ireland Screen) and approximately £650,000 from the BBC.

8.2 The future of this funding is extremely uncertain. The original £12 million commitment over four years was not renewed by the Northern Ireland government and has been replaced by a similar annual commitment directly from Westminster. However, this commitment is only for two years.

8.3 By comparison, S4C in Wales has a direct DCMS grant of £94 million per annum and BBC Alba in Scotland has a £12.4 million per annum grant from the Scottish Executive, with the BBC committing a further £25 million per annum to Welsh language programming and £7.8 million to Scots Gaelic. In both instances, this extra PSB investment in the independent production sector underpins and sustains the infrastructure needed to produce programming for the PSB networks.

8.4 Northern Ireland Screen strongly supports Ofcom's view that the Irish Language Broadcast Fund should be continued and should be provided with a stable framework similar in nature to the long-term commitments to S4C and BBC Alba.

8.5 As well as providing a level of television programming in Irish, Northern Ireland Screen would highlight that in a production economy with limited outlets, the Irish Language Broadcast Fund generates the only local drama produced in Northern Ireland and provides a large number of the opportunities to break into television production for Irish speakers and non-Irish speakers alike.

8.6 It is also leading the way in developing news and current affairs provision delivered through the web, something that is being strongly considered within the Digital Britain review.

9. HOW DO THE RECENT OFCOM PROPOSALS IMPACT ON NORTHERN IRELAND?

10. *Impact on Local News Provision*

10.1 UTV is now obliged to provide four hours of news programming per week, down from 5 hours 20 minutes. This reduction represents Ofcom's acknowledgement that UTV is in a precarious position.

10.2 As part of the ITV network, but not part of ITV plc (the company that owns the channel 3 PSB licences in England), UTV is in a difficult position. ITV plc has pushed hard to dilute its PSB obligations, especially its regional news obligations, because it claims it cannot afford them. Ofcom accepts this. It will now permit ITV plc to broadcast fewer news bulletins. Conscious of its popularity, UTV would like to maintain its news output at current levels but that causes major scheduling issues: it does not entirely control what it broadcasts because it is part of a national ITV network so there is little room for deviation.

10.3 In addition, Ofcom worries that the economic downturn and the long malaise in the advertising market will eventually force UTV to follow ITV plc's suit and further reduce its local news output.

10.4 Ofcom recommends that the government considers "independently funded news consortia" to deliver alternative news services to the BBC with effect from 2011. These consortia could be established at a UK-wide level, at a national level or even media by media.

11. *Impact on Local Programmes*

11.1 UTV has a reduced obligation to broadcast 2 hours of non-news PSB programming per week. It is likely that this obligation will be removed completely in the near future.

11.2 This puts further pressure on BBC as the only significant provider of non-news local programmes.

12. *Impact on Network Production*

12.1 Ofcom has reduced ITV's obligation to produce network programmes outside of London from 50% to 35%. This reduction is of little practical consequence to Northern Ireland as it presently secures no network production from ITV. The likelihood is that this obligation will be removed altogether in the near future.

12.2 From 2010, Channel 4's out of London obligation will modestly increase from 30% to 35%. But, more worryingly, only 3% must be commissioned from producers based in Scotland, Wales and Northern Ireland combined.

12.3 Ofcom acknowledges that, as a publicly-owned institution, Channel 4 ought to make it a priority to commission more than this. But there is no obligation and merely a passing reference to the fact that 17% in line with the BBC would be fairer (ie the percentage of the population that lives in those three nations).

12.4 Therefore, the BBC's target of 17% of production spend to go to the Nations is the single proposal for positive change.

13. *Impact on Network Portrayal*

13.1 As with network production, the consequence of Ofcom's proposals is to reduce the potential for network portrayal to the BBC.

14. *Indigenous Language Programming*

14.1 Ofcom recommends the continuation and stabilising of the Irish Language Broadcast Fund. However, delivery of this is outside of Ofcom's regulatory powers.

15. THE PRESENT OVERALL PSB PICTURE FOR NORTHERN IRELAND

15.1 The present overall picture for Northern Ireland looks incredibly weak with an almost complete dependence on the BBC and its 17% target for the nations.

15.2 UTV retains its commitment to local news but is totally dependent on its continuing relationship with ITV, the future of which is very far from certain. It is also battling the dramatic fall in advertising revenue just as ITV is.

15.3 There is no meaningful commitment to production or portrayal from Northern Ireland from either ITV or Channel 4

15.4 Unlike Wales and Scotland, Northern Ireland does not have the economic cushion of a large and guaranteed indigenous language production base to anchor its production activity.

16. WHAT DOES NORTHERN IRELAND SCREEN SUGGEST?

17. *Better enforcement of the BBC's commitments*

18. Presently, the future of PSB in Northern Ireland is almost exclusively in the hands of the BBC which will be relied upon to deliver network production and portrayal through its 17% network production target from the nations.

19. Given the incredible importance of this target, Northern Ireland Screen would strongly urge that the target is regulated as a quota rather than a target. This would bring a focus and clarity to the planning that is not yet present.

20. We would propose that the 3% quota is brought forward from 2016 to 2012. When originally announced 2012 was the deadline but when re-announced with more rigour last year the deadline shifted. 2016 is simply too far away to be meaningful in such a fluid environment.

21. Most importantly, we would suggest that the BBC should provide an annual public update on its progress towards the quota. This could be jointly monitored by the BBC Trust and Ofcom but should also be open for public scrutiny.

22. *A meaningful quota for Channel 4*

23. All indications are that ITV will be further released from PSB obligations, a reflection of the commercial realities of its present business model. However, it seems that there is growing support for a revitalised Channel 4 refinanced with direct or indirect public subsidy and renewed PSB obligations.

24. Northern Ireland Screen submits that further public subsidy for Channel 4 must carry the obligation to commission 17% from the nations; that is, 3% of the total for Northern Ireland alone.

25. Learning the lessons of the past, this quota should be meaningfully and effectively enforced by Ofcom.

26. *Establishment of a competitive fund*

27. Since the quota system has been poorly enforced and now the provision of local news and current affairs by broadcasters other than the BBC is under threat, Ofcom recognises the sense in establishing a fund—potentially based in Northern Ireland for Northern Ireland—that could support many different types of PSB programmes. Such schemes have operated successfully in other parts of the world, not least the Broadcasting Commission of Ireland Fund.

28. Notably, a competitive fund has the advantage of not being tied to the present television broadcaster model. For that reason, it is arguably more effective in the digital age where broadcasters no-longer dominate the delivery landscape.

29. *Secure the future of the Irish Language Broadcast Fund*

30. Northern Ireland Screen submits that Ofcom's recommendation to create a stable framework similar to that for either S4C or BBC Alba for the Irish Language Broadcast Fund should be actioned.

31. Again we note that the Irish Language Broadcast Fund, unlike S4C and BBC Alba is not tied to a television broadcaster model and as such can respond more flexibly to the digital age.

30 April 2009

Written evidence from Gearóid de Grás

1. I believe that the provision of Irish language programming is of paramount importance in the context of the ever expanding Irish speaking population here. Irish speakers are already being discriminated against by the refusal of successive Ministers for "Culture" here to countenance an Irish language Act. This is in the context of a new political dispensation here that should allow for the de-politicisation of language issues. Unfortunately, under the present regime, certain Unionist politicians have taken every opportunity to deny Irish speakers parity of esteem and indeed have done all in their power to try to ensure the language's demise. The withdrawal of funding for the ILBF last year was just one example of this bigoted mentality. It is vital that the measures that were taken to circumvent this Unionist veto are copper fastened in such a way that long-term continuous funding is guaranteed. Production companies, like any other business, cannot flourish in an environment of uncertainty and the Irish language television sector has shown over the years how it can attain the highest standards of production and acting standards. Without the lifeline of adequate and guaranteed support, the progress made over the years will be for nought and the growing numbers of Irish speakers will be forced to make do with majority English language programmes. This would be a travesty, particularly for our younger TV viewers, and would run completely contrary to the principles of the European Charter for Regional and Minority Languages and indeed, the commitment made by the Westminster Government in the Good Friday Agreement to fund Irish language television.

2. It is clear from any comparison made between the funding provided for Irish language programmes and that for Welsh or indeed the less widely spoken Gaidhlig in Scotland, that Irish speakers have been kept at a distinct disadvantage as regards support. This situation cannot be allowed to continue and a clear long term policy of support for Irish language broadcasting support along with Welsh and Gaidhlig broadcasting needs to be set out and guaranteed funding. The development of Scotland's Gaidhlig broadcasting sector over the last few years has been a wonderful success story and yet speakers of her sister language on this side of the Straits of Moyle are confounded at every opportunity by bigoted narrow minded colonial dinosaurs who seem oblivious to their obligations as citizens of Europe. Depriving young Irish speakers of an adequate provision of TV programmes in their native (or acquired) language cannot be justified under any human rights charter and I would appeal to you to ensure that the discriminatory trend that has existed for far too long in this part of the island is reversed, thus allowing developing Irish language production companies to achieve their potential and provide for an ever increasing viewership.

30 April 2009

Written evidence from Producers Alliance for Cinema and Television (Pact)

10-POINT SUMMARY

1. Programming that represents viewpoints from across the entire UK is key to Public Service Broadcasting, enriching cultural and social identity.
2. The 2003 Communications Act and the BBC's Royal Charter require broadcasters to show an appropriate level of Out of London programmes at network level (as opposed to regional services). These commitments are coupled with a quota for independent programmes, creating a mixed production ecology that fosters diverse viewpoints.
3. Citizens of Northern Ireland value representation of their lives and views to the rest of the UK on PSB networks more than those of any other area in the UK, according to Ofcom.
4. Ofcom found that satisfaction was lowest in Northern Ireland. Ofcom concluded that Northern Ireland had low levels of network-level production.
5. Research by Pact confirms an under-representation across all channels. Just 16 hours of network programming came from Northern Ireland in 2007, making it the area with the least network production.
6. Pact welcomes the BBC's pledge to source 50% of programming from outside London by 2016. Progress reports should be made public, and include a breakdown of commissioning from independent suppliers, as opposed to broadcasters' in-house production departments.
7. Channel 4 has proposed a rise of 5% on its current level of 30% Out of London programming. At the very least this should be part of the broadcaster's new remit following the Digital Britain review.
8. However, we see a case for Channel 4 to increase its Out of London commitment to 50%, phasing in this increase as the BBC does so. The BBC's increase in out of London investment will open up a substantial supply base for Channel 4.
9. We support appropriate levels of funding for indigenous language content.
10. However, our primary concern is that Northern Ireland (and all devolved Nations and English regions) should be represented at network level across the UK.

INTRODUCTION

1. Pact is the trade association that represents the commercial interests of the independent production sector. We have more than 600 member companies across the entire UK, involved in creating and distributing television, film and interactive content.
2. The independent production sector creates 49% of all new UK television programmes each year across the BBC, ITV1, Channel 4 and Five.²
3. The sector has a turnover of more than £2 billion per year³ and employs 20,950 people—more than the terrestrial broadcasting and the cable and satellite sectors respectively.⁴
4. Since the Codes of Practice/Terms of Trade between producers and broadcasters were introduced in the 2003 Communications Act, the independent sector has become an important investor in the creation of UK content. It currently raises around £126 million per year for the development and production of television programming, more than the equivalent figure provided by Channel Five.⁵
5. Pact members play a lead role in creating television programmes in the English regions and devolved nations, producing some of the UK's most well-known Out of London programmes.

² Ofcom, communications market report, 2008.

³ Independent production census 2007–08, Digital-i for Pact.

⁴ Employment Census 2006, Skillset.

⁵ Pact survey, see section 2 of this submission.

6. Pact regularly reviews the level of commissioning outside London through our Production Trend reports. Shortly after the release of our previous Production Trend report Ofcom carried out audits on individual broadcasters. The result of this audit found that ITV had in fact missed its Out of London quota for two consecutive years (by value).

7. We welcome this review by the Northern Ireland Affairs Committee, and the opportunity to contribute. We can supply the Committee with our recent submission to the Government's Digital Britain Review on request, as well as our most recent Production Trend Report.

NORTHERN IRELAND AND THE ROLE OF PUBLIC SERVICE BROADCASTING

1. Providing the UK public with programming that represents their own lives, including the diverse cultures and viewpoints from across the UK, is a cornerstone of Public Service Broadcasting (PSB). By representing these diverse viewpoints to the rest of the UK at network level (as opposed to purely regional services), PSB enriches the country's cultural and social identity and helps inform our democracy.

2. This is reflected in how programming made in and representing the devolved Nations and English regions is enshrined in statute. The Communications Act 2003 requires the commercially-funded PSB licences—ITV1, Channel 4 and Five—to broadcast “a suitable proportion” of UK programmes made from outside the M25 area.⁶ The BBC has a similar commitment under its Royal Charter, with one of its six public purposes being: “representing the UK, its nations, regions and communities.”⁷

3. These Out of London quotas are coupled with a quota for independent programmes, ie programmes made by a production company that qualifies as independent by being no more than 25% owned by any single broadcaster. The resulting creative competition is in Pact's view an important public policy goal, enabling different voices to be heard as well as driving innovation and value for money. Just as viewpoints on our television screens should come from right across the UK, so there should be variety amongst the creators of those programmes. Ofcom's recent review of the production sector concluded:

“A mixed ecology of production is important in delivering diversity in programming—which is important for viewers as consumers and UK citizens. Diversity is important not just in programming output, but also as an input to the production of programmes.”⁸

4. The citizens of Northern Ireland value PSB representation more than those of any other area in the UK, according to research by media regulator Ofcom. Ofcom's recently-concluded PSB review found that 80% of people in Northern Ireland considered that portraying the Nations and regions to the UK as a whole was highly important—the average across the UK was 61%, with Scotland second highest on 70%.⁹

5. Yet the PSB system is failing Northern Ireland. Ofcom found that levels of satisfaction with non-news programming and portrayal to the rest of the country at network level were by far the lowest in Northern Ireland—at –46% compared to –27% for the UK as a whole.¹⁰

6. Ofcom concluded that there are “very low levels of production in, or portrayal of, Northern Ireland at a network level.”¹¹

7. This confirmed independent research commissioned by Pact to investigate levels of commissioning at network level outside London. Pact's regular Production Trend reports for Out of London analyse the level of programming made in the Nations and regions.

8. The reports, conducted by independent consultants Attentional (formerly David Graham Associates), highlight a severe under-representation of the Nations at network level right across all five terrestrial channels (BBC1 and 2, ITV1, Channel 4 and Five).

9. Levels of programming made in or representing Northern Ireland are particularly low. Just 16 hours of network programming came from Northern Ireland in 2007, making it the area with the least network production in both absolute terms and relative to the size of population. In comparison, Scotland accounted for 298 and Wales 99, as illustrated overleaf.

⁶ Communications Act 2003, Section 286 1(a); 286 3(a); 288 1(a).

⁷ BBC Royal Charter, 4(d).

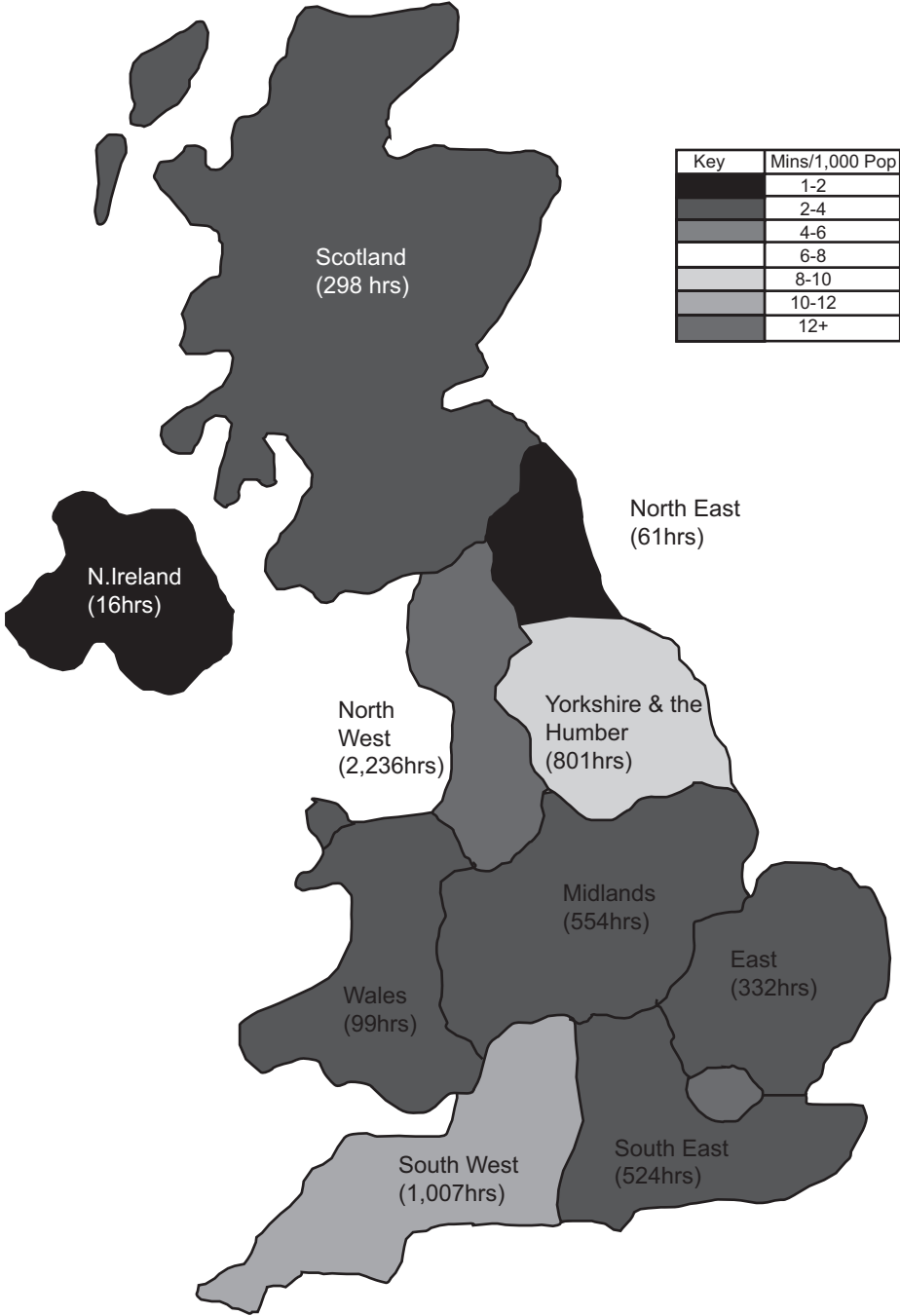
⁸ Review of the Television Production Sector—Policy Statement, Ofcom, October 2006, page 13.

⁹ PSB Review Phase 1—The Digital Opportunity, Ofcom, page 126.

¹⁰ PSB Review Phase 1—The Digital Opportunity, Ofcom, page 48.

¹¹ *Ibid*, page 120.

First-run originated network hours 2007 (excluding news)



Source: Pact/Attentional.

10. The Production Trend report showed that this lack of representation for Northern Ireland (as well as the Nations and regions as a whole) was evident across all the PSB broadcasters.

BBC1 and BBC2

11. BBC network production in the Nations remained low in 2007, with Scotland, Wales and Northern Ireland combined accounting for less than 5% of non-news network hours. Of that, Northern Ireland represented just 0.2% and 0.1% respectively (excluding news), by far the lowest of all the devolved Nations.

ITV1

12. ITV1 commissioned no network programming from Northern Ireland independent producers in 2007, and just 0.1% of its total first-run network hours (excluding news) came from the Nation.

Channel 4

13. Northern Ireland accounted for just two hours of first-run network programming on Channel 4 in 2007, representing 0.1% of network hours (excluding news).

Five

14. Outside news, Five commissioned no Northern Ireland network programming at all.

Addressing this failure

15. While this lack of representation has no doubt been exacerbated by the current pressures on the PSB system due to fragmenting audiences and advertising revenues, it is also the result of years of neglect that cannot be dismissed as a result of recent developments. Representation of the devolved Nations and English regions was little better, and in some cases worse, when the 2003 Communications Act was introduced and PSB broadcasters were enjoying record revenues.

16. Nor can this situation be put down simply to a lack of a production supply base in Northern Ireland or other nations or English regions. In recent years, some Northern Ireland independents have turned over more business from US broadcast networks than the combined PSB UK channels.

17. In our view, the problem stems from a London-based commissioning culture, whereby producers in the Nations and regions have struggled to compete on a level playing field with those based in London.

18. The BBC has recently sought to address this issue. Pact welcomes the BBC's decision to change the definition of Out of London programmes to be in line with the definition used by Ofcom and the rest of the broadcasting industry. In particular, Pact welcomes the BBC's announcement that it will source 50% of network programming from outside London by 2016, including the aim of commissioning 3% of programming from Northern Ireland. In Pact's view this is potentially one of the most significant developments in the UK's PSB system, and if delivered effectively should be seen as one of the most important public benefits provided by the BBC.

19. In our view, the BBC should work towards meeting these targets as soon as possible, and aim to significantly exceed them by 2016. The BBC has stated that this is its intent; however, given the long history of a London-centric commissioning culture at all PSB broadcasters, including the BBC, the annual progress reports provided by the BBC Executive to the BBC Trust on this matter should be made public. These reports should include a breakdown of the level of commissioning from external/independent suppliers, as opposed to in-house departments. Having a mixed production ecology is important to building genuine diversity of viewpoints, as we have outlined.

20. Reporting on this level of detail is entirely feasible. The BBC already captures much of this data for its biennial reviews of the Window of Creative Competition (a mechanism whereby the BBC opens up 25% of its commissioning to competition between its in-house production departments and would-be external suppliers). Also, Pact has been able to collate this data for all PSB broadcasters for its Production Trend Reports.

21. Crucially, though, strong representation of the devolved Nations and English regions should not be left to the BBC alone. Channel 4, which is also publicly-owned, though commercially funded, should play a key role in this, using its distinctive voice to add range and diversity to the portrayal of the Nations and regions on network television. Channel 4 has a statutory PSB duty to represent the entire UK, being subject to an Out of London under the 2003 Communications Act. Channel 4 has proposed a modest rise of 5% on its current level of 30% Out of London programming, and we would agree that at the very least this should be part of the broadcaster's new remit following the Government's current Digital Britain review.

22. However, we see a strong case for Channel 4 to increase its Out of London commitment still further to 50%, phasing in this increase as the BBC moves towards its 50% target. The BBC's decision to commission 50% of network content from Out of London suppliers represents a substantial stimulus for independent companies in the Nations and regions, giving many far greater access to network-level commissions. As a

result, companies will look to staff up, and invest in skills and business development. Channel 4 should be able to benefit from the increased capacity, infrastructure and expertise of such companies, and therefore should consider the scope for increasing its commitment to Out of London commissioning.

23. Given that the BBC's Out of London initiative to increase its nations' targets to 17% will criteria stronger infrastructure, there is likely to be more scope for Channel 4 to increase its network commissioning above that of its recent commitment to 3% across all three Nations combined.

24. Channel 4 may voice concerns that as a publisher broadcaster without in-house production it may have difficulty achieving a higher Out of London target due to a supposed lack of external production capacity. We reject this—as we have noted, many companies outside London are already earning more revenues from commissions from US-owned digital channels than they are from the PSBs, and are therefore clearly not being fully utilised by those PSB broadcasters. In considering this, the Committee should bear in mind that the BBC's overall spend on UK programming is far greater than that of Channel 4 (£1.2 billion a year compared to £377 million, according to Ofcom). Should Channel 4 increase its Out of London commissioning to 50% this would be a relatively small increase in investment compared to the BBC, and we would therefore not anticipate any failure on the part of the supply market to meet this target. However, if Channel 4 were to set 50% as a target to be worked towards, rather than introduced immediately, it would be able to gradually build its supply base. What is important is a clear statement of policy from Channel 4 to work towards this 50% target, coupled with regular public progress reports.

25. If as a result of the Digital Britain review the Government were to create a contestable fund for “at risk” areas of public service programming, Pact's position is that this should be available to programmes where there is a proven market failure, as well as a clear public value. We see UK children's programming for older children as clearly fulfilling both criteria, and would urge the Government and Ofcom to consider the case to also include the most under represented areas of non-news Out of London programming.

26. Additionally, Ofcom has outlined proposals for news consortia from the Nations and regions to provide regional news on the ITV network. These should offer an opportunity for a range of external suppliers, including independent production companies, to compete to offer news to audiences across the UK.

27. We support appropriate levels of funding for indigenous language content, such as the Irish Language Broadcasting Fund. Both Scotland and Wales have well funded models with Scotland's new BBC ALBA channel and S4C in Wales.

28. However, our primary concern is that Northern Ireland (and all devolved Nations and English regions) should be better represented at network level across the UK. Network commissions are vital for companies in the nations and regions to develop their businesses. The longer term or larger scale commissions at network level are important to companies' ability to plan strategically and commit investment that will build the local infrastructure and talent base.

April 2009

Written evidence from Channel 4

1. Channel 4 was launched in 1982 with a mission to provide an alternative public service offering to the BBC and to fulfil a specific remit of innovation, creativity and diversity—providing programmes for minority interests otherwise not well served by the mainstream public service broadcasters. Channel 4 is a network broadcaster with no opt-out functions, and is therefore dedicated to producing programmes for the UK as a whole. Nonetheless, given its key role as a major investor in the UK's independent production community and in reflecting the UK's cultural diversity, Channel 4 has a significant role to play in supporting production across the nations and regions of the UK and in reflecting the diversity of the UK's culture across its output.

CHANNEL 4'S CONTRIBUTION TO CREATIVE INDUSTRIES OF UK

2. As a publisher-broadcaster, Channel 4 plays a pivotal role in supporting the creative industries by commissioning content from production companies across the UK. This has a significant impact on the wider economy: analysis from a 2007 Channel 4 commissioned PWC report suggests that the overall economic impact of Channel 4 could be worth up to £2 billion in UK Gross Value Added per year, and could support up to 22,000 jobs spread across the creative economies of the UK.¹²

3. In particular, Channel 4 does more than any other broadcaster to support independent production across the UK's nations and regions.¹³ Channel 4's licence requires a minimum of 30% (by both volume and spend) of original commissions to be sourced from companies based outside of London, and Channel 4 has consistently met this quota, investing more than £1 billion since 1998.¹⁴

¹² *The impact of Channel 4 on the UK independent sector, creative industries and the economy*, PriceWaterhouseCoopers, 2007.

¹³ *Production Trend Report 2007*, Pact, October 2008.

¹⁴ *Channel 4's contribution to the nations and regions*, EKOS, 2007.

4. In addition to commissioning, C4 also has a wide range of initiatives aimed at offering strategic support to companies based outside London—including a dedicated development fund, training and talent development programmes and broader partnership and sponsorship initiatives. According to a 2007 report commissioned from Channel 4 by EKOS, only Channel 4 has a clear and sustained strategy to support independent production across the nations and regions: “Channel 4 seems alone amongst the main PSBs in articulating within its nations and regions strategy the role of the broadcaster within a wider creative economy.”¹⁵

CHANNEL 4’S WORK IN NORTHERN IRELAND

5. Channel 4 recognises that to date network commissions in Northern Ireland have been limited in comparison to other parts of the UK. Based on available data, Channel 4 commissioned 23 projects in Northern Ireland with a combined value of £4.3 million from 1998 to 2007,¹⁶ and in 2008 Channel 4’s network spend in Northern Ireland was £0.1 million. The majority of these commissions are in factual programming.

6. While Channel 4 firmly believes that there is a range of high-quality talent in Northern Ireland, it should be noted that most independent production companies there are of limited scale—and this has had an effect on their ability to offer large-scale returning series (in contrast, for example, Scotland’s production sector has the capacity to deliver long-running series such as IWC’s *Location Location Location*).

7. To help address this, Channel 4 recognises the importance of building scale in this sector, and over the last five years Channel 4 has provided ongoing development funding and support to several companies in Northern Ireland, including Double Band, Green Inc, Waddell Media, Stirling Films, Mint, Tern Northern Ireland and Wild Rover. Support has included research and development, international access to broadcasters, digital media development and access to TRC Media schemes—a training centre hosted and supported by Channel 4 that works with SME indies.

8. We have also proposed a number of additional initiatives to strengthen capacity in the devolved nations, as outlined in more detail below. We anticipate that these efforts, combined with external investment from the all-Ireland market, and RTE in particular, as well as other UK broadcasters, will grow the sector to ensure it can deliver network programming at a greater scale.

9. It is important, however, that Channel 4’s contribution to broadcasting in Northern Ireland is considered beyond its specific work with the television production sector. For example, as a network broadcaster, Channel 4 is able to reflect the lives and experiences of people from all parts of the UK to a pan-UK audience. Channel 4 seeks to ensure that Northern Ireland—just like the other Nations and regions—is represented within many of its most popular programmes, including *Dispatches*, *The Secret Millionaire*, *Come Dine With Me*, *The Big Art Project* and *Grand Designs*, as well as in major dramas, such as the forthcoming commission about former Northern Ireland Secretary Mo Mowlam (made in partnership with NI Screen).

10. Equally, Channel 4 has worked with partners in Northern Ireland in a number of areas beyond television—for example, last year’s *Hunger*, a major Film4 feature about the 1980’s IRA prison protests, was developed in partnership with NI Screen, and has garnered international critical success, including awards at the Cannes and Venice film festivals and a BAFTA for Best British Breakthrough.

11. Digital media provides further opportunities; Channel 4’s 4iP fund is working with the digital media sector in Northern Ireland on a number of dedicated projects, including developing the informal democracy blog, Slugger O Toole.

CHANNEL 4’S ASPIRATIONS FOR THE DEVOLVED NATIONS

11. In March 2008, Channel 4 launched *Next On 4*, a strategic blueprint articulating Channel 4’s role in the digital age. As part of this review, Channel 4 recognised that there were specific strategic issues affecting production in the devolved nations, and *Next on 4* contained specific commitments on strengthening the role of Channel 4 in the nations, including;

- spending at least 3% of total programming expenditure in the nations by 2012 (a 50% increase from its 2007 nations spend); and
- establishing a Nations Pilot Fund of £1 million in 2009 to address the lack of critical mass in the production sector in the devolved nations. The focus of its spend will be finding returning series in genres such as drama, comedy and factual entertainment.

12. In addition to these broadcast-related commitments, *Next on 4* sought to acknowledge the changing nature of public service content by announcing 4iP—a three year £50 million pilot fund for projects that deliver publicly valuable content on digital media platforms. Recognising that digital media and technology hubs have often emerged away from traditional broadcasting centres, 4iP has had a regional dimension from

¹⁵ *Channel 4’s contribution to the nations and regions*, EKOS, 2007.

¹⁶ *Channel 4’s contribution to the nations and regions*, EKOS, 2007.

its outset, and through a network of regional funding partners and dedicated commissioning managers based across the UK (in Birmingham, Glasgow and Sheffield), 4iP will seek to develop new digital talent wherever it is from.

13. 4iP aims to have a catalytic affect on digital media companies across the UK, and presents a significant opportunity for the Northern Irish production sector. 4iP has a dedicated commissioner for Scotland and Northern Ireland who is in regular contact with the Northern Irish digital media community, hosting events, indigenous NI initiatives such as BarCamp Belfast 2009 and Refresh Belfast and developing project ideas.

14. For example, 4iP will shortly be announcing significant investment in the Northern Ireland political blog Slugger O'Toole. This funding will help strengthen the site's contribution to digital democracy by providing it with open source tools—allowing other political bloggers and commentators to feed content from Slugger to their own sites, thus expanding the debate more broadly.

15. While these are already substantial investments, Channel 4 has recently announced a set of additional initiatives to grow the production sectors of the devolved nations further. This includes appointing a commissioner, based in Channel 4's Nations and Regions office, who will have a specific remit to commission programmes from companies in Northern Ireland, Scotland and Wales, as well as ring fencing a number of slots in all of Channel 4's key programming strands (including *Dispatches*, *Cutting Edge*, *Comedy Lab* and *Comedy Showcase*) for companies from the nations. This commissioner will be in place from summer 2009, but discussions are already taking place with companies in Northern Ireland to develop comedy commissions.

16. Channel 4 also recognises that there are particular issues around the provision of dedicated news for the devolved Nations. While Channel 4 is established as a pan-UK network broadcaster, we would be willing to explore ways in which Channel 4 could help deliver news in the devolved Nations, for example through an opt-out from the main Channel 4 News bulletin. This would of course be subject to funding being made available to support this objective in the wider context of the Digital Britain process.

17. Channel 4 believes that these plans will increase Channel 4's investment in the nations by several million pounds and build a stronger independent production capacity in those nations, as well as providing content valued by audiences in the devolved nations.

CHALLENGES FOR CHANNEL 4

18. While these are significant ambitions, it is also important to highlight that Channel 4 must balance these nations commitments against its other PSB and commercial obligations—including meeting existing contractual obligations across the board, maintaining its commitment to the growing creative economies of other regions outside London, investment in new talent, single documentaries and one-off dramas, as well as the significant financial pressures currently facing Channel 4.

19. In particular, it is important to emphasise that the success of these commitments is dependent on Channel 4 securing a sustainable funding solution as soon as possible. It is broadly accepted that the traditional funding model for commercially-funded public service content is not fit for purpose in the digital world, with Channel 4's economic model being undermined by increased competition and a structural shift in advertising revenues from TV to online—despite consistently outperforming its competitors over the last five years. These structural challenges have led Ofcom to conclude that Channel 4 is facing an annual deficit of up to £100 million by 2012 (excluding the costs of the additional *Next on 4* commitments outlined above), and the Government is currently examining possible structural solutions as part of its Digital Britain review. In the absence of additional funding being made available Channel 4 would not be able to deliver on the proposals set out in *Next on 4* and would be forced to make cuts across its activities. It is therefore important that any consideration of Out-of-London commitments is understood within the context of these ongoing discussions over Channel 4's future.

20. The interim Digital Britain report proposed establishing a second PSB institution with sufficient scale to provide competition for quality to the BBC and a plurality of provision of UK content—including content for and about the UK's nations and regions. Channel 4 believes that a large scale combination between itself and BBC Worldwide is the best way forward for achieving this objective. Both organisations share a commitment to public service values, operate very similar business models and have a range of complementary capabilities and assets—and Channel 4 believes that a combination building on these assets could provide the scale and sustainability needed to secure a plurality of public service provision.

21. While these discussions are currently ongoing, the uncertainty over Channel 4's future funding, combined with the current economic downturn, is already leading to reductions in Channel 4's programming budget. In 2008 Channel 4 undertook a comprehensive efficiency drive—reducing headcount by around 30% and cutting its programme spend by more than £50 million across 2008 and 2009, and these cuts will impact across the board—including Channel 4's ability to invest in the nations and regions. For example, while it is only returning series that have the kind of scale needed to significantly strengthen production in the nations, there is limited scope within the current budget to make a new returning series of the scale of *Deal or No Deal* or *Shameless* (both of which are produced outside London already). It is therefore vital that urgent action is taken to secure Channel 4's ongoing provision of a range of public service content.

22. In addition to these current challenges, it is also crucial to recognise that as a publisher-broadcaster, Channel 4 is entirely dependent on the existence of production companies with sufficient scale and capability to produce network content. While there are several hundred production companies based in England, and particularly in London, there is a much smaller number in the nations—Ofcom’s latest research found that 62% of independent companies are based within the M25 area, and just 6% were based in Scotland, 5% in Wales and only 3% in Northern Ireland.¹⁷ As previously noted, these companies are also likely to be significantly smaller—around half of companies with revenues of less than £5 million are based outside the M25,¹⁸ and therefore lack the scale generally needed to immediately deliver high-value returning series.

23. Channel 4’s dependency on independent production companies also means that, unlike the BBC, Channel 4 does not have production bases or facilities that it can move around the UK, and it cannot dictate to external suppliers where programmes should be made or where production talent should live and work.

CHANNEL 4 AND THE NORTHERN IRISH BROADCASTING ECOLOGY

24. Channel 4 believes that it can play an important role within the wider broadcasting ecology in Northern Ireland—with strong local media providing news and regional content, RTE providing all-Ireland content, the BBC commissioning both in-house and independent production across a range of genres, and Channel 4 nurturing new businesses by giving network slots to small companies, working with the digital media sector and providing an international platform for innovative Northern Irish talent. However, the challenges outlined above, and Channel 4’s size relative to the BBC and ITV, highlight that Channel 4 alone is not large enough to grow and support the creative community in Northern Ireland by itself.

25. For example, whilst the BBC has announced intentions to increase their in-house production in Northern Ireland by increasing expertise in genres such as factual drama and current affairs programmes, their investment in the indigenous production sector has been limited. The current structure of the UK’s broadcasting landscape means that there is little broader benefit to the independent production sector in Northern Ireland from any increased in-house production at the BBC because these resources are not accessible to the rest of the sector. C4 would therefore encourage the BBC to invest in the independent production sector as well as its own production capacity to ensure that the sector as a whole can benefit.

26. Similarly, it is important that Channel 4 works with other broadcasters, regional partners, national bodies and the independent sector on initiatives to build companies of scale. For example, in 2008 Channel 4 worked with partners including Skillset, BBC, ITV and Creative Business Wales to develop a Talent Attraction scheme located in Cardiff, aimed at bringing in executive producers and series producers with network experience to help companies secure larger commissions. Channel 4 is keen to explore the potential of similar partnerships to help build stronger and more sustainable production sectors across the devolved nations of the UK, including Northern Ireland.

FINAL REMARKS

27. Channel 4’s ability to deliver its *Next on 4* ambitions to stimulate and grow production in the Nations is dependent on the Government’s Digital Britain process securing a sustainable outcome for Channel 4—one which will enable it to continue to invest in high quality content and to take creative risks. Recognising and sustaining this ecology is essential to the future of broadcasting in Northern Ireland, and—with the right policy decisions being put in place—Channel 4 believes it can and should have an essential role in supporting content creation across the UK, including Northern Ireland.

28. However, as outlined in paragraphs 18–20, the commercially funded public service broadcasters are currently facing major structural challenges, which are only being exacerbated by the current economic downturn. To put this in context, this has opened up a very substantial gap between the current revenues of the BBC, which in 2009 has a guaranteed income of around £3.6 billion, and the combined UK TV advertising market, which is forecast to be up to £1 billion less than licence fee income this year.¹⁹ Traditionally the combined advertising income of the commercially funded PSBs has broadly tracked the level of licence fee funding, enabling these broadcasters to maintain competition for quality with the BBC. However, these economic challenges are eroding Channel 4’s ability to deliver its *Next on 4* ambitions. In short, Channel 4 would not be able to deliver the range of proposals set out above in relation to the Nations in the absence of a new funding settlement.

29. Evidence over the past 20 years demonstrates that the market alone will not deliver the high levels of investment in original content across the whole of the UK that citizens and viewers consistently tell us that they want. We would, therefore, urge the Committee to recommend to Government that it ensures the necessary interventions are introduced via the Digital Britain process to support Channel 4 and help us play our part in sustaining PSB beyond the BBC in Northern Ireland.

¹⁷ *The Communications Market 2008*, Ofcom.

¹⁸ *Ibid.*

¹⁹ UK TV NAR forecasts 2009.

Written evidence from Skillset

ABOUT SKILLSET AND OUR WORK IN NORTHERN IRELAND

1. Skillset is the Sector Skills Council (SSC) for Creative Media. Skillset is owned and managed by the industries it serves and is licensed by Government to drive up competitiveness and productivity through skills. SSCs are UK-wide bodies.

2. We welcome the Northern Ireland Select Committee Inquiry into Television Broadcasting in Northern Ireland. Skillset's contribution to this debate is important to ensure that the industry has access in future to the right skills at the right time in the right place.

3. Skills are a major element in increasing productivity across the economy—Sector Skills Councils are key partners in raising industry support for skills and driving a demand-led agenda in the supply of education and training. SSCs are embedded in the Northern Ireland devolved administration's skills policies.

4. Skillset NI is governed by its national Board for Northern Ireland. This board is made up of key industry representatives from across NI including the major broadcasters (BBC, UTV), representatives of the independent sector and trade unions. The panel guides and advises Skillset's work in NI within the context of its UK wide remit. Our strategies reflect the commitment to quality, plurality and diverse content delivered through different platforms

5. Skillset works closely with leading employers and trade unions across the creative media to develop strategies that deliver its vision. Skillset's Sector Skills Agreement for NI (SSA), refreshed in August 2008, is a strategic, industry-led plan forging a partnership between our industries, training and education provision and public sector partners. Each provides the mechanism to deliver solutions for our industries' needs in collaboration with Government and strategic partners.

6. Skillset's work is committed to plurality and development of the unique cultural identity of every citizen.

7. The SSA demonstrates how Skillset NI, its industry and public sector partners will deliver action to meet priority needs to drive improved business performance throughout NI. Below are the SSA strategic themes and what we want to see emerge from our work in these areas:

(a) *Schools and the curriculum*

We want more young people engaged in learning, with an enhanced ability to make more informed choices about the world around them through enhanced media literacy.

(b) *Preparatory qualifications*

We want to feel confident that more young people have the right skills at the right level to progress into industry. This will be achieved through more targeted public investment on learning that provides a richer experience more responsive to industry needs.

(c) *Work-based learning*

We want to see opportunities for work-based learning open up to people from more diverse backgrounds. This will deliver a workforce that better reflects the communities it serves.

(d) *Education and training partnerships*

We wish to see excellence in higher education rewarded and recognised by industry—creating more employable graduates and increasing the skills and capacity for innovation and enterprise of those in the workplace. The Skillset Media Academy in NI (led by Ulster University) is leading this.

(e) *Careers Information, Advice and Guidance*

We want young people and those already in the workforce looking to make progress make best use of their skills and talents by making informed career choices, guided by those with experience of industry.

(f) *Continuing Professional Development*

We want to see CPD that supports the creative economy in NI to take advantage of the opportunities currently emerging. It is vital the existing workforce has access to ongoing training to continually develop its capacity and capability in the changing digital world identified within "Digital Britain".

(g) *Management and leadership*

We want to see targeted support directed at creative leaders to ensure they are positioned to recognize and exploit emerging opportunities to address new markets at home and abroad.

(h) *Company Development*

Companies must invest consistently in their own economic and workforce development to prosper. We wish to see support offered to employers to develop more strategic approaches to workforce development in order to deliver a more prosperous creative economy in NI.

(i) *Diversity*

Diversity has long been an issue with the creative media industries. We believe a more diverse workforce helps businesses to respond effectively to more diverse and challenging markets and achieve new levels of creativity and innovation. We want to see a creative media industry in NI that both draws on and serves the widest possible cross-section of Northern Ireland's culture and heritage.

8. Skillset recognises the valuable role played by both UTV and BBC in Northern Ireland. Both broadcasters are significant contributors to our work in NI, supporting careers advice and guidance, work placement opportunities for students and lectures at the Skillset Media Academy.

THE CREATIVE MEDIA INDUSTRIES IN NORTHERN IRELAND—PROFILE, SKILLS ISSUES AND FUTURE DRIVERS FOR PSB

9. Skillset's footprint of the Creative Media industries comprise TV, film, radio, interactive media, animation, computer games, facilities, photo imaging and publishing. There are 550,000 people working in the Creative Media industries across the UK. Around 1.5% of the industry is in Northern Ireland.

10. The majority of companies in the creative media industry in NI are SMEs. Research identified the need for targeted and contextualised business support including business, management and leadership training, and support for small businesses to develop higher level specialised skills.

11. The broadcasting industry in NI employs around 1,200 people and is heavily dependent (*circa 25%*) on freelancers, who do not have access to training and CPD through a permanent employer.

12. Our research shows that 66% of the workforce are graduates and 24% hold postgraduate qualifications. Over 70% of employers see FE and HE as providing the potential to support pre-entry skills and specialised knowledge.

13. NI broadcast news is extremely important for the dissemination of different political and social views. Broadcast journalism is particularly demanding, and we must ensure that the skilled professionals required are developed and retained in NI.

14. Increasingly, elements of interactive media will complement and support traditional PSB output. The BBC has placed 360 Commissioning at the centre of its programming policy, and Channel 4 and ITV invest heavily in internet support material for their programming. The development of digital radio could also change further the industry landscape.

15. Interactive Media is one of the highest growth sectors of the Creative Media industries. New technologies and convergence of platforms of distribution means that content can be delivered through web, interactive TV, CD Rom, mobile devices or a variety of alternative mechanisms. Each of these requires specialised, high-level skills and subsequent training requirements.

16. The role of radio in supply of PSB content in NI should not be discounted—particularly with any plans to expand digital radio—as it is a valuable platform for diverse cultural offerings, most notable in the field of music, and for on-the-job training opportunities for new entrants.

17. Compared to size of the population, levels of production are low in NI particularly indigenous production and commissions from the independent sector. In 2006, NI accounted for approximately 2.9% of population of UK, but accounts for only 0.1 % of network production.²⁰

18. Skillset supports the need to increase network production to a level more closely aligned to the proportion of the UK population living in NI and welcomes the BBC's public commitment to source at least 17% of network production from Wales, Scotland and Northern Ireland by 2016: we would encourage the BBC to accelerate progress towards this target.

19. It is essential to develop plurality of supply, and the skilled workforce to supply this production, if we are to have a successful future and sustainable industrial base.

20. The sustainability of broadcasting in NI depends not only on companies having access to the best creative talent, but also on developing their financial, business and leadership skills. Regardless of whether programming is commissioned under a public service or commercial remit, it is important that companies are best placed to retain and exploit their intellectual property.

21. The NI media industry is largely comprised of SMEs, who may not be able to fund the development of business skills for their staff. If future growth aspirations are to be met, it is important that funding is available for these requirements.

²⁰ Figures from Pact's Production Trend Report for Out Of London 2004–06.

FUTURE OF TELEVISION BROADCASTING IN NI

22. There are a number of key issues around the rapidly changing nature of the media market, which have potentially challenging implications at the national and local level. The Committee has asked for feedback on:

- (a) the role of public service broadcasting;
- (b) digital switchover;
- (c) the role of local news, current affairs and other programming; and
- (d) the place of broadcasting in a devolved nation of the UK.

THE ROLE OF PUBLIC SECTOR BROADCASTING

23. OFCOM recognised the important role that Public Service Broadcasting (PSB) plays in the devolved nations in its last review. Moreover, in OFCOM's public value tests/ audience research reports, there is a strong level of support from UK audiences for high quality UK originated content which is relevant to their lives and experiences.

24. TV and Interactive Media both have a role in contributing to Public Service Content in the future. Audiences in OFCOM's reports also suggest they would in future like to see more content from the Nations and Regions and in home grown children's programming.

25. PSB purposes are stated by OFCOM to include enabling audiences to understand the world through news and analysis; stimulating knowledge and learning; reflecting UK cultural identity and making audiences aware of different cultures and viewpoints—this implies the requirement for a wide range of genre provision—news, factual, drama, and entertainment.

26. All of the above can only be underpinned and supported by high-level creative and specialist content creation skills in the UK production industry. The future of PSB is dependent on the quality of the people working within the medium—and talent must be identified, attracted and retained. Therefore, PSBs have an important role in supporting and developing the skills and talent base, and a range of well funded PSB broadcasters in turn is needed to continue to support a range of initiatives throughout the UK.

27. Broadcasters with a PSB remit have been and remain vital supporters of Skillset's work—further in this document we mention the current arrangements and level of support, which we hope to be increased through the new PSB settlement.

28. The Public Service Broadcasters on Skillset's National Board for Northern Ireland are co-signatories to the Broadcast Training and Skills Regulator (BTSSR) and contribute to the UK-wide Freelance Training Fund; BBC in particular, has signed a Memorandum of Understanding with Skillset to work together on developing our industries.

DIGITAL SWITCHOVER

29. The digitisation of the creative media industries is driving much of the changing profile of skills needs across the sector. Digital Britain is setting an ambitious agenda based on the UK's ability to exploit the dramatic shift to digital technology. These changes in the industry are driving new viewing and consumption patterns that bring challenges in terms of the skill sets required to develop and deliver new creative content across different platforms.

30. The UK needs to pursue an ambitious strategy to secure a greater share of the world's high value added work, with a vision of being a global leader in delivering value from technology and in developing creative content. The UK must become a magnet for digital talent and for high-value technology-enabled and content-driven businesses.

31. Implementation of Digital Britain should drive the uptake of technology and content, but without strategic action on digital skills the UK, and Northern Ireland, will be unable to derive value from the upgraded infrastructures and supply chains. Countries with the best supply of skills will emerge as global winners.

32. We must focus investment on:

- (a) Ensuring a healthy pipeline of new talent into the workforce
 - (i) Promote “digital careers” to transform understanding and attitudes of young people and which signposts appropriate adult training.
 - (ii) Enable increased alignment of university provision with industry need.
 - (iii) Investigate and address the barriers to take-up of technology-related degrees.
- (b) Support the growth of entry-level employment
 - (i) Launch apprenticeship and internship programmes for graduates entering digital professional careers.
- (c) Accelerate the development of the existing workforce

- (i) Establish a Digital Professional Skills Development Fund to provide targeted support for strategic skills development.
- (d) Invest in the capability of businesses to add economic value
 - (i) Establish strategic priorities for government to support small businesses, including support to enhance the capability of companies to develop and exploit digital technologies and content.
- (e) Invest in the capability of individuals to add economic value
 - (i) Provide flexible support for Digital Work Skills for priority groups whose skills gaps are holding back company productivity or personal employability.

THE ROLE OF LOCAL NEWS, CURRENT AFFAIRS AND OTHER PROGRAMMING

33. As indicated, OFCOM recognised the important role Public Service Broadcasting (PSB) plays in the devolved nations. There is support for a strong level of local news, current affairs and other programming.

34. In NI, the provision of local content is highly valued and provides a valuable platform on which to build the wider capacity and capability of the industry in the area.

35. Both UTV and BBC have recognised strengths in local news (Ofcom). In the case of UTV this provision is of an exceptionally high quality compared to other commercial providers in the UK. Newsroom skills acquired from UTV are of significant value and currency.

THE PLACE OF BROADCASTING IN A DEVOLVED NATION OF THE UK

36. Skillset is committed to working across the four nations of the UK. This commitment recognises that cultural, policy and political differences exist across the nations which make it essential to respond locally, within our context as a UK-wide body.

37. Recent work in Scotland through the Scottish Broadcasting Commission (SBC) has brought into sharper focus for NI (and Wales) the need to explore how broadcasting is enhanced in terms of increased locally relevant content and as a provider of network content.

38. The SBC took evidence that showed broadcasting to be important to the economic, cultural and democratic health of the nation. It asserted that it has a unique power and impact which can enrich our imagination and our thinking, and our space to share, discuss and challenge as a society.

39. This view is as pertinent to the place of broadcasting in NI as it is in Scotland. With it comes the challenge to drive up the quality and quantity of creative content that will make broadcasting from the nations stronger within the context of a wider and fast-growing digital media sector.

40. With the right support and focus, this drive will deliver better television services and more choice on more platforms for NI viewers than ever before, creating a thriving dynamic production sector developing world-class content for worldwide audiences.

WHAT ACTIONS SHOULD THE COMMITTEE RECOMMEND TO STRENGTHEN AND STIMULATE THE MEDIA PRODUCTION BASE IN NI

41. In the sections below we elaborate on how skills are essential in strengthening and stimulating creative media production in NI in order to address the principles of plurality, diversity and deliver high quality accessible content.

42. It is important that training and skills remain a vital part of Public Service Broadcasting. Public Service Broadcasting should continue to support the training needs of the broadcast sector, including the independent production sector and the large freelance workforce that it engages.

43. It is important for this Committee to continue to advocate the importance of the sector in NI and recommend that it continues to be considered as a priority sector for economic development and in relation to skills and education.

44. We also believe that investment should be made available for developing sectors and emergent technologies as highlighted in “Digital Britain”. As new technologies develop so new opportunities emerge—for instance in multi-platform development and hi-definition production.

45. If a skilled workforce can be developed in these areas, then NI will be at a strategic advantage in seizing new opportunities as they arise. NI needs to develop the necessary business framework, innovation support and research links to grasp new opportunities to take high quality NI PSB content onto new and emerging digital platforms with global reach.

46. We would advise the Committee to refer to the NI Assembly Government’s Skills Strategy, Success Through Skills; The Skills Strategy for Northern Ireland. The strategy sets out the following vision that;

“...by 2015, the Northern Ireland economy is highly competitive in global terms; it is based on high value added jobs, with progressive leadership from a strong cadre of skilled local managers; it has increased export levels and it attracts substantial amounts of inward investment. Its people are entrepreneurial and innovative; small businesses are encouraged to grow and strong, coherent services and support for businesses of all sizes are provided. Employment has increased, leading

to an expansion of the workforce and migrant workers are playing a valuable role in the economy. The workforce, increasingly, is literate and numerate and has good ICT skills. Individuals can solve problems, work in teams, are innovative and enterprising and expect to learn new skills throughout their working lives. A broader adoption of technology and e-learning will have reduced transport and location barriers.”

47. Skillset believe that Creative Media industries should be highlighted as a priority sector for development moving forward, to ensure support is targeted where potential for growth has been identified. We would look to the Committee to support this view in its recommendations.

48. A degree of flexibility on spending would allow skills requirements in the creative media industries to be accurately targeted and responsive to new requirements—a necessity in a dynamic and specialised sector. Available funding should be targeted in the correct places, and funding structures should be adapted to operate effectively in the specific environment of the Creative Media industry.

49. With a wide range of FE/HE provision available of varying quality and relevance, industry has indicated to us that it wishes to see resources targeted to develop centres and courses of excellence to better assist students and funding bodies make more informed decision about programmes of study and their careers. In NI we would like to see differential levels of investment targeted towards the Northern Ireland Skillset Media Academy (led by University of Ulster).

50. The Creative Media industries in NI are vibrant. The sector is already a great contributor to the NI economy, but within the new digital market place, there is greater potential for economic growth in the future.

51. Skills are key factors in delivering on this growth potential. In order for the NI industry to expand on a national and international level, there must be a significant investment in high level skills. The media industry is reliant on high level skills, a number of which are highly specialised.

May 2009

Written evidence from Risteard MacGabhann

There are many points that could be made in support of continuing support for Northern Ireland’s Irish Language Broadcasting Fund, but the one I wish to highlight in these recessionary times of declining employment opportunity, is the way in which the ILBF, through its modest training and programme production budgets, has created a real and remarkably productive dimension to N. Ireland’s media production capacity.

Viewed simply as an employment creation scheme, it is readily justified. Of course, it is much more than that.

30 April 2009

Written evidence from Comhairle na Gaelscolaíochta

INTRODUCTION

01. Comhairle na Gaelscolaíochta, is a Department of Education-sponsored council responsible for the provision of advice pertaining to the development and provision of Irish-medium education (IME) in Northern Ireland.

02. There are currently 4,369 children attending IME provision in the north of Ireland, attending 46 preschools, 31 primary schools and 4 post-primary schools. We estimate that attendance figures will grow to between 8,000 and 10,000 by 2015.

03. In our role as representative body for the children, staff and schools in the Irish-medium sector and for the wider IME community of families and communities, Comhairle na Gaelscolaíochta wishes to address a number of issues in relation to the manner in which the BBC addresses the Irish language as part of its Public Service Responsibility.

PUBLIC-SERVICE REMIT OF THE BBC

04. The BBC has an important role to play in the safeguarding of the cultural heritage of the UK, including the Irish language in Northern Ireland; a role it has itself acknowledged. Until now, the BBC have had an ambivalent approach to the role of the BBC in relation to Irish as part of its public-service broadcasting remit, in comparison to its approach in Wales and Scotland. This ambivalence has been both recent and historical. Most recently its has been exemplified starkly by the comparison between the per capita amounts the BBC commits to indigenous-language broadcasting in Scotland and Wales compared to the north of Ireland. It is also clearly exemplified in the structures and approaches to Irish-language broadcasting and broadcasting in Welsh and Scottish Gaelic.

05. Comhairle na Gaelscolaíochta recommends that the BBC should make a firm, unambiguous state and commitment to recognising its public-service obligations to produce Irish-language broadcast material.

06. Comhairle na Gaelscolaíochta is of the opinion that, as BBC licence payers, Irish-speakers and families of children in Irish-medium Education are entitled to the same service as our Welsh-speaking and Scottish Gaelic-speaking counterparts. The Irish language in this part of the UK is as much part of our British heritage as the indigenous languages of Scotland and Wales.

07. The Irish-speaking and Irish-Medium Education communities in the north of Ireland are entirely dependent on the Public Service role of the BBC for broadcasting in Irish. As with the other indigenous languages, the commercial non-profitability of minority-language broadcasting has always resulted in the Irish language being ignored by independent broadcasters. Unlike commercial broadcasters, the BBC receives the proceeds of the licence fee to enable it to meet its responsibilities in respect of minorities. The BBC has a monopoly on the licence fee, and as a result, a near monopoly on Public Service Broadcasting. Consequently, the Irish-language community of NI and the children in Irish-medium schools have been left entirely dependent on the BBC for Irish-language broadcasting.

INTERNATIONAL AGREEMENTS

08. The UK Government has a duty towards the Irish language enshrined in a number of international agreements. The role of Government in supporting the Irish language is reflected in the Belfast Agreement. The British Government is a signatory to the European Charter for Regional and Minority Languages since 2001. It has agreed, in this, to provide a better level of public service television for Irish speakers in NI. It is four years since the UK Government ratified the European Charter and as yet the Government has failed to meet this commitment.

THE IRISH-MEDIUM EDUCATION SYSTEM

09. At present, the BBC makes little provision for the Irish-medium education system in its educational broadcasting, despite the fact that Irish-Medium Education has, for several years, been facilitated and supported by the state through the various education authorities; Education and Library Boards, the Department of Education, the Council for Curriculum Examinations and Assessment and the Education and Training Inspectorate.

10. The BBC stands alone as a significant state-funded education provider in NI in its failure to acknowledge Irish-medium Education.

11. There is a clear lack of equity in the approach of the BBC in its treatment of indigenous minority languages. In addition, BBC has not put in place plans to address this funding inequity between Irish in NI, and Welsh and Scottish Gaelic in Wales and Scotland respectively.

THE IRISH LANGUAGE BROADCASTING FUND

12. The Irish language broadcasting fund is a fundamental part of the scaffolding required to address the historic lack of investment in broadcasting in Irish in NI. The investment in the ILBF has been shown through independent evaluations to have provided excellent value for money since its establishment. More importantly, it has made significant progress in addressing the deficits in the capacity in NI to deliver Irish-language broadcasting. This latter point is fundamental to allowing the BBC to begin to address inadequacies in its Irish-language provision.

13. It is essential that the ILBF is provided with permanent or long-term funding to allow it to develop its work in the future. Without the ILBF, the BBC will not be able to meet even its current stated commitments to Irish language programming.

14. The disadvantage suffered by the Irish-language community in the north of Ireland, including Irish-medium pupils in Irish-medium schools and units, has been compounded because we are politically separated from the greater body Irish speakers on the island of Ireland and therefore do not benefit, of right, from broadcasting initiatives taken in the Republic of Ireland, such as the Irish-language TV station, TG4.

15. While the Belfast Agreement commits the British and Irish Governments to making TG4 available in the north of Ireland this should not allow the BBC to abdicate its responsibilities to Irish. Comhairle na Gaelscolaíochta believes that it is unacceptable for the UK state broadcaster to rely on out-of-state broadcasters (RTÉ) to meet its requirements in respect of Irish-language broadcasting.

16. Comhairle na Gaelscolaíochta believes that BBC Northern Ireland should begin to meet its obligations to the young Irish speakers in NI who have become Irish speakers through the IME system and the traditional schooling system. To do this the BBC should at a minimum produce regular Irish language television programming every week.

17. Comhairle na Gaelscolaíochta also believes that the BBC should begin to produce Irish-medium television programming and that this be supported by a specific allocated IME budget, funded by the licence fee as is the case for Scotland and Wales.

CONCLUSION

18. The Irish language had been spoken in the Northern Ireland as a community language until the middle of the last century. Efforts to maintain an Irish-speaking community have succeeded in spite of state neglect. The numbers of children currently in Irish-medium Education and the increase in the number of Irish-medium Education schools are evidence of the demand for the Irish language in the north. The BBC potentially could play a significant role in supporting the maintenance and revival of the Irish language as it does for Welsh and Scottish Gaelic. The fact that it has chosen not to is at best a dereliction of its duty as a Public-Service Broadcaster and at worst discrimination against Irish speakers in the UK.

19. In summary, Comhairle na Gaelscolaíochta believes that the BBC should:

- Recognise the BBC's duty to the Irish language as a Public Service Broadcaster;
- Treat the Irish-speaking population as licence-fee payers with equity in comparison to Wales and Scotland;
- Recognise the BBC's duty to Irish as one of the indigenous languages of the UK and as a legitimate and cherished part of the UK linguistic heritage;
- Acknowledge the BBC's role in safeguarding cultural heritage in respect of the Irish language;
- Make adequate provision in the BBC's educational broadcasting to children in Irish-medium education;
- Give permanent funding status to the ILBF.

May 2009

Written evidence from Waddell Media Ltd

COMPANY BACKGROUND

1. Waddell Media is one of the oldest and largest television production companies in Northern Ireland having been formed in 1988 by Brian Waddell, former Director of Programmes at Ulster Television.
2. The company has grown over the years, employing 60 staff and freelance operatives in 2007.

DEVELOPMENT

In its first decade the company supplied programmes mainly to the Northern Ireland and Republic of Ireland markets while attempting to get a foothold in UK broadcasting networks, but apart from one of two programmes commissioned by BBC1 and Channel 4 all efforts to break into the UK markets have failed.

1. Determined to build and expand, the company turned its attention to the international market, particularly in the United States where it has been successful in gaining commissions from several digital channels like Discovery and National Geographic.
2. This market is expanding rapidly which has led the company to open an office in New York in order to keep in daily contact with the US networks.
3. Unlike their British counterparts US commissioners have no problem in placing orders with producers from Northern Ireland.
4. Our experience and broadcasting skills means that we are coming up with innovative concepts that are produced to the highest standard using cutting edge technology and very professional operatives.
5. If we can produce for the US market why is it not possible to get commissions from London-based broadcasters?

CURRENT STATE OF INDUSTRY IN NORTHERN IRELAND

- The most recent Northern Ireland production figures for UK networks are appalling.
- In 2007 the BBC commissioned 0.2% from the Province. The Channel 4 figure was 0.1% while ITV and Five commissioned nothing whatsoever.
- We appreciate that this failure of major British broadcasters to commission outside the London area is not confined to Northern Ireland. Other 'nations' throughout the UK have suffered from the same problem, but not to the same extent.
- We believe there is now an opportunity for change if measures are put in place to hold the broadcasters to their commitments and promises.

For its PSB programming (other than news) Ofcom has set ITV a figure of 35% to be delivered by producers outside London.

The figure is similar for Channel 4 but it is being required by Ofcom to take only 3% of production from the combined resources of Scotland, Wales and Northern Ireland.

We believe this figure should be for Northern Ireland alone.

The BBC has set itself a target for independent production of 17% by 2016 with 3% being produced in the Province.

This target date should to be brought forward to 2012.

What we now need is a mechanism to ensure that the broadcasters deliver on the targets that have been imposed or self established.

We are currently seeing the contribution that is being made to the economy through film production that is being attracted to the Province through Northern Ireland Screen.

If the BBC alone achieved its target of 3% network production out of Northern Ireland the local industry would benefit from an injection of around £30m per year.

These commissions would change the viability of independent television production here very quickly with a marked increase in employment and contribution to the economy.

1 May 2009

Written evidence from the National Union of Journalists

1. The NUJ represents around 35,000 journalists in the UK working across all sectors of the media. Our membership covers the full range of media businesses, including local and national newspapers, broadcasters, online media, magazines, books and public relations.

2. Northern Ireland is not the same as other nations and regions of the UK. It is a post-conflict society and as such the provision of local news is of even greater importance to society. The proposed justification for reducing news and current affairs coverage because of the changing political situation in Northern Ireland is simply not valid. The nature of news may have changed, but its importance has not diminished.

3. There continue to be sensitivities concerning the provision of news and current affairs that are not always fully appreciated by those who would seek to impose a template for broadcasting in Northern Ireland.

4. Different strands of civic society such as the economy, education, health, the arts and sport deserve not just adequate coverage but analysis too.

5. Reducing the number of hours of news and current affairs TV broadcasting in Northern Ireland means cutting the amount of coverage that can be devoted to any of these topics.

6. Northern Ireland's changing agenda needs to be reflected by quality broadcasting from a range of sources.

UTV

7. The recent reduction of local output from UTV has resulted in a distinct lack of competition for BBC Northern Ireland. This virtual monopoly has potentially serious implications for a democratic society.

8. This is especially true of TV current affairs output in which there has been a substantial reduction in Northern Ireland. Therefore there are now fewer opportunities for investigative reporting.

BROADCASTING COMMISSION

9. We feel there should be a public debate on whether Northern Ireland needs its own Broadcasting Commission. Given the size of Northern Irish society, we feel it is important that there would be no political control of any such organisation. It would need to be independent and autonomous. This would be crucial.

BBC SHARING

10. The BBC offer that it shares its news infrastructure and pictures with rival broadcasting organisations could—we feel—limit competition and the wide ranging and diverse nature of stories covered.

OFCOM

11. The Ofcom suggestion to have a new consortium of news providers and commercial broadcasters set up to sustain news provision as well as a new agency or competitive fund to provide non-news programmes for TV is noted with interest. Many questions need to be answered regarding the detail of how these ideas might operate in practice. Any such consortium/agency should be housed independently of the BBC and should have its own resources that do not diminish existing funding for public service broadcasting or quality journalism. New sources of funding would need to be identified.

12. There should be a public debate and transparency about the structure of any such consortium/agency—including how it should be funded.

13. The NUJ remains concerned about the employment standards in many media organisations in Northern Ireland. Any new structure must take into account the need to improve employment conditions.

14. There should be more opportunities for television professionals from Northern Ireland to provide content on the UK networks.

IRISH LANGUAGE

15. Whatever broadcasting arrangements are made for Northern Ireland in the future, there needs to be more than one source on free-to-view channels for Irish language programming.

16. The NUJ would be happy to elaborate on this submission by giving oral evidence to the committee if required.

1 May 2009

Written evidence from Ofcom

1.0 BACKGROUND

1.1 At least once every five years Ofcom has a duty, set by Parliament, to conduct a review of public service broadcasting (PSB)—assessing the effectiveness of the designated public service broadcasters (BBC, ITV, Channel 4, Five, S4C and Teletext) and making recommendations as to how the quality of PSB can be maintained and strengthened in the future. Our most recent review was completed in January 2009.

2.0 WHAT IS PUBLIC SERVICE BROADCASTING?

2.1 Television broadcasting has an important social and cultural role to play in the UK today. It has historically been perceived as ‘special’ and as having a particular role in shaping, reflecting and contributing to society. In our first review we identified the following four PSB purposes:

Informing our understanding of the world—to inform ourselves and others and to increase our understanding of the world through news, information and analysis of current events and ideas

- Stimulating knowledge and learning—to stimulate our interest in and knowledge of arts, science, history and other topics, through content that is accessible and can encourage informal learning
- Reflecting UK cultural identity—to reflect and strengthen our cultural identity through original programming at UK, national and regional level, on occasion bringing audiences together for shared experiences
- Representing diversity and alternative viewpoints—to make us aware of different cultures and alternative viewpoints, through programmes that reflect the lives of other people and other communities, both within the UK and elsewhere.

2.2 In addition, we said that in order for PSB to achieve sufficient reach and impact it should be high quality—well funded and well produced; original—new UK content rather than repeats or acquisitions; innovative—breaking new ideas or re-inventing exciting approaches, rather than copying old ones; challenging—making viewers think; engaging—accessible and attractive to viewers; widely available—if content is publicly funded, a large majority of citizens need to be given the chance to view it.

3.0 WHY ARE CHANGES NEEDED?

3.1 Also in our first review, completed in 2005, we identified serious challenges to the reach and impact of analogue public service broadcasting as audiences increasingly turned to multi-channel alternatives. Since then, the UK has begun its digital switchover programme, scheduled to complete in Northern Ireland by 2012.

3.2 The greater viewer choice offered by digital television has, however, created serious pressure on the ability of commercial broadcasters, in particular, to deliver certain genres of PSB programming and to sustain historic levels of investment in UK content. As a result, it has become clear that the regulatory and funding model which supports today’s public service broadcasting framework is too fixed in linear, or traditional, media, is inflexible and is ultimately unsustainable.

3.1 The objective of both our reviews has been to provide the analysis and recommendations which would allow government and Parliament to decide whether, and how, PSB should be re-invented for the digital age.

4.0 TOP PRIORITIES AT UK-WIDE LEVEL

4.1 Our recommendations are based on detailed audience research, a wide range of stakeholders’ views and our own analysis. They set out what we believe is required to provide a diverse, vibrant and engaging range of public service content enjoyed across a variety of digital media and which complements a flourishing and expanding non-PSB sector. We believe the top priorities are:

- 4.1.1 Maintain the BBC's role and funding for its core public services at the heart of the overall system.
- 4.1.2 Plan now to ensure the supply of a choice of high quality news in the regions and devolved nations, alongside the BBC. This should include developing proposals for a new approach based on independently funded news consortia.
- 4.1.3 Ensure there is a financially robust alternative provider of public service content alongside the BBC, with Channel 4 at its heart, supported through joint ventures or mergers, with the scale necessary to sustain effective delivery of public purposes across digital media. A revised remit, governance and accountability will be essential.
- 4.1.4 Support investment in, and wide availability of, high quality original programming and UK and international news, by positioning Channel 3 and Channel 5 as commercial networks with a public service commitment, with modest licence benefits balanced by appropriate and sustainable obligations.
- 4.1.5 Government should consider funding for children's content, and the case for specific approaches in each devolved nation to deliver content other than news.

4.2 IN ADDITION:

- 4.2.1 Ofcom is creating more opportunities for UK local television than ever existed before by releasing geographically targeted interleaved spectrum. While there are questions about the economic model for local television, we believe the potential for spectrum to support local television should be kept open for further consideration.
- 4.2.2 Public service content should be available across all digital media, not just linear broadcasting, and these priorities should be considered alongside the other needs of citizens and consumers in the digital age, such as broadband availability and take-up.

5.0 WHAT IT MEANS FOR NORTHERN IRELAND

5.1 Ofcom's analysis is set against a background of devolution and diverging cultural agendas in the nations and recognises that the new politics which devolution has brought about require a vibrant, widely accessed media to report and sustain them. They also require a multiplicity of voices. Ofcom recognises the heightened role of public service content in the devolved nations and the need to sustain choice of providers for citizens and their new democratic institutions. As part of our consultation process, we have engaged with these new democratic institutions by appearing before the relevant Parliamentary and Assembly committees in all three devolved nations, including the Culture, Arts and Leisure Committee of the Northern Ireland Assembly.

5.2 Responses to Ofcom's consultation have reinforced our view that there is unlikely to be a single solution to the future of public service broadcasting that fully meets the needs of all three devolved nations. However, there were some common concerns. One was that the review of public service broadcasting should not just try to preserve what is best about the present system but should try to build on it.

5.3 The final report on public service broadcasting therefore makes some specific recommendations for Northern Ireland.

5.4 Ofcom believes that all commercial public service broadcasters need certainty about their long-term roles by 2011 at the latest as, for some licensees, the cost of being a public service broadcaster will soon outweigh the benefits. Our report therefore included both short term and long term proposals.

6.0 SHORT TERM MEASURES (UNTIL 2011)

6.1 Regional news across the ITV network has been standardised at four hours a week, a measure which has affected only weekday mid-morning and weekend bulletins on UTV. The most watched UTV evening news bulletins—at 6pm and 10.30pm—have not been not affected by the change.

6.2 As far as non-news programming was concerned, Ofcom considered stakeholders' views, including those of UTV, and decided, given UTV's stability and the fact that its analogue licence is to run until 2012, that its requirement to broadcast non-news programmes for Northern Ireland would be two hours per week and not one and a half hours per week as originally suggested in our consultation.

6.3 These decisions were informed by our audience research which shows that viewers attach value to programming about Northern Ireland, especially news.

6.4 UTV was cited by 56% of respondents in Northern Ireland as their main source of news while 15% mentioned BBC One. The research also demonstrated that news is the genre in which plurality is most important to audiences in the devolved nations.

6.5 However, given that ITV plc's commitment to provide regional news beyond 2011 is conditional on Ofcom accepting further proposals from it, including a proposal to amend the ITV networking arrangements to eliminate a subsidy it claims it is making to UTV, stv, and Channel TV (which could put

at risk news in Scotland, Northern Ireland and the Channel Islands—a full analysis of this issue is set out in Annex 3 of the PSB 2 Review) we have concerns about the future of news in the nations and have, therefore, made recommendations to maintain it.

7.0 LONGER TERM RECOMMENDATIONS (BEYOND 2011)

7.1 Ofcom believes that in order to sustain news provision in Northern Ireland (and elsewhere), the UK Government should plan for a new model, based on an independently funded news consortia. With careful design, Ofcom believes this approach is capable of delivering a news service to meet the demands of audiences and across the full range of platforms. It can maximise what is best about the existing local media ecology in Northern Ireland, whilst also operating clearly in the public interest.

7.2 News consortia would operate transparently, through a tender process and contracts awarded against clear criteria of delivering public purposes in a manner not dissimilar to the process in which news supply is contracted for the commercial public service broadcasters today.

7.3 This would be based, at least in the first instance, on the existing UTV news slots, but offer a path to full cross-media provision of regional and local news.

7.4 At its most basic the new set-up could act as a straight replacement for existing provision, based upon the existing UTV licence area and limited to linear television. Beyond this, however, lie more exciting possibilities that meet the aspirations of healthy local democracy, quality journalism and the needs of audiences in the digital age.

7.5 An enhanced system could also include full cross-media capability, as well as the ability to adapt the new technologies and patterns of consumption. Additional value could be achieved through synergies and cross promotion from other media and partners in the consortium.

7.6 The awarding body could be one of a range of existing bodies from government to the BBC Trust, or Ofcom's Content Board—or a new body. There could also be a role for the Northern Ireland Assembly in that process.

7.7 News Consortia will require a form of public intervention to secure their delivery. In the PSB Review we identified a number of possible sources, but in the current economic climate the strongest candidate is the switchover surplus in the licence fee. This is different from the the 'one-off pot' already allocated to supply set top boxes to older and disabled people, and which looks like being underspent by some margin. The surplus is the recurring money that is not planned to form any part of the BBC's programmes and services budget after switchover if the licence fee is maintained at its present level in real terms.

8.0 MAINTAINING PLURALITY

8.1 UTV wishes to remain a public service broadcaster. Support for it to do so, particularly in the areas of news and current affairs, is strong, not least amongst politicians in Northern Ireland. Indeed, responses to our phase 2 consultation indicated cross-party support in Northern Ireland as well as from the Department of, and the Committee for, Culture, Arts and Leisure. This reflects the fact that, in a society with a long history of division, UTV has been, and remains, valued and trusted by both communities. It is the most viewed news provider in Northern Ireland and its early evening news bulletin attracts an audience share of 39%, which is significantly ahead of BBC Northern Ireland's Newsline (at 28%) and above that of nearly all other Channel 3 national and regional bulletins.

8.2 Anything which might diminish the role UTV plays was regarded with concern by many respondents. Both UTV and many of the political representatives who wrote to us opposed a single licence for Channel 3. UTV itself believes that it can continue to provide its news service basis for the foreseeable future, without the need for BBC partnerships, which it feels are of limited practical value and could jeopardise editorial independence.

8.3 However, in Ofcom's view, the finances of sustaining the UTV service could be adversely affected, for example by any significant upward revision to the rate paid for the ITV Network schedule, and of course also by the economic downturn. Therefore Ofcom's proposed new independently funded news consortium model for nations news from 2011 could be particularly relevant for Northern Ireland.

8.4 In the debates on PSB which took place during the review there was also strong support for a competitive fund to be established to provide continuing non-news programming for Northern Ireland—indeed local programming has often acted as a 'social glue', providing a sense of shared identity in an otherwise divided society—and viewing figures for it are well above the average. If there is no replacement for what will have been lost from UTV—with its non-news requirement reducing from four hours to two hours—concerns were expressed that Northern Ireland would be left with the BBC as its only provider of programming specifically for Northern Ireland and that without the spur of competition BBC NI's commitment to Northern Ireland-specific programming might not be sustained. Ofcom therefore recommended in its final statement and recommendations that Government should consider the case for approaches in each of the devolved nations for the delivery of public service content other than news.

8.5 There was also widespread support for the Irish Language Broadcast Fund which was often cited as an example of how such a competitive funding model for non-news programming might work in practice, guaranteeing broadcast slots, accountability and flexibility.

8.6 One unique feature of plurality in Northern Ireland broadcasting is the significance of transmissions from outside the UK, in this case from the Irish Republic.

8.7 Services from the Republic of Ireland—RTÉ in English and TG4 in Irish—have been widely available free-to air in Northern Ireland for many years and are generally regarded as making a valuable contribution to the public service broadcasting ecology of Northern Ireland, providing an alternative view of Irish, Northern Irish, UK and international affairs. There is already a commitment to ensure the availability of TG4 on DTT post digital switchover and consideration is also being given as to how the availability of RTÉ's services can be maintained and improved in the digital environment in Northern Ireland. But some respondents made it clear that whatever transmissions they can receive from broadcasters in the UK and the Irish Republic they also want services which are tailored to the specific needs of viewers in Northern Ireland.

9.0 NETWORK PRODUCTION AND PORTRAYAL

9.1.1 Many respondents to the review believed a competitive funding model would be able to meet the need not only for non-news programming for Northern Ireland but could also be fine-tuned to address the very low levels of production from, and portrayal of, Northern Ireland on the networks. (Northern Ireland is barely visible on the UK networks and representation is often stereotypical. Its small production sector has struggled to make an impact on the London-centric commissioning process. Network productions from Northern Ireland in 2006 amounted to 0.2% of total network spend, both by value and volume, and in 2007 were 0.2% of volume and 0.3% of value²¹).

9.1.2 While production and portrayal are separate issues, it is widely believed that if the amount of production from Northern Ireland were to increase then portrayal would naturally increase as well.

10.0 INDIGENOUS LANGUAGES

10.1 Ofcom also made clear that indigenous language broadcasting forms an important part of the public service broadcasting ecology of the nations of the UK, reflecting aspects of our cultural heritage unique to these islands. However, we also pointed to concerns about the lack of consistency and equity, and sometimes certainty, in the current arrangements for funding and delivery in the different parts of the UK.

10.2 In Northern Ireland concern remains both at the lack of guaranteed funding for the Irish Language Broadcast Fund beyond 2011 (despite the commitment in the Belfast/Good Friday Agreement of 1998 to provide such funding), and at the lack of equity of treatment for Irish language broadcasting in Northern Ireland compared with that for Welsh and Gaelic in Wales and Scotland, whether by government or by the BBC. (There are specific broadcasting requirements for Irish language under the European Charter for Minority Languages as, like Welsh and Scottish Gaelic, it has Part 3 status).

10.3 There is no specific funding for Ulster Scots programming (nor specific broadcasting requirements under the European Charter—it has Part 2 status along with Scots, Cornish and Manx) and any airtime comes solely through BBC NI and focuses on wider cultural issues as well as language.

10.4 Scotland provides a model where coverage of Scots by BBC Scotland is not outside the mainstream service on either television or radio and certainly some mainstreaming, as well as dedicated programming, would help to raise the profile of Ulster Scots and satisfy that audience need. However, it has not been clear which is of more importance to the various Ulster Scots groups—programmes which focus on language or those which focus on wider cultural activities, like music and dance. This led to concerns being expressed in phase 2 of the review that Ofcom appeared to accept that Ulster Scots language programming and programming of a purely cultural nature could be 'conflated'. Perhaps providing a mixture of both, as BBC NI currently endeavours to do, is the answer.

10.5 There would be undoubted benefit to both Irish and Ulster Scots were government to commit to legislative support for the two languages.

1 May 2009

Written evidence from Below the Radar

BACKGROUND:

1.1 Below the Radar is grateful to the committee for considering this submission to its enquiry.

1.2 We are an independent production company based in Belfast and specialising in news and current affairs. We were acquired by the Plc Ten Alps in February 2009 because of our record in news and current affairs.

²¹ The Communications Market 2008: Nations & Regions—Northern Ireland (<http://www.ofcom.org.uk/research/cm/cmnr08/nireland/nireland.pdf>) Figures 3.25 and 3.26.

1.3 We are enthusiastic proponents of an independent fund being set up in Northern Ireland to pay for and regulate high-quality public service content made by the best producers for a local audience. We were the first interested party in Northern Ireland to put forward the case for a competitive fund and have remained very much at the forefront of the debate locally.

1.4 We believe the current model of PSB on either the BBC or UTV Television is now broken. While BBC Northern Ireland continues to be well-funded for PSB, UTV's revenues have declined substantially and this has been reflected in diminishing content, both in terms of quality and quantity.

1.5 We are also critical of Ofcom's relegation to a "light-touch" regulator and believe it has failed to hold UTV to account for its failings.

NETWORK:

2.1 We have lost all faith in London-based broadcasters, particularly BBC nationally and Channel 4, to deliver on their targets for production in and portrayal of Northern Ireland. Our experience has been of a profoundly rigid mindset which considers events and cultural expression outside the M25 as inferior.

THE BBC NETWORK AND NORTHERN IRELAND

3.1 The cultural bias which exists inside Channel 4 has been evident inside the BBC network too. We and many other producers have long been critical of a smoke and mirrors approach to the nations on the part of the BBC, based on box-ticking rather than a genuine attempt to engage. A recent example has been the appointment under the BBC's Out of London initiative of two executives to enhance output from Northern Ireland. Both executives are based in Scotland. The BBC Trust has made the issue of nations and regions one of its priorities, but it appears that it still has a mountain to climb.

3.2 Another initiative we are highly critical of has been the BBC's handling of its designation of Northern Ireland as a Centre of Excellence for Current Affairs. We have been told that the "Centres of Excellence" concept involved the movement of talent between in-house BBC and independent producers and journalists, ensuring cross-fertilisation of talent, the creation of a strong base for generating programme ideas, all to benefit the viewer. The BBC NI Audience Council was assured in February 2006 that this was the model for the NI Current Affairs centre.

3.3 Under this initiative, episodes of the flagship network current affairs programme "Panorama" are being produced from Belfast.

3.4 The outworkings of this initiative, however, have been something of a curiosity. Firstly, all network current affairs carrying the BBC NI badge has remained ring-fenced for in-house—the door of the Belfast centre has remained firmly closed to any story ideas from independents here. Secondly the production credits which run after BBC NI-branded Panoramas reflect that in-house BBC Northern Ireland talent remain shamefully underused—sometimes the only local talent has been administrative staff. Thirdly, those involved in the programmes have eschewed even carrying out processes which are eminently doable in Belfast such as the programme edit. Finally, the most recent revelation has been the news that "BBC Northern Ireland Network Current Affairs" had recently opened an office to work from in BBC Bush House, London. Even a member of staff long-established in Northern Ireland had taken up residence there. The Panorama experience is a classic example of "brass plating" which the current Nations initiative is supposed to have eradicated as well as being a scandalous waste of licence-payers' money and a discarded opportunity to provide really good, diverse current affairs.

3.5 The BBC, however, officially, continues to deny that there is any problem at all. If the BBC is willing to mislead the public about this initiative, what confidence can we have that it will meet its so-called targets on other genres?

CHANNEL 4

4.1 Ofcom have failed at all levels to regulate Channel 4's PSB output in general and its commissioning from the nations in particular. Northern Ireland has failed to make any impact on Channel 4, either in terms of portrayal or production. The regulator failed to notice that when the channel claimed to be "doubling its output from the nations" that twice nothing is still nothing! In 2007, 0.1 per cent of the channel's output originated in Northern Ireland.

4.2 The relationship between Northern Ireland and Channel 4 is nicely illustrated by the following: in its submission to Ofcom's PSB II review, Channel 4 did not even mention Northern Ireland in a section specifically set aside for the nations and regions. Failure to hold Channel 4 to account has contributed significantly to the low production base to be found in Northern Ireland. It is a salutary lesson to those now charged with reconfiguring the broadcast landscape.

UTV

5.1 Ofcom argues that its research shows that audiences in Northern Ireland appreciate having UTV. But we would argue that this observation does not reflect that there are various element/s of which UTV to which the respondents surveyed could be referring.

5.2 The UTV television operation comprises two key elements: (i) the platform which is “Channel 3” button on your remote control; and (ii) the content which is overwhelmingly an ITV London-based schedule, with some slots for locally-produced news, current affairs and other programming.

5.3 Looking first at UTV’s entitlement to sit on Channel 3: if UTV was relieved of its obligations to provide local news, current affairs and other local programmes—and DCMS is considering relieving the Channel 3 Licencees of these obligations—UTV could conceivably relinquish all local programming output and simply carry the entire ITV schedule if the cost benefit lay there, eradicating all local programming outside BBC NI.

5.4 UTV says it is currently minded to continue delivering local content. That, however, could easily change—the markets are incredibly unstable at the moment—and there is no contingency plan on the part of the regulator or government for that scenario.

5.5 Turning to the issue of content, some of UTV’s best-known local programmes, such as “Lesser Spotted Ulster” are produced out of house. If UTV Television suddenly no longer paid for the series, the makers of “Lesser Spotted Ulster” could continue to make the series.

“THE NORTHERN IRELAND BROADCAST FUND” AND UTV

6.1 This would be possible if there was a separate fund of money set aside for public service programming to which the makers of “Lesser Spotted” could apply and argue its public purpose. By setting a programming budget outside UTV, such a fund would be protected both from the vagaries of the market and the profit imperative of UTV.

6.2 In a scenario where UTV did not wish to broadcast programming carrying a public purpose, the programme-makers could find another platform. There are other channels on the spectrum which would doubtless be happy to acquire programming for free.

6.3 The same scenario applies to local news and current affairs, which is still made in-house in UTV. UTV’s commitment to quality news has already been called into question by its recent decision to make redundant the majority of its most experienced journalists. The station has also ditched self-contained current affairs, in the form of its Insight strand, in favour of a cheap mix of news and studio chat, lacking the depth needed to qualify as true public service TV, we believe.

6.4 There is no reason why local news and current affairs cannot be produced out of house and broadcast either on slots opened up by UTV or another channel. Since the inception of ITV 50 years ago, it has followed this model—ITN is an independent producer.

6.5 We believe that the producers of all public service TV—be that UTV or another producer—should have to compete for the right to make those programmes. A news contract which is paid for by the PSB fund and contested every 2—3 years, would hold the producer to account over the quality of their programming and their use of public money.

6.6 It is also critical that safeguards are in place to ensure that such a process was not corrupted. That is why we believe selection and evaluation should be carried out independently, by a panel of publicly-spirited individuals who do not profit from the process. We have already encountered this sort of organisational set-up with the Irish Language Broadcast Fund. Do not believe those who say it must be bureaucratic. It is not. It is more transparent and works faster than some broadcasters’ commissioning rounds we’ve encountered, and is professionally run and is fair.

LOCAL NEWS AND CURRENT AFFAIRS—ALWAYS ON UTV?

6.0 The debate about the platform, though, continues to move very fast and once high-speed broadband is rolled out and competition issues are overcome—in the next couple of years—broadband will merge properly into our TV sets so that viewers can summon up programmes either the moment they are uploaded—the equivalent to the moment they “go on air”. Or they can watch it later as they can currently with, for example, the iPlayer. The difference is, though, that the channels—the number on your remote control button—will increasingly become irrelevant. That includes UTV.

7.0 Northern Ireland News, current affairs and other local public service programmes—or other public service digital content—would be part of that broadband mix, perhaps as part of a wider UK PSB site. Depending on the circumstances, the fund may have to consider ways of helping the audience find it during the transition period. There are traditional marketing methods like billboard campaigns, advertising across media or the Amazon/Genius technology which points internet/broadband TV surfers towards the programme, based on the material they’ve already been browsing.

THE NORTHERN IRELAND FUND AND NETWORK

8.0 One other point: a competitive fund can and should be about more than programming for a local audience. It can also correct the scandal of how poorly Northern Ireland has been portrayed on network TV outlets like Channels 4 and 5 and ITV nationally. These channels will increasingly be looking for money to pay for their programmes beyond advertising revenue and a Northern Ireland public service broadcasting fund could be one source—with the fund holding the network commissioner to promises over production from Northern Ireland and/or portrayal of it. This chimes perfectly with Lord Carter’s vision of “incentivised regulation”. However we believe that compulsory minimum quotas should to be imposed, complete with penalties for non-compliance, at least until the industry’s production and portrayal profile has been firmly established at network.

9.0 To sum up, we believe that the digital revolution provides many rich opportunities for viewers in Northern Ireland and those with an interest in Northern Ireland. More of the same is no longer an option; we fervently hope that the industry in Northern Ireland is not allowed to fester any longer.

1 May 2009

Written evidence from UTV Television

1. INTRODUCTION

- 1.1. UTV welcomes the opportunity to provide written evidence to the Northern Ireland Affairs Committee Inquiry into Television Broadcasting in Northern Ireland.
- 1.2. This year UTV celebrates 50 years as the Channel 3 licensee for Northern Ireland. We are proud of our regional heritage and put our audience at the centre of all our output. Unlike most of the United Kingdom, in Northern Ireland the commercial broadcaster UTV is the most watched public service broadcaster.
- 1.3. However, we are currently operating in the most challenging advertising market since independent television was set up in the 1950s. There is a very real threat that the quality of regional programming could diminish unless public funding is secured to maintain the strength of public service broadcasting in the nations and regions.

2. BROADCASTING IN A DEVOLVED NATION IN THE UK

- 2.1. UTV is hugely supportive of maintaining plurality of news and non-news programming provision in the nations and regions. UTV provides the most watched news in Northern Ireland with an average share of 36% in 2008 which far outstrips BBC NI’s provision in terms of share and volume.
- 2.2. We believe that some of the suggestions by Government and Ofcom relating to the provision of ‘contestable funding for news consortia’ are likely to lead to a reduction in the quality of news provision in Northern Ireland.
- 2.3. Both Ofcom research and TV ratings show that the service provided by UTV is highly valued by our audience. We believe the solution for Northern Ireland is to secure future public funding for the Channel 3 licensee to ensure the high quality of all local programming, news and non-news, and the strength of regional identity is maintained.
- 2.4. There is a significant possibility that while trying to create a new method of delivering plurality throughout the UK, a unique, successful and highly valued service which is working well in Northern Ireland could be put at real risk.
- 2.5. Over and above our regulatory requirement UTV has just launched a nightly (Monday to Thursday) half hour news and current affairs programme for Northern Ireland directly following the ITV News at Ten. This is a major commitment to public service provision. Neither the BBC, nor ITV offer such a programme in any of the UK Nations. UTV is now the largest producer of news output for the nations and regions—in terms of volume—in the whole of the UK.
- 2.6. This programme could not be offered by an independent news consortium as recommended by Ofcom as the slot would not have been made available by the ITV Network. Only the Channel 3 licence holder could provide this additional, high quality, public service content in this region.
- 2.7. UTV delivers significant cross platform content to a worldwide audience, including an online catch up service of our news programming which is chapterised, a concept we believe is a first in the UK.
- 2.8. Our content team also service radio news and we are exploring possibilities of making our news available to other parties in either a commercial or co-operative partnership.
- 2.9. Many of the aspirations of both Ofcom’s PSB Review and the Digital Britain consultation are already being put into action in Northern Ireland.

- 2.10. In Northern Ireland partnerships between broadcasters and newspaper publishers are more problematic than in any other part of the United Kingdom, as many of our newspapers have perceived community allegiances which would prevent partnership because of impartiality. The United Kingdom is a diverse news environment and a “one-size-fits-all” approach will not deliver the best result and could potentially damage provision in some areas.
- 2.11. We can see the value in Ofcom’s funding proposals for the continuation of plurality, but we believe that whatever funding becomes available to sustain regional alternatives to the BBC should be awarded to the Channel 3 licence holder (or bidder post 2014), and not for a provision of content to a third party consortium.
- 2.12. Ofcom research found that non-news programming for the devolved nations is highly valued by audiences but pointed out that it is unlikely to be fully provided for. We believe that public funding should be awarded to the Channel 3 licence holder. If it is, channels like UTV can continue to provide both news and in partnership with independent producers and at commercial risk, commission quality non-news programming for the nations. UTV already commissions the two most watched non-news programmes in the whole of the ITV Network.
- 2.13. UTV’s strength in Northern Ireland is that we are an integral part of the community, our experienced journalists and presenters, camera crews and editors and senior content staff are respected by all our communities because they understand the real issues in their region. UTV is not only a major employer in the region but also a major supporter of community and cultural events both on and off-air.
- 2.14. UTV’s peak time share has always been substantially above the ITV Network average, we believe much of the increased share is due to our localness and the relevance of our regional output.
- 2.15. While ITV plc has removed regional names from almost all output, UTV uses promotional time to reinforce our position in the centre of the community we serve. Without this relevance to our audience there is no doubt that their loyalty would not be as strong and our figures would not be as high.
- 2.16. Partnerships with the BBC have also been discussed as a way of reducing costs for commercial public service broadcasters. The sharing of news resources and even footage and facilities has been discussed as a way of continuing the sustainability of nations and regions’ news output. We struggle to see how this may work in practice. Indeed there is a risk that the sharing of news footage and coverage would reduce plurality and impede strong journalistic endeavour. However UTV has had discussions with the BBC at a local level about co-operation and remains open-minded about how partnership in some areas away from news provision could be developed. Undoubtedly there will be further engagement over the coming months.
- 2.17. In addition we work with many community organisations to deliver media literacy and an understanding of the production process within Northern Ireland.

3. DIGITAL SWITCHOVER AND CROSS BORDER ISSUES

- 3.1. As part of UTV’s digital replacement license issued by Ofcom, we are committed to the promotion of a smooth transition for analogue to digital transmission.
- 3.2. However we have a significant concern about the discussions between the British and Irish Governments to allow RTE to be carried on digital multiplex in Northern Ireland.
- 3.3. While we welcome competition in the market, it has to be on an equitable basis and RTE which is partially advertising funded, should only be allowed carriage in Northern Ireland if UTV had “must carry” status on all platforms in the Republic.

4. EXECUTIVE SUMMARY

- 4.1. Strong regional news supported up by a diverse range of non-news programming designed to satisfy the unique requirements of each individual broadcast area is still highly valued by audiences.
- 4.2. By doing just this, UTV produces the most watched news in Northern Ireland and the whole of the ITV Network and commissions the two most watched regional programmes in the ITV Network at a fraction of the cost of Network production. This content is delivered cross-platform on television, on radio and online.
- 4.3. Given the difficult economic conditions, there is a significant risk that the quality of regional programming will diminish unless public funding is secured for regional public service programming.
- 4.4. UTV recommends that public funding should be allocated to ensure the continuation of plurality in the nations and regions.

- 4.5. This funding should be awarded to the Channel 3 licence holder to provide news and commission at commercial risk quality non-news programming for its region.
- 4.6. We believe there should be reciprocity of carriage for UTV on digital platforms in the Republic of Ireland as part of any inter-Government agreement that RTE receives carriage on digital multiplex in Northern Ireland.

1 May 2009

Written evidence from Ofcom Advisory Committee for Northern Ireland (ACNI)

PREAMBLE

1. The Ofcom Advisory Committee for Northern Ireland (ACNI) welcomes the opportunity to make a submission to the Northern Ireland Affairs Committee on its inquiry into Television Broadcasting in Northern Ireland. This is a timely inquiry in light of the momentous changes occurring in TV broadcasting with digital switchover fast approaching in 2012.

2. Ofcom's recent second review of Public Service Broadcasting has highlighted many salient issues which will be referred to in this submission. While ACNI wishes to reassert the important role which Ofcom plays in terms of regulating the broadcasting landscape in the UK, it is equally important to emphasise the crucial role which government plays in terms of funding public service broadcasting. ACNI believes that the time is ripe for a competitive funding model with the following objectives: to maintain plurality of public service broadcasting in Northern Ireland (including, as appropriate, that provided by Republic of Ireland broadcasters); to obtain acceptable levels of portrayal of Northern Ireland on UK wide PSB networks, and greater production from Northern Ireland; and to have a sustainable model for the production of news and non-news content and indigenous language programming for Northern Ireland.

3. ACNI supports a model for the provision of Public Service Broadcasting in the nations which is not tied to a one size fits all paradigm. There may, of course, be similarities with the other devolved nations but the specific characteristics of Northern Ireland as far as PSB is concerned must be addressed.

4. Such a model should be robust and sustainable—it needs to be neutral towards the short-term fortunes of UTV and the ITV sector; it needs to be relevant to the opportunities provided by digital media and must therefore enjoy a source (or sources) of sustainable funding similar to that enjoyed by the BBC.

5. This model, to complement the BBC, must be similarly sustainable in terms of funding source(s) but with greater flexibility to more easily accommodate new directions and genres and it must be attuned to the political and social realities of Northern Ireland.

PUBLIC SERVICE PROVISION AND FUNDING BEYOND THE BBC

6. ACNI considers that the BBC should remain the cornerstone of public service content but that it is essential to ensure additional options for audiences. Otherwise, the market beyond the BBC may succumb to the lowest common denominator in terms of programming depending on audience figures, advertising revenues and/or economic exigencies.

7. It is absolutely essential, therefore, that public service provision and funding beyond the BBC continues to form part of any future system. This will ensure the best outcome for audiences in terms of plurality of, choice between, and accessibility to a range of quality and diverse programming. This is also the best way to ensure that the audio-visual creative industries are fostered. Without public service provision and funding beyond the BBC, there is no certainty that the market would deliver plurality for audiences particularly in the genres of news, current affairs, factual and children's programming and news and non-news for the nations.

8. It is important that public service provision and funding beyond the BBC is not confined solely to delivery via the traditional linear TV platform given the increasingly fragmented broadcasting ecology. Alternative methods of delivery of content to audiences should also be encouraged particularly in the light of the possibilities emanating from the Digital Britain interim report and the digital dividend review (DDR).

9. Since Northern Ireland is unique in the UK in sharing a land border with another country, unique circumstances prevail in Northern Ireland whereby additional plurality is generated for local audiences through access to Republic of Ireland PSB broadcasters. With digital switchover (DSO) fast approaching in 2012, it is essential that there is joined-up thinking between the governments and the respective regulators in both jurisdictions to ensure a seamless transition to DSO so that audiences on both sides of the border can continue to access the various channels. This has implications for public service provision and funding in Northern Ireland since it is not inconceivable that UTV could form an alliance with a broadcaster in the Republic of Ireland. It is also possible that the refined competitive funding model could help maintain plurality in Northern Ireland by enabling Republic of Ireland broadcasters to access such funding where they could demonstrate sufficient audience reach within Northern Ireland. There is a precedent for this with a legacy of broadcasters on both sides of the border accessing the Broadcasting Commission of Ireland's Sound and Vision fund and Northern Ireland Screen's funds.

FUNDING MODEL

10. ACNI considers the refined competitive funding model to be the most appropriate model. Such a model could be best placed to deal with the challenges of digital media and the increasingly competitive market. This model would ensure that a mix of public service content is delivered in a transparent manner across a range of providers.

11. The competitive funding model could be administered by a UK-wide independent body which would enable both content delivery providers and the production sector to bid for funding to deliver public service content including TV, radio and digital media content. This national body might be replicated in the nations and regions with localised independent bodies administering the funding. Part of the overall funding should be ring-fenced to ensure delivery of public service content which the market would not otherwise deliver, for example in the areas of news, non-news and indigenous languages content.

12. Both the national and the localised structures could also be established in such a way as to ensure that the production sector throughout the UK is fostered and that portrayal of the nations and regions on the networks becomes the norm rather than the exception.

13. ACNI believes that Channel 4 should have an extended remit to innovate and provide distinctive UK content across platforms. It could compete for funding beyond its existing regulatory assets. ACNI does not consider that a special case for direct funding needs to be made for Channel 4 compared with the other commercial public service broadcasters (PSBs) since it does not have any stronger track record, particularly in Northern Ireland, of delivering public service content. But what is clearly needed is to ensure there is a financially robust alternative provider of public service content alongside the BBC, with possibly Channel 4 at its heart, supported through joint ventures or mergers, with the scale necessary to sustain effective delivery of public purposes across digital media.

14. ACNI believes that it might be possible for ITV1, Five and Teletext to continue to have public service obligations after 2014 were they able to access a competitive fund. The advantage of continuing to impose public service obligations on these broadcasters would ensure that audiences could continue to easily access this content given the established nature of these broadcast outlets and their track record in terms of delivering high quality output.

15. Were ITV1 to have an ongoing role in terms of delivering public service content after 2014, the Channel 3 licensing structure should be simplified to 5 licences for England, Scotland, Wales, Northern Ireland and the Channel Islands. Ofcom's audience research indicates that "Channel 3 has a symbolic value in the devolved nations and is seen to represent national identity in ways which other TV channels do not."

16. The competitive funding model would probably work best if it consisted of a small number of long term contracts to deliver public service content particularly in terms of news. ACNI welcomes Ofcom's proposals—both those in its PSB review and those outlined more recently—for independently funded news consortia. Flexibility could be built into the system so that small short term contracts might also be awarded to encourage new entrants and new voices, where deemed appropriate. Experience of competitive funding models in both Northern Ireland and the Republic of Ireland shows that it works best when an independent body administers the funding through competitive tenders with part-funding from the broadcaster/content delivery provider and when editorial control remains with the broadcaster/content delivery provider. Some ring-fencing may be required to ensure that particular genres of public service broadcasting would be protected.

17. It should be noted that Northern Ireland has the lowest national programming spend in the UK at £3.85 per capita compared to a UK average of £32 (Ofcom Communications Market Report 2007 Nations & Regions (NI)). It is imperative that due cognisance is taken of this spending deficit in the implementation of a competitive funding model.

NATIONS AND REGIONS NEWS

18. ACNI, while understanding the circumstances which led to the reduction in the news quota on UTV to four hours per week hopes that UTV will continue to view the quota as a minimum requirement rather than as a ceiling. ACNI believes that nations and regions news from a variety of sources is essential and that additional funding should be provided to sustain it. The BBC cannot become the sole preserver of nations and regions news. News coverage is particularly critical in the nations considering the paucity of news from the nations on the networks and the varying arrangements in place in the nations under devolution. News for Northern Ireland could be delivered via the kind of independently funded news consortium proposed by Ofcom in the PSB review.

19. While broadcasting is currently a reserved matter for Westminster, the arrangements created under the competitive funding model in the nations should ensure local accountability while also guaranteeing no political interference.

LOCAL CONTENT SERVICES

20. ACNI believes that local content services have an important role to play in ensuring plurality whereby local communities are given a voice in terms of portraying themselves and/or are involved in production of content. ACNI agrees with Ofcom's approach in the digital dividend review, which will enable local content service providers to bid for interleaved spectrum and also potentially through the 'band manager' arrangements, as being a good use of the spectrum. ACNI considers that broadband offers huge potential for delivery of local content services. Appropriate funding for local content could be secured via the competitive funding model with proper cognisance being given to uptake, availability and reach of local service providers. The Digital Britain proposals for a 2mb universal service make the possibilities for this delivery platform very real.

SOURCES OF FUNDING

21. ACNI suggests a combination of sources to ensure the future provision of public service content beyond the BBC. This mix of funding could include top slicing of the licence fee, ring-fencing the digital switchover surplus during the post digital switchover era, industry levies, direct government funding from the national and devolved administrations and tax breaks. All options should be considered at this stage.

22. ACNI wishes to highlight the following funding sources which could be considered to fund the future of television broadcasting.

23. Regulatory assets: ACNI suggests that privileged access to the digital terrestrial television (DTT) spectrum will retain some value for commercial public service broadcasters although in the long term, the value of spectrum benefits is uncertain. Where there is residual value in access to the DTT spectrum, ACNI considers this could be used to support the commercial public service broadcasters during the post digital switchover.

24. Licence fee: ACNI suggests that the digital switchover surplus could be used to part-fund the competitive funding model. Apart from the surplus, ACNI suggests that there may merit in examining the approach used in the Republic of Ireland with the Irish government setting aside 5% of the licence fee per annum to create a competitive funding model. While ACNI understands that top slicing the BBC licence fee may not be an option in the medium term since the current BBC licence fee settlement runs to 2016, ACNI would suggest that this issue might be revisited at that stage.

25. Industry levies: ACNI suggests that industry levies could be used to part fund the competitive funding model which it advocates.

26. Direct government funding: ACNI believes that this is very much a viable option for part-funding the competitive funding model. Funding could emanate from Westminster for the national funding structure and from the devolved administrations for the devolved funding structures. However, ACNI also believes other approaches might be considered, for example tax breaks could provide an additional viable option. Tax breaks are commonplace in the film industry and this approach should be replicated for production of public service content for delivery on TV, radio and digital media platforms.

27. Specifically in relation to funding for Channel 4, ACNI believes that it should retain its existing regulatory assets and be allowed to compete for funding in the competitive funding model; it is essential that the long term funding structure for Channel 4 and its role as an alternative provider of public service content, is secured no later than 2010; otherwise funding uncertainties could have a detrimental impact on its capacity to deliver its existing remit.

QUOTAS

28. ACNI agrees with Ofcom's approach of prioritising prime time regional news on ITV plc by reducing the volume of news during the day. ACNI welcomes Ofcom's decision as a result of the second review of PSB to revise its original proposal for non-news output on UTV from a minimum of one and a half hours per week to a minimum of two hours per week since it believes it is within the capacity of the devolved licensee to retain its commitment at this level. ACNI wishes to emphasise that this quota should be viewed by the licensees as a floor rather than a ceiling in terms of delivery of output. ACNI would suggest that given the relative strength and current viability of UTV, they should be able to fulfil their current commitments to news and other PSB programmes throughout the licence period.

29. ACNI is concerned at the low levels of production from Northern Ireland identified in Ofcom's Communications Market Reports and welcomes moves by the BBC and now Channel 4 to increase production from the nations and looks forward to production from Northern Ireland—and as a result portrayal of Northern Ireland on the UK networks—increasing significantly.

Written evidence from the BBC

PART 1: SUMMARY

1. The following response to the Northern Ireland Affairs Select Committee has been submitted by the BBC Trust on behalf of the whole BBC.

- The BBC Trust chaired by Sir Michael Lyons is the sovereign body of the BBC charged with upholding the independence of the BBC and representing the interests of licence fee payers. The Trust sets the strategic agenda for the BBC and is responsible for the oversight of many of its activities.
- The BBC Executive led by the Director General is responsible for the editorial direction and management of the BBC's services.
- The Audience Council for Northern Ireland (ACNI) provides advice to the Trust on issues of concern to audiences in Northern Ireland. It is chaired by Rotha Johnston, the National Trustee for Northern Ireland. The Trust has drawn extensively on the views of Audience Councils in developing its current agenda and has taken account of the views of the ACNI in this response.

2. The Trust, among other responsibilities, assesses the BBC's performance in providing creative and distinctive content and in delivering the BBC's public purposes. It is committed to ensuring that the BBC serves its audiences both in Northern Ireland and across the UK and that Northern Ireland is adequately represented in its programmes and services. It draws on the advice of the Audience Council for Northern Ireland which actively engages with local audiences to understand how well the BBC is meeting their needs and serving its public purposes.

THE FUTURE OF PUBLIC SERVICE BROADCASTING

3. The Trust has been closely engaged with the Ofcom review of Public Service Broadcasting. In response to direction from the Trust, the Executive has developed partnership proposals to help bring the benefits of the BBC's public investment to the whole public service broadcasting sector. The Trust is now actively engaged with the issues raised in Lord Carter's interim Digital Britain report.

4. The Trust is very aware of issues concerning digital access and digital switchover, and in particular challenges in Northern Ireland with regard to phasing with the Republic of Ireland's switchover scheme. Digital access and changing consumption patterns are reflected in the audience priorities identified by the Audience Council and approved by the Trust for its work plan this year.

REPRESENTING NATIONS, REGIONS AND COMMUNITIES

5. A major priority for the BBC Trust since its creation in 2007 has been to encourage the BBC Executive to find effective responses to the changing constitutional map of the UK reflecting devolution in Wales, Scotland and Northern Ireland. Among the public purposes bestowed on the BBC by its Royal Charter is the responsibility for 'representing the UK, its nations, regions and communities'.

6. In the Trust's first two years it has launched a number of significant initiatives to ensure that the BBC continues to respond effectively in this important area.

7. The Nations Impartiality Review assessed whether the BBC's network news and current affairs output "was impartial, accurate and clear as to which facts and views applied to the individual nations and to consider if the nations' policies were properly reflected and explained". This led to a number of recommendations and the Trust—working with the Audience Councils—is currently monitoring the progress of the Executive action plan.

8. Another key area for the Trust is the belief that the BBC should make significantly more content outside London than it does now, and should base a significantly higher proportion of staff outside London. In May 2008 the Trust approved Executive plans to increase the value of network television production from the Nations from 6 % in 2007 to 17 % by 2016 with an interim target of 12 % by 2012. The Trust has made it clear that the 17% target for the nations is a floor not a ceiling.

9. The BBC's more detailed response to the inquiry on television in Northern Ireland is set out in Part 2. The response takes account of the views of both the BBC Executive and the Audience Council for Northern Ireland.

PART 2: DETAILED RESPONSE

ROLE OF PUBLIC SERVICE BROADCASTING

10. The BBC's mission is to enrich people's lives with programmes that inform, educate and entertain. BBC network services include eight television channels and ten radio stations. The BBC additionally provides over forty local radio stations in England and national television and radio services for audiences in Scotland, Wales and Northern Ireland. This output is complemented by an extensive website (which combines UK-wide and region-specific content) and developing interactive services. It is funded through licence fee income from UK households (£142.50 for a colour licence in 09/10—equivalent to c39p/day) and monies generated through the commercial activities of BBC Worldwide.

11. The BBC aims to provide something of value for everyone in the community based on the BBC's Charter remit and its six Public Purposes, which are set out below:

- Sustaining citizenship and civil society
- Promoting education and learning
- Stimulating creativity and cultural excellence
- Representing the UK, its nations, regions and communities
- Bringing the UK to the world and the world to the UK
- In promoting its other purposes, helping to deliver the benefits of emerging communications technologies and services

12. BBC Northern Ireland's (BBCNI) role is to reflect all aspects of life in Northern Ireland through a range of programmes and services for local and network audiences and consistent with the BBC's Public Purposes and relevant Service Licence commitments.¹ Its output combines programmes with both specialist and mainstream appeal (from ATL to Blueprint and Our Wee World) and extends across radio, television and online. The nature and style of this programming has developed over time, reflecting changes in technology, wider society and audience needs. It has also benefitted from significant BBC investment.

13. This has facilitated growth in the scale and volume of local programming on radio and television and the BBC has made a strong commitment to increase the percentage of network production from Northern Ireland. All of this remains work in progress and is carried forward within the context of structural, regulatory and other developments affecting broadcasters and the audiences they serve. It is also informed by a close and continuing dialogue with local licence fee payers. This involves regular feedback, public meetings and extensive research. Such work assists our understanding of what people think about BBC services and helps us to keep pace with changing patterns of audience consumption and behaviour.

14. The challenges facing Public Sector Broadcasting (PSB) and the media industry more generally have been well-documented in recent reviews including Ofcom's PSB review and the Government's Digital Britain interim report.² BBCNI has the security of Licence Fee income, but is not immune from some of these challenges. However, despite the financial constraints affecting its work (BBCNI will make 18% efficiency savings over the 5yr period to 2012/13), the BBC as a whole remains well-placed to assist the maintenance of PSB plurality and the transition to a fully digital UK. It is committed to achieving these objectives through a series of enabling partnerships and more collaborative working with other organisations.³

15. Subject to approval from the Trust, these will include the sharing of technology, such as the iPlayer, and developing a common standard for IPTV. The BBC is also undertaking joint work with commercial radio, television and local newspapers, and new initiatives with libraries and educational bodies. Such activities will unlock the value of existing public investment in the BBC without compromising its reach, scale or long-term viability. All of these ambitions are informed by the principles which have underpinned the development and durability of BBC services over several generations. These include the availability of content free at point of use, universality of provision for the whole UK, high quality, open standards, value for money and audience empowerment.⁴

16. BBCNI's mixed genre service includes a significant volume of locally produced/relevant television programming (estimated at 668hrs in 08/09). Its scheduling is matched against audience need and availability and routinely attracts large audiences. A key objective is to provide distinctive, high quality output which both reflects, and engages with, local society in all its changing diversity. This includes coverage of major sporting events, documentaries, entertainment and comedy programming. Much of BBCNI's non-news television output is produced by the independent production sector (35% in 08/09)—underscoring the BBC's contribution to the wider creative industries in Northern Ireland. Minority language programmes (which form part of a new development strategy) are carried on BBC2. An increasing percentage of locally-produced output is now also available as part of the BBC iPlayer service.

17. BBCNI provides two radio services for audiences in Northern Ireland—BBC Radio Ulster and Radio Foyle. These stations deliver speech-based content across a range of genres, including news, factual, the arts and entertainment and enjoy popular appeal (with an audience share of over 24% of all radio listening in Northern Ireland in Q4/08). Listener involvement and interaction are defining characteristics of their output—whether through phone-in programmes, storytelling slots or outside broadcast activities.

18. This connection with local people and events is also assisted by BBCNI's network of area-based reporters. Both stations additionally provide a showcase for performers, writers and production talent. They offer a forum for encounter and (sometimes impassioned) debate and seek to describe and explain the many different issues affecting local communities. Music-making in all its forms is also an important part of Radio Ulster/Foyle's output and includes regular concerts by the Ulster Orchestra—reflecting the BBC's unique financial and broadcast commitment to creative excellence in classical music.

19. BBCNI has a developing online service and capability. It provides access to dedicated news and programme related material and also includes locally relevant learning resources. Whilst news content drives most BBCNI website usage (with significant surges in activity coinciding with political and related developments), historical and cultural themes also resonate strongly for BBC audiences in Northern Ireland.

20. It is expected that multi-platform commissions and the web-streaming of BBCNI radio and television programmes will continue to drive online traffic and encourage broadband uptake more generally. BBC-led proposals for the creation of an internet-based television service, working in partnership with other broadcasters, are also expected to increase levels of online consumption.

21. BBCNI has been working to develop the scale, impact and sustainability of local network production activity. New and stretching targets have been set by the BBC Trust in this area. These will facilitate a growth in locally-based network television production to c3% of the UK total by 2016 and will include comedy, drama, entertainment and factual programming. Network current affairs production will also increase. The economic and cultural benefits which will flow from this development are significant.

22. Much of this activity will be driven by the independent sector. It will be facilitated by new BBC commissioning processes and work is currently underway to strengthen local network production capabilities and to explore how commissions from Northern Ireland can better reflect the lifestyles and experiences of local communities to UK-wide audiences. All of these developments form part of a strategic commitment to the creation of a “more networked BBC” built around “centres of creative production expertise linking every part of the country”.⁵

23. Partnerships are an important feature of the BBC’s work in Northern Ireland. These include commissions with other broadcasters (including RTE and TG4); collaborative projects on a pan-nations basis within the BBC; joint work with local museums, libraries and community organisations on a range of archive and media literacy initiatives; broadcast partnerships with local sports bodies; developing links with Queen’s University, Belfast (building on the success of BBCNI’s Writer in Residence); and work with a range of educational bodies. Extending and deepening these links will be a key priority for the coming period—reflecting wider BBC ambitions and the enabling effect which our involvement can have in creating public value beyond broadcasting.

DIGITAL SWITCHOVER

24. Digital switchover will provide important benefits for viewers in Northern Ireland, including access to additional channels and services and the more widespread availability of Digital Terrestrial Television (DTT). Its effective implementation (in both technical/logistical and audience terms) will require close co-operation on an inter-agency and cross-border basis—reflecting issues linked to the phasing of switchover in the Republic of Ireland and the distinctive characteristics of our local broadcasting environment.

25. BBCNI is committed to playing an active role in this process. It is expected that Digital UK will co-ordinate much of the support activity for consumers on the practicalities of switchover, with accompanying programme endorsement from the BBC and other broadcasters.

26. The BBC has additionally been charged with responsibility for a Help Scheme to assist the most vulnerable people in negotiating the switch to digital television. BBC work in this area reflects its role in making new technologies available to “all audiences no matter who they are or where they live” and its contribution to the creation of a fully connected digital society. Recent investments in Digital Audio Broadcasting (DAB) at local level (the BBC’s national multiplex is now available to c90% of listeners in Northern Ireland) are an important part of this commitment. The BBC has also offered to play a lead role in the further roll out of DAB and in developing a new standard for IP radio.

27. The growth and audience appeal of this platform beyond BBC services however, may require some level of regulatory intervention in addition to the contribution which the BBC can make to its development, working in association with others. Progress towards FM equivalence for this platform has financial and spectrum management implications and these will also need to take account of cross-border considerations.⁶

NEWS, CURRENT AFFAIRS AND OTHER PROGRAMMING

28. News and current affairs is a core element of BBCNI’s service offering across all platforms. Such output attracts large and appreciative audiences (with BBC Newsline’s combined weekday bulletins securing an average weekly reach of 47% and some of the highest audience appreciation scores across regional news in 2008). Our programming seeks to report and analyse developments affecting local audiences, making use of region-wide newsgathering capabilities and specialist correspondents.

29. It also includes dedicated coverage of proceedings at Stormont and Westminster on BBCNI television and radio. Such output is complemented by long-running, and consistently popular, programme strands on political themes, including Hearts and Minds and Inside Politics. It will be further enhanced with the launch of the BBC’s Democracy Live initiative which will allow for the web-streaming of Northern Ireland Assembly debates and enhanced coverage of the UK’s other legislatures.

30. All of this programming contributes to the healthiness of local democracy. It facilitates the free and effective flow of information and the scrutiny of decision-making. Proposals are currently under consideration which will further develop the reach and localness of BBCNI’s news coverage and strengthen its journalism. These developments will be accompanied by the consolidation of locally-produced network current affairs output and work to secure improvements in BBC network news coverage of local stories.

31. New commitments in this area reflect some of the shortcomings identified in a recent BBC Trust report by Professor Anthony King.⁷ Early and significant progress has already been made in addressing these deficiencies and a key priority will be to maintain and build upon these gains over the coming period.

32. Securing the plurality of news provision in addition to that provided by the BBC is an important democratic safeguard. We have been working to explore how the BBC's infrastructure might be used to facilitate this objective whilst avoiding any adverse or limiting effect on editorial plurality and audience choice. The basic elements of this partnership approach (which may also have wider application) were detailed in a Memorandum of Understanding between the BBC and ITV regarding regional news provision in England and Wales.⁸

33. Discussions about the arrangements which may be required to address potential PSB news deficits in Northern Ireland are at a different stage of development—reflecting UTV's assessment of its ability to maintain its television news programming in the short-medium term and the issues which it has identified around resource-sharing with the BBC.⁹ We recognise that the future of PSB news provision at national and regional level is part of a wider (and still fluid) debate. BBCNI is committed to playing an active role in these discussions and to working with others to secure a cost-effective and sustainable outcome for local audiences.

ROLE OF BROADCASTING IN A DEVOLVED NATION

34. BBCNI's work has been likened to that of both a mirror and window—providing a means by which local communities can see themselves and each other and a window through which their lives and concerns can be seen and shared by others.¹⁰ BBC audiences in Northern Ireland recognise the interconnectedness and importance of these two roles. BBCNI's local programming is comprehensive and diverse. It mixes localness with regional reach and appeal and has the capacity to bring the whole community together in its coverage of landmark events or themes.

35. Commissions for local television and radio additionally provide a fundamental and sustaining basis for the independent production sector. The growth of network output should help to secure its viability and provide important benefits for BBC audiences, reflecting the significance which they attach to cultural representation.

36. BBCNI investment in high-quality original programming is at the core of its Charter role and will remain critically important in the digital age. Securing its place and building on established strengths in a fast-changing environment will require flexibility and innovation. Government's recognition of the BBC as "the cornerstone of our audio-visual public services"¹¹ is welcome in this context and should provide the basis on which longer-term plans can be made for the benefit of all UK audiences.

37. Local priorities will include: work to manage the complexities of digital switchover, and taking account of cross-border issues and lower than average uptake of digital services in Northern Ireland; media literacy and the development of new broadcast and community partnerships which are predicated not on transferring value, but on creating it; work to better reflect local society in all its different aspects and in ways which make use of new technologies and community participation; and maintaining the breadth, editorial ambition and appeal of our service offering.

May 2009

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Further written evidence from Northern Ireland Screen

DIGITAL BRITAIN

Lord Carter's *Digital Britain* Report has been published since Northern Ireland Screen's submission to your Inquiry into Television Broadcasting in Northern Ireland.

The *Digital Britain* Report offers an ambitious template for the development of the digital economy across most of the UK but it is a significant disappointment from a Northern Ireland perspective.

The report is largely silent on the long standing discrepancy in economic and cultural value delivered to the devolved nations of the UK and in particular Northern Ireland. This was a considerable disappointment.

However, worse than that, where Lord Carter does focus his attention—on the need for plurality of provision of regional news—Northern Ireland is not prioritised. While Scotland, Wales and a region of England will each see publicly funded news pilots starting next year, Northern Ireland will have to wait until 2012 before entering this new structure.

The argument is that UTV is stronger than STV or ITV Wales but in the opinion of Northern Ireland Screen this is completely irrelevant. Northern Ireland cannot afford to lag two years behind other regions of the UK in embracing the digital revolution. And it certainly can't afford to lose out again on the economic value of a UK PSB intervention.

Even more importantly, the report includes another equally disappointing recommendation in relation to the BBC. While the report urges the BBC Trust to accelerate its production quota in relation to Scotland to deliver by 2012. Its recommendation is that the targets for Wales and Northern Ireland should remain pinned to 2016.

Put together, these two recommendations amount to a twin speed approach with Northern Ireland very much resigned to the slow lane.

The report also does nothing to legislate for the Irish Language Broadcasting Fund as recommended in OFCOM's PSB Review.

Might I urge you to raise these concerns with DCMS? In that regard, I would emphasise that broadcasting remains a reserved matter making the Northern Ireland Select Committee a particularly relevant forum.

Rick Hill
 Chairman

29 June 2009

Further written evidence from Northern Ireland Screen

INTRODUCTION

The Digital Britain White Paper is extremely disappointing in the extent to which it addresses the issues around Public Service Broadcasting in Northern Ireland.

OFCOM and the BBC Trust repeatedly capture clear evidence that Northern Ireland is the least well-served Nation of the UK in the following three core areas of Public Service Broadcasting:

- Network production reflecting and portraying Northern Ireland
- Network production produced in Northern Ireland
- Indigenous language provision

In Scotland and Wales these 3 areas of Public Service Broadcasting amount to substantial economic activity and critical cultural expression.

It is therefore a rather bitter irony from a Northern Ireland perspective that Digital Britain has declared plurality of news provision the only essential area for further public intervention.

It is an unintended consequence of the Digital Britain proposals that Northern Ireland, the Nation receiving the least value from PSB, is excluded from the government's proposed immediate intervention; that is, Independently Funded News Consortia pilots.

Northern Ireland Screen submits that at this key time in the development of a devolved United Kingdom, Northern Ireland cannot be left so poorly served by the proposed changes to the PSB framework. Nor can its position as the receiver of least PSB value in the UK be exacerbated by a further intervention to which it is excluded.

PROPOSALS

Digital Britain has taken the importance of plurality as its touchstone. Its proposals are based on an assessment of which public service content genres must be delivered from more than one source. Digital Britain's answer to this question is that news provision is the only form of public service content that must be delivered from more than one source.

This argument has an internal logic but from a Northern Ireland perspective its relevance is very distant. Before plural sources become a priority, a stable single source must be a priority. Northern Ireland does not have a stable single source of a number of key elements of Public Service Broadcasting; that is, network production, network portrayal and indigenous language provision.

This is why Northern Ireland Screen strongly supported OFCOM's proposal that contestable funding addressing the specific needs of the given Nation should be considered.

It is very disappointing that OFCOM's conclusion that a "one size fits all" approach to PSB provision in the Nations should be avoided has gone unheeded. It is the "one size fits all" approach that has created the anomaly that Northern Ireland, least well served by PSB at present, should not have the benefit of an Independently Funded News Consortia pilot.

Northern Ireland Screen's view is that Northern Ireland, above any other region of the UK, cannot afford to do without this early public cash injection into our digital future. Digital Britain argues that UTV is stronger than STV or ITV Wales but in the opinion of Northern Ireland Screen this is irrelevant. Northern Ireland cannot afford to lag 2 years behind other regions of the UK in embracing the digital revolution. And it certainly cannot afford to lose out again on the economic value of a UK PSB intervention.

Northern Ireland Screen would not have prioritised news provision as the single type of programming requiring support and would have preferred to see a broader based contestable fund supporting a range of programming.

However, news provision is what has been prioritized in Digital Britain and within that context it is Northern Ireland Screen's view that Northern Ireland cannot afford to be behind other parts of the UK in embracing new business models for the digital age.

If the slots are not available on UTV to underpin the new Independently-Funded News Consortia, then it is Northern Ireland Screen's view that the fund should be broader based supporting a wider range of programmes.

FUNDING

Northern Ireland Screen supports the use of License Fee revenue to fund Public Service Content beyond the BBC, provided that a suitable mechanism is found for Northern Ireland to benefit equally with the other Nations from this redistribution of funds at the earliest possible moment.

We agree that a maximum percentage of the License Fee should be set as the contained contestable element but would propose that stronger obligations should be placed on the BBC to deliver its PSB commitments to the Nations, and to Northern Ireland in particular.

The Digital Britain White Paper's proposals for the PSB framework are entirely predicated on the BBC acting as its cornerstone. Accordingly, from a Northern Ireland perspective it is imperative that the BBC's devolved production targets for the Nations are met at the earliest opportunity. 2012 remains a perfectly reasonable completion date and it is only BBC internal considerations that stand in the way of delivering this increase in production from Northern Ireland by 2012.

CONCLUSION

It is untenable that Northern Ireland, well documented as receiving the least value from the UK's PSB framework in a number of the core PSB areas, should be locked out from the proposed new contestable elements of funding presently earmarked for Independent News Consortia Pilots.

The nature of the contestable funding pilot for Northern Ireland should be developed with specific reference to the needs of Northern Ireland. Neither availability of slots on UTV, or the perceived short-term viability of UTV's broadcasting operation should be presented as reasons for denying Northern Ireland a PSB pilot.

October 2009

Written evidence from Below the Radar Ltd. (Belfast). Ten Alps Plc and the Belfast Telegraph

We write in relation to your examination of television broadcasting in Northern Ireland. We applaud the committee for enquiring into the industry at this critical moment. The media is entering a period of unprecedented change which will have profound implications for the viewing public, and which will determine the quality of the national conversation in the future. It is heartening that you are taking due cognisance of this.

We appreciate that your remit is wide and you have taken evidence from a variety of interested parties. We believe you will explore all perspectives equally so as to get a complete and rounded picture of what is a complex and nuanced subject. Both the Ten Alps-owned Below The Radar and the Belfast Telegraph have a serious interest in the future of news and current affairs plurality in Northern Ireland. We formed a partnership following the proposals contained in both PSB II and Digital Britain on Independently Funded News Consortia.

We believe that the public interest will be met in news and current affairs when there is a fully competitive commercial market in Northern Ireland. We do not believe that the status quo is in the public interest long term, as it has been widely accepted—including by the Digital Britain report—that the current ITV business model for regional news is challenged.

On the following pages we set out our position on how we can play a key part in the future delivery of news and current affairs in Northern Ireland. We very much hope you will be able to take our views into consideration.

(1) Only one party other than the Channel 3 incumbent UTV has made public any intention to bid for any public funding available for news content provision on Channel3 in Northern Ireland—the Ten Alps/Below the Radar/Belfast Telegraph consortium.

The omission of this consortium from invitation to speak at the Select Committee on November 4 could therefore risk creating a visible lack of completeness in the enquiry regarding independent news consortia.

Therefore we respectfully request that that decision be reconsidered, and that our written submission be taken into account.

(2) Our consortium is composed of Below the Radar, an indigenous Northern Ireland producer of current affairs TV programming; Ten Alps Plc, a stock-market listed UK media company and successful producer of current affairs and online T V which acquired Below the Radar in early 2009; and the Belfast Telegraph, Northern Ireland's leading daily newspaper, which has a network of over 80 journalists.

(3) The background to our thinking is a response to the specific issues posed by the Digital Britain report:

(a) *Plurality in news provision in the digital age*: We believe that the public interest will only be fully met in news and current affairs provision when there is a competitive commercial market in Northern Ireland. We contend that economically the status quo may not be sustainable in the public interest in the long term in light of the fast-evolving digital economy, since it has been widely stated (for instance in Digital Britain) that the current ITV business model for regional news is significantly challenged.

(b) *Importance of news provision in the nations and regions*: When launching Digital Britain, Lord Carter stated: "It struck me from the very beginning that many of the issues are written much more strongly further away you get from London." He went on to outline the issues as "access, participation, news and plurality." Lord Carter and Ofcom identified news and current affairs provision as a government priority, and we argue that this priority should extend to plurality in Northern Ireland.

(c) Digital Britain's call for new alliances between TV producers and local press: Digital Britain called for the media industry to realign, and suggested that public money could be best spent if broadcasters, production companies and newspapers came together to provide a sustainable, viable local news and current affairs service. Ten Alps Plc was the first organisation to suggest a specific model for this in Northern Ireland, and has already established relationships with local and daily newspapers in Northern Ireland including the Belfast Telegraph, a news organisation with a 130-year history of strong and durable credentials in the Northern Ireland news landscape.

(4) The specific reasons we are interested in the opportunity to provide news and current affairs coverage online and on Channel 3 in Northern Ireland are:

(a) Innovative business model suited to challenging time from years 2010–2025. We believe we have interesting and exciting new editorial models for news provision, to deal with any long term decline in channel 3 advertising revenues that can sustain local news, and to utilise the massive opportunities created by the internet. We aim to provide decentralised, high quality, responsive, local, 24 hour news, integrated with the local press. Such a model preserves quality journalism across all media and across all Northern Ireland's localities, while providing a comprehensive round-up news at a fraction of the cost of the existing media set-up. Our industry will have to adjust to much-reduced budgets in the future.

(b) Plurality as a desirable asset to a state in economic theory. We believe any market including news provision on TV in Northern Ireland, will benefit from plurality and a new and serious player. The presence of competition drives up quality for the consumer—in this case the viewer. We believe it is tough in general for any party to argue that the public interest is best served by a commercial monopoly.

(c) Editorial strength in current affairs TV and local news. We contend that as the Ten Alps group and the Belfast Telegraph we have the editorial credentials to make a serious contribution.

(d) Good business. We are aware that there could be an interesting and legitimate commercial opportunity.

(5) As a general principle, we wish to make clear that to be in favour of plurality is not to be against UTV, or to make any value judgement on the undoubtedly very substantial editorial and commercial achievements of UTV over a 50 year period. It is in the nature of the situation that by proposing plurality in the market, one is obliged to compete with the incumbent, which we seek to do in a fair, open, mature and balanced tender process,

(6) UTV describes in its press release of October 27th the idea of independent producers working “in partnership” with UTV to win UK network TV commissions. We understand the good intention of the thinking on this, because the goal would be to further the cause of independent production from Northern Ireland and ensure diversity on-screen—a goal we share and are actively engaged in.

However we argue that such a mechanism should not be subsequently identified as a tender requirement in the allocation of public funds. At that point UTV could be a competitor bidding for the funding, whilst a condition of success was to work with UTV.

That, in the view of our consortium, could on the face of it produce a confusing tender process, since UTV would be on both sides of the equation. As the incumbent, UTV's position ought to be clarified either as bidder, or as an obligatory partner for the winning bidder, but not both.

We make no suggestion that UTV itself has sought to create such confusion in any future process.

(7) UTV identifies in its press release of October 27th, 2009 that it is in favour of a current affairs service, partly funded from public money. We would be keen to bid for such a contract in a fair and open process. There should be no need to appoint any intermediate administrator or commissioner (including UTV) to sit between the public funding and the company commissioned to produce the programming. Either a company is considered editorially capable of producing credible content, or it is not: there is no half way house where an intermediary is required.

(8) Should the DCMS opt for a News-based service, we would be keen to bid for that service as well, again in an open and transparent tender process. We believe that since news was the identified priority of Digital Britain, news is what the public purse should prioritise in Northern Ireland.

(9) UTV identifies in its press release of October 27th, 2009 its ability to help independent producers sell UK network programming, Ten Alps PLC, owner of Below the Radar, has a similarly strong profile in high-profile UK network factual programming provision—for instance for Dispatches, Panorama, BBC1, BBC2, Channel4, Sky, BSKYB, Discovery and other channels in Europe and America. Ten Alps' Belfast subsidiary Below the Radar does not therefore view association with UTV as required enhancement for its offer as an independent producer from Belfast.

Moreover should the ability to help independent producers win UK network programming be identified as a key requirement of any future procurement process, then Ten Alps Plc would bid on that basis, as a standalone offer, willing to help other Northern Ireland indies bid for network slots. Based on its track record of UK network and international programme sales, Ten Alps would be able to make a strong case as a partner to indies to the UK networks such as Channel 4, Five, BBC and Sky.

(10) There is general agreement that the desirable goal is to grow the Northern Irish independent production sector. So for the benefit of transparency, any future allocation of public funds should set clear tests for the designation of what is actually meant by Northern Ireland independent production, as regional designation has actually become quite a challenging area across the UK. Any programmes claimed as current Northern Irish independent productions as part of any tender submission by any party under this process should be subject to benchmarking against clear criteria to evaluate their Northern Ireland production and ownership components.

(11) We believe that through a properly administered public fund, indigenous language programmes, whether in Ulster Scots or Irish, could serve the public interest in these languages. This would be a clear priority of our consortium.

30 October 2009

Written evidence from Independent News and Media

I write in support of a submission made by Mr Trevor Birney on behalf of the Belfast Telegraph group and Ten Alps plc regarding the future of TV news and current affairs broadcasting in Northern Ireland.

The purpose of my writing to your committee in particular is to press the case for public funding to invigorate, and indeed safeguard the future of, television news and current affairs provision on Channel3 in Northern Ireland.

In particular, I would appeal for your support for a pilot IFNC programme for Northern Ireland, which I believe would go a long way to meeting these objectives, as well as addressing growing difficulties in the regional newspaper industry and a subsequent threat to the coverage of Northern Ireland's spectrum of hard-won democratic institutions.

There are a range of reasons why the Belfast Telegraph and TenAlps feels the time has come for a change to the way regional news and current affairs are provided on Channel3 and I would like to comment on some of these.

The provisional decision to rule Northern Ireland out of a pilot programme but grant one in Scotland, Wales and one English region is one we believe is incorrect and we are attempting to elicit a change of heart by DCMS in London. We feel firstly that Northern Ireland would be disadvantaged if Digital Britain was in some way salami-sliced and not fully implemented in the same way as in other UK regions.

The question of insightful and innovative current affairs coverage in Northern Ireland is also a question that should be fully considered. Indeed Stormont's Culture, Arts and Leisure Minister Nelson McCausland has recommended that Northern Ireland should have a current affairs pilot IFNC and this is a policy recommendation that the Belfast Telegraph group and Ten Alps applaud.

A key aspect of Digital Britain and the debate it unleashed is whether existing ITV licence holders have an unfair advantage when it comes to tendering for new licences simply by dint of being the actual incumbent. Many people believe IFNCs will level the playing field during the run-up to the 2014 ITV licence round (as everyone knows, UTV has held the licence here since 1959).

There is also the question of the future of Channel3 regional news coverage given the current turmoil in ITV. Should ITV go through with a previously-aired suggestion to hand back its licence and move on to the satellite platform, for example, then the existence of a IFNC or other strong television news provider in Northern Ireland would add a strong layer of protection to the provision of Channel 3 news and current affairs for the Province at a key time in our democratic development.

The question of innovation is also a key. All over the world, the linear "appointment-to-view" TV news habit is being broken down by the Internet. Whilst Channel3 regional news figures for the Province currently remain healthy, the time for innovative new ways of delivering news to people at a time and platform of their choosing is fast approaching. The establishment of the ecology for this process needs to begin now—and it needs to include a range of methods for decentralising news and current affairs provision outside of Belfast. Moreover, challenging new ways to cover local government and Stormont need to be developed. The Belfast Telegraph and TenAlps are formulating truly innovative plans to reflect what is happening on the ground in communities across Northern Ireland.

I do hope you see merit in our case that change is needed in the provision of news and current affairs in Northern Ireland. I refer you to our joint submission for further detail.

30 October 2009

Written evidence from the Department for Culture Media and Sport

DCMS welcomes the opportunity to contribute to the Committee's inquiry into broadcasting in Northern Ireland. This memorandum is structured so as to address the four strands of the inquiry's terms of reference.

ROLE OF PUBLIC SERVICE BROADCASTING

The role of public service broadcasting (PSB) in the UK is based on the benefits it brings to society. These include the effective functioning of democracy and the role PSB can play in informing, educating and entertaining. At present, PSB status applies to all of the BBC's UK Public Service channels, the principal channels of the Channel 3 licence holders (ITV1, stv, UTV etc), Channel 4 and Five.

The requirements of public service television broadcasting are set out in the Communications Act 2003 and include a specific reference to ensuring that services include what appears to Ofcom to be a sufficient quantity of programmes that reflect the lives and concerns of different communities and cultural interests and traditions within the United Kingdom, and locally in different parts of the United Kingdom. The Communications Act requirements were complemented by Ofcom's 2004 review of public service broadcasting, which concluded that public service broadcasting should—

- Inform our understanding of the world;
- Stimulate knowledge and learning;
- Reflect UK cultural identity; and
- Represent diversity and alternative viewpoints

Ofcom also suggested that public service programmes should have distinctive characteristics, in that they should be—

- high quality—well funded and well produced;
- original—new content, rather than repeats or acquisitions;
- innovative—breaking new ideas or reinventing exciting approaches, rather than copying old ones;
- challenging—making viewers think;
- engaging—remaining accessible and enjoyed by viewers; and
- widely available—if content is publicly funded, a large majority of citizens need to be given the chance to watch it.

THE PLACE OF BROADCASTING IN A DEVOLVED NATION

The Government recognises the importance of broadcasting in the devolved Nations and the different circumstances that apply and agrees with Ofcom's conclusion in its second PSB review (published January 2009) that:

“The new politics which devolution has brought about require a vibrant, widely accessed media to report and sustain them. They also require a multiplicity of voices. Ofcom recognises the heightened role of public service content in the devolved nations and the need to sustain choice of providers for citizens and their new democratic institutions.”

Ofcom's research that underpinned that conclusion found that:

- Programming in indigenous languages, is valued among people in the devolved nations. In Northern Ireland, 29% of people think provision of Irish language programming is important. 20% think provision of Ulster Scots programming important.
- News is the main priority in the Nations; and news is the genre in which plurality is most important to audiences in the devolved nations.
- In Northern Ireland the news service UTV was cited by 56% of respondents as their main source of news while 15% mentioned BBC One.

BBC obligations

The BBC's obligations on regional broadcasting are set out in its Charter and Agreement:

- the BBC's Public Purpose to represent the UK, its nations, regions and communities. The BBC is accountable to the BBC Trust for its performance in promoting this and the other Public Purposes;
- the requirement for the BBC to meet quotas set by the Trust in conjunction with Ofcom on regional broadcasting.

In promoting the above Public Purpose, the BBC must:

- reflect and strengthen cultural identities through content at local, regional and national level, on occasion bringing audiences together for shared experiences;
- promote awareness of different cultures and alternative viewpoints, through content that reflects the lives of different people and different communities within the UK.

To ensure that the views of the nations are reflected in its work, dedicated members are appointed to the BBC Trust to represent each of the four nations in the UK. Furthermore, there is a BBC Audience Council for each of the four nations, which feed their views into the work of the Trust.

TG4

TG4 is the Irish language television channel based in Republic of Ireland. It is carried on digital satellite to BSkyB customers in the Republic and in Northern Ireland and also transmits on the analogue terrestrial platform from a local mast on Divis near Belfast. The Arrangements at Divis was put in place to comply with the requirements of the Belfast Agreement. The Government is committed to ensuring that the Irish language television channel, TG4, continues to be carried in Northern Ireland after the digital switchover.

THE CHALLENGES OF DIGITAL SWITCHOVER

The Digital Switchover programme began in the Border TV region on 20 November 2008 and will complete on a region-by-region by the end of 2012, and involve 26.7m UK households. The Limavady, Brougher Mountain and Divis transmitter groups in the Ulster TV region cover c.650,000 households and will switch in the fourth quarter of 2012.

The Government and the BBC established the Switchover Help Scheme to provide practical help to those who may have the most difficulty in switching to digital television. The Help Scheme covers people who are disabled, aged 75 or over or blind and partially sighted or resident in a care home. The BBC has contracted with eaga plc to run the Scheme. The current estimate is that c.245,000 people in Northern Ireland will be eligible for the scheme.

Progress to date

Digital Switchover is proceeding on schedule and as of 14 October 2009, 5.6% (1.5) UK homes had completed the switch to digital TV.

Nationally 90% of UK homes now have digital TV. In August 2009, awareness of switchover stood at 90% nationally and at 76% in Northern Ireland.

As at 24 September, the Help Scheme had mailed more than 2 million eligible people and completed over 137,000 installations.

Cross border issues

As set out above, there is a commitment in the Belfast (Good Friday) Agreement to the broadcasting of TG4, a Republic of Ireland-produced Irish Language service, in Northern Ireland. The TG4 service will be upgraded to digital at Switchover in 2012.

There are potential concerns that in areas close to the border transmission signals from one jurisdiction will interfere with equipment (TVs and set-top boxes) designed for use in the other jurisdiction. There are continuing discussions of these issues between the UK and Irish authorities and both countries have made test signals available to enable the likely effects on equipment to be assessed. The discussions to date have been productive and we are optimistic that technical solutions can be found that will address any problems that might emerge.

THE IMPORTANCE OF LOCAL PROGRAMMING ON NEWS, CURRENT AFFAIRS AND OTHERS

One of the key themes of the Digital Britain White Paper, which the Government published in June, is how to sustain and strengthen plurality of public service content, in particular for news in the nations, locally and in the regions. The Government is committed to finding the right solution for the provision of pluralistic public service content provision.

The White Paper covers issues which will impact on the future development of the digital economy across the United Kingdom. The importance of the White Paper in this regard has been recognised across the UK and has generated considerable interest and debate. The Government remains committed to a strong public service content provision.

Plurality is important for a number of reasons. It helps ensure a range of views are expressed, especially in news and current affairs. It also provides competition which helps drive innovation and investment in new and challenging formats and programmes.

However, there is a broad consensus that the current model of public service broadcasting for commercially-funded broadcasters is under considerable strain as a result of the growth of multi-channel television, the loss of TV advertising revenue and the growth of on-line advertising allied to a substantial expansion of internet take-up and online content.

The Government has decided therefore to secure the plural provision of regional news by introducing IFNC's. IFNC's have the scope to provide enhanced localness and will be a multiplatform offering, also delivered on the existing Channel 3 schedule which has current reach and impact.

As a first step the Government announced in the Digital Britain White paper its intention to pilot this innovative approach in Scotland, Wales and one English region. There have been several calls to extend the pilots to other areas of the UK and the Government is of course aware of the concerns raised by stakeholders in Northern Ireland. However, the Government needs to consider affordability and those areas where the Channel 3 model appears most vulnerable. The lessons learned in the pilots will inform the way that IFNCs are rolled out more generally.

During the summer, the Government consulted on long term funding sources for IFNCs beyond the pilot phase. That consultation is now closed, responses are being analysed and Government will set out its views shortly.

October 2009

Further written evidence from UTV

May I take this opportunity to formally thank you and the Committee for your Inquiry into Television Broadcasting in Northern Ireland.

I appreciated the time you took to hear our evidence, as this is a vitally important issue for the plurality of quality news coverage and also the public scrutiny of the devolved institutions.

As I indicated to you at the end of the second session, UTV is now submitting its response to some of the comments made in the later session. I do hope this is acceptable, but some points made do have to be addressed as we believe some inaccuracies were aired.

1. The Independently Funded News Consortia pilots (IFNC) were designed to offer alternative local news to the BBC within a region where the news on Channel 3 is at risk.

We believe strongly that Northern Ireland does not require an IFNC. UTV is fully committed to our news service until the end of our licence in 2014. We obviously cannot make any commitments beyond that as we do not know what licence conditions will be in place at renewal.

An IFNC pilot in Northern Ireland would mean public money would be unnecessarily spent at a time when fiscal caution is required across the whole range of public spending. We would estimate that a fully digital IFNC trial with community media could cost as much as £10M for Northern Ireland alone.

Perhaps most seriously as we understand it, the IFNC would not run alongside UTV, it would be instead of UTV's news service. Undoubtedly jobs and skills would be lost which would never be recoverable. It seems illogical, to break a model that is working very well, when the proposed model is untried.

UTV is not against these proposals in other parts of the UK, but a trial is simply not required in Northern Ireland.

Ofcom's very positive words about UTV's news service I hope underline that this view is not just held by UTV.

2. There is a suggestion that ITV plc may hand back its PSB licenses and become a fully commercial broadcaster. This is an old debate. ITV plc did make the threat that they may "hand-back" their licenses. This would have significant impact on UTV. However ITV has not repeated this threat for some time and UTV believe that ITV are working closely with partners and the regulator to remove operation burdens rather than pursuing a "hand back licence's" scenario.

In addition handback would not be a straightforward process and UTV understand it would take around 18 months for any handback to take place. With this amount of notice, UTV is confident it could secure an alternative diverse programme supply from other sources if required.

Handback is a risk, but not one we believe is significant. While it is prudent to have a fall-back position, it should be just that, rather than the point on which future policy is based.

3. Dr Alasdair McDonnell quoted the new Ofcom minimum licence levels for local production in the UTV region and asked how serious these reductions reflect upon UTV news provision. The NUJ responded that they were very serious reductions.

UTV completely agrees they would have had serious implications if they had been implemented.

While it is true because of ITV Network changes UTV had to cease production of the mid-morning news, a three minute bulletin with a very small audience, we have actually increased our news output across our schedule in peaktime.

In 2010 UTV will produce 228 hours of news. This is against a licence quota of 208 hours. A huge proportion of this output is in peak (6pm to 10.30pm) or shoulder peak (10.30pm to 11pm) programme time.

These extra hours are delivered through our new late evening news programme UTV Live Tonight. It is the only programme of its type in the country and has been praised by politicians, industry leaders, commentators and most importantly our audience for offering a valuable public service not previously available.

Our current affairs quota is 26 hours a year. In 2010 UTV is planning to deliver almost 39 hours of current affairs to our audience.

Both of these figures are far higher than any other part of the United Kingdom. It is wrong to suggest our licence minimum is the level at which we produce programming. We have historically significantly over delivered on our licence requirement.

In fact because UTV opt away from a large number of ITV Network programmes, if an IFNC was introduced to Northern Ireland, the slots that would be available to an IFNC would actually mean that the hours of news provided in Northern Ireland would fall, as the resources would no longer exist to provide UTV Live Tonight.

4. UTV did change its programme offering following our restructure in 2008—but we did not “dumb-down”.

All companies have to modernise and refresh their product range. Television is no different. As the social environment of Northern Ireland has changed over the years, UTV had not. UTV was still an organisation geared up to report and analyse a conflicted environment. Our long-form current affairs programme Insight was no longer the correct format to analyse current affairs in our region.

Audience figures for the programme were falling and it was becoming harder to sustain extended runs of the programme with high quality investigations. We also found our audience wanted more instant analysis of issues such as health, education, environment, crime and other subjects that affected their everyday lives.

UTV has responded to this with UTV Live Tonight. Since the programme launched earlier in the year, we have delivered more exclusive stories than ever before. Our investigative reporters have more time and resources to deliver content. The news department was given more funding (more than £100K) and more edit and camera resources to produce this output.

It is easy to say an organisation has “dumbed-down” every time personnel changes are to be implemented. UTV believes we have proved this remark to be incorrect. We deliver more relevant and instant news and analysis than ever before. The nature of new programmes has indeed changed over the years, but this is because we reflect our environment and as Troubles related news is less prevalent, a more “normal” news agenda has taken its place.

UTV does not deliver “news clip” and “sound bite” news of current affairs. UTV Live Tonight is comparable to Newsnight or Channel Four News for the level of analysis and the time given to explore stories in depth.

5. The introduction of an IFNC would not increase the portrayal of Northern Ireland to the rest of the UK. The IFNC is designed to offer alternative local news to the BBC within a region where the news on Channel 3 is at risk.

Northern Ireland does require greater profile in programming for the whole of the country, however the proposed IFNC will not deliver this.

This is why UTV recommends a contestable fund (available to all broadcasters) to make non-news programming. This fund could be used for local and network programming from and of our region. UTV would suggest a fund in the region of £3M per year. Far less than would be required to sustain news provision.

The Government rejected this in Digital Britain, but we believe funds for all the devolved nations are vital to invest in each region’s independent production sector to boost the creative industries across all platforms and truly reflect the diversity of the United Kingdom. This is likely to be more successful than the blunt instrument of quotas.

As always, UTV is happy to expand on any of these points should the Committee require further information.

Further written evidence from Ofcom

PUBLIC SERVICE BROADCASTING ON CHANNEL 3—BACKGROUND

Evening regional news on Channel 3 attracts an average audience of over 3 million during the week, representing 19% of the available audience. This service delivers significant reach and impact and choice beyond the BBC's regional news output, which itself reaches over 5 million viewers.

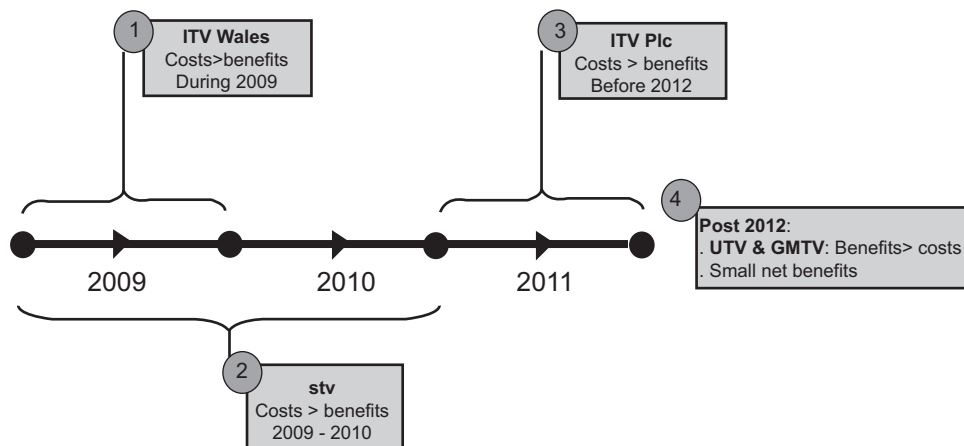
In the case of Northern Ireland the appetite for regional news is even greater and the audience for UTV's regional news at 6pm is the highest across the whole of the Channel 3 network with a share of 36%, whilst that for BBC NI is also high—in line with the national average at 28%.

Despite the popularity of Channel 3 regional news, there is substantial commercial pressure on the Channel 3 network's ability to continue current levels of provision.

Ofcom's PSB Review found that while there is currently a net benefit from public service broadcaster status across the portfolio of regional licences owned by ITV plc, this will become a net deficit before 2012, and before the digital switchover process completes. In Scotland and Northern Ireland, STV and UTV are also facing deficits on their respective licences.

The current model of ITV1 provision is broken

Current costs soon exceed benefits



The Final Statement of the PSB Review confirmed a number of changes to the regulatory obligations on the Channel 3 licensees from the start of 2009 (and Five and Teletext). These were designed to deliver a sustainable level of public service content in the transition to digital switchover.

However, we said that these decisions did not represent a permanent solution to the mounting pressures on commercial PSBs. Since the publication of the PSB Review Final Statement in January, these pressures have intensified with a steeper than expected downturn in advertising revenues.

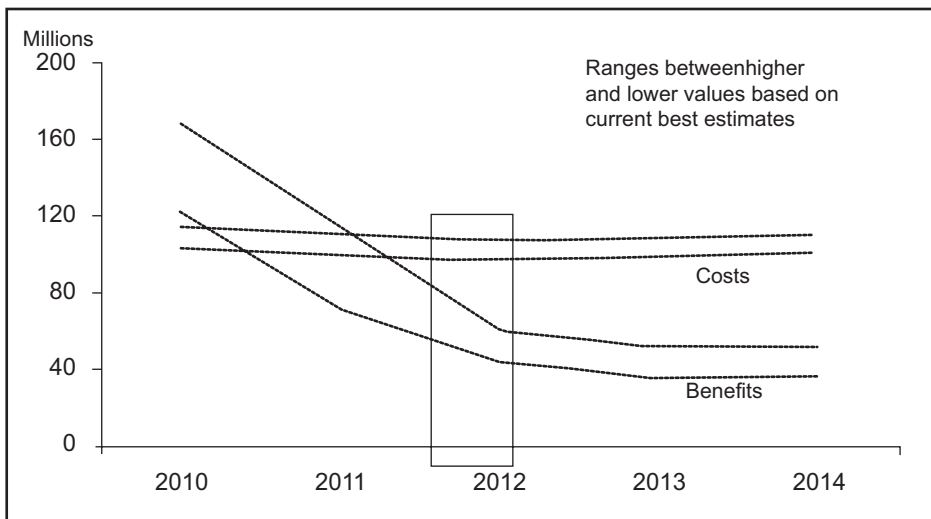
Since then we have updated the Cost Benefit Analysis (CBA) for the Channel 3 network to reflect the impact of the reduction in regulatory obligations made as a result of the PSB Review. The methodology behind a CBA is based on best estimates of the benefits and costs of PSB status—which are difficult to calculate as they are, in part, opportunity costs as well as direct costs. There are also a number of intangible benefits that are much harder to quantify, and can vary depending on who holds a particular licence.

For these reasons, it is important to note that the results of this analysis need to be treated as indicative only. They are shown below in the form of a higher and lower set of ranges for both the costs and benefits of PSB status.

However, the calculated timing of when the licences will fall into deficit and the scale of the deficit are considered a reasonable estimate based on the analysis we have undertaken. Our approach and analysis have also been discussed with the Channel 3 regional licensees, although they believe that in some cases the costs of PSB status are higher than we have estimated.

REGIONAL NEWS REPRESENTS THE SINGLE BIGGEST COST TO THE CHANNEL 3 NETWORK

As we set out in figure 2 below, we estimate that the Channel 3 network is likely to be in deficit by 2011, and the deficit will reach £38–64 million in 2012.



Deficit will affect Channel 3 licensees at different times

The single biggest PSB cost attributable to the Channel 3 network is the production cost of regional news which is estimated at £68 million in 2010, and projected to be £72 million in 2012, based on current production costs. These costs are after the regulatory changes made in the PSB Review.

It is notable that the production cost of regional news is very similar to the scale of the opportunity cost deficit across the Channel 3 network.

ITV'S LICENCE FEE PAYMENTS CONTRIBUTE TOWARDS THE DEFICIT ALTHOUGH THEY ARE FORECAST TO DECLINE AS SWITCHOVER APPROACHES

The Channel 3 network as a whole is currently expected to pay £13million in licence fee payments in 2010, falling to around £5million in 2013 and 2014 as digital penetration levels increase and the analogue signal is switched off. The imposition of "Must Offer" obligations by Government on all the public service broadcasters means that the Channel 3 licensees have the opportunity to approach Ofcom for a revaluation of their licences. If licensees seek a revaluation then any revised terms could apply from 2010 onwards.

However, even if a revaluation of the licences led to a reduction in the Channel 3 licence payments, this would still, on our current analysis, leave an overall deficit, owing to the remaining costs of PSB status for the Channel 3 licensees.

A NEW INTERVENTION IS REQUIRED TO SUSTAIN PLURALITY IN REGIONAL NEWS

The commercial PSBs are obliged to continue to broadcast their services until the end of their licences. However, if in practice they ceased to broadcast their services on a public service basis, or at all, their licences would be revoked and they would avoid their public service obligations.

ITV plc has the scale and "must have" content to become a purely commercial broadcaster. If it considers that the costs of PSB status outweigh the benefits it could choose to surrender its PSB status and end its participation in the network.

Any possible surrender of PSB status by ITV plc could also put the independent licensees at serious risk in Northern Ireland, Scotland and the Channel Islands and end the provision of regional news across the UK. We believe it is desirable to take steps to avoid licence hand back where there are undesirable public policy consequences. Rebalancing regional news costs is more than an accounting exercise. It meets citizens' and consumers' needs for regional news and supports wider PSB provision.

The PSB Review identified that the Channel 3 network would continue to be the most effective carrier for nations and regions news owing to its existing reach and impact. However the Channel 3 licensees are only one option for broadcasting a regional television news service. Other means include Channel 4 or a replacement Channel 3 licensee following any licence retendering process.

The Government's Digital Britain Final Report has proposed that the Channel 3 licensees' regional news be replaced with provision by independently funded news consortia (IFNCs).

These news consortia could include, but not be limited to, existing television news providers (including the Channel 3 licensees which provide the existing services), newspaper groups or other newsgathering agencies. They could be chosen against a range of public criteria, including the ability to achieve reach and

impact, high production and editorial standards and the financial strength to deliver a quality service. News consortia would also need to be accompanied by suitable governance arrangements to ensure they deliver value for money and are properly accountable for their use of public funds—as recognised in the Digital Britain Final Report.

October 2009

Further written evidence from Below the Radar

Thank you for your invitation to appear before the Northern Ireland Affairs Committee.

We are very keen to do so, as we would very much like to present our specific ideas for putting truly local news onscreen, and particularly online, from across Northern Ireland.

We believe that in the present, rapidly evolving, media environment there is already a real and forensically-demonstrable democratic deficit, where resource constraints across the whole media industry have led to markedly decreased coverage of the devolved institutions as well as news outside Belfast. We believe that academic research could demonstrate that. We therefore suggest specifically local (as opposed to regional) news as a manageable area where there is a demonstrable need, and practical possibility, for a public intervention in the coming months.

We also believe that this case could be convincingly and evidentially presented to the DCMS, and that if sufficient weight of Northern Ireland political opinion were behind it, there may be a possibility of at least partially reversing the decision to make Northern Ireland the one nation in the United Kingdom not to have been offered any resources for a pilot project under Digital Britain, and still less so for politicians to willingly embrace that.

We believe Northern Ireland could get the money for mini-pilot, looking at a mainly online local news service, with certain tie-ins to the existing Channel 3 news.

So this is not about supplanting UTV's service: this is about supplementing UTV, in that a wholly or partially online solution could provide an excellent supplement to the existing local coverage, whilst radically increasing the volume of material seen from and in the regions.

That in turn would create an excellent, up-and-running model for analysis when, in 2012 or 2014, under current plans longer term news arrangements are tendered out. Without such a pilot, the only tested model, uniquely to Northern Ireland and unlike England, Scotland or Wales, would then be the incumbent ITV supplier of 55 years standing. And as is beyond doubt, ITV itself is currently examining where to take its model over the next few years, and it must be the case that Northern Ireland will benefit from options.

Unfortunately, the date you proposed is not possible for either Bob Geldof (who is in Asia that week) or for us. We are welcoming by long arrangement some key UK broadcasters to Belfast, and you will understand I am sure that it is important to take such opportunities to develop programme sales into the networks.

However, assuming Wednesday afternoons are the time you might be able to accommodate us, the week after would be possible for us (though again not Bob, who is again travelling.)

Perhaps you would let us know therefore whether 25 November or 2 December would be suitable.

And in the meantime, we will write to the DCMS with our proposal for a local news online pilot, and we will make the letter available to you as well.

October 2009

Further written evidence from UTV

As UTV was one of the first parties to give oral evidence to the Northern Ireland Affairs Committee Investigation into Television Broadcasting in Northern Ireland, I would appreciate if you would accept this further submission as I would like the opportunity to respond to the oral evidence submitted by others this week.

As you are aware, the public were excluded from the earlier stages of evidence giving on Wednesday, but it is apparent from the time I joined the hearing that Mr Birney from Ten Alps had made an earlier statement along the lines of Northern Ireland being “robbed and betrayed” by the decision not to have a pilot Independently Funded News Consortia (IFNC).

The purpose of the IFNCs is to provide high quality, plural news for areas that are currently underserved. As UTV already provides a high quality and valued news service in Northern Ireland, it is hard to understand how it can be claimed that the province is missing out by not having one of these pilots.

If this claim is meant purely in relation to the funding that Northern Ireland is “missing out” by not being selected for a pilot, this is also misleading as any central Government award to a commercial company or companies would not benefit the people of Northern Ireland for a public service that is not required. UTV funds the provision commercially, rather than having it subsidised.

On a number of occasions Sir Patrick, you stated there was disagreement between witnesses as to what is required for Northern Ireland moving forward. Where I think there is some agreement is that a fund is needed to boost non-news production here to enable independent producers to apply for project funding. UTV also believes this is a positive move, as non-news provision does require strengthening. This is where we believe the Committee’s assistance would be most valuable in negotiations and lobbying of DCMS.

To lobby for a news fund is to try and overturn a decision already made. To lobby for non-news funding is a positive move to stimulate the creative and digital economy of Northern Ireland. Many more organisations could benefit from the non-news fund than could from an IFNC pilot.

An IFNC will not increase the representation and portrayal of Northern Ireland to the wider audience of the United Kingdom, something that it is clear the Committee has a significant interest in promoting. A non-news fund would create a fund which could indeed be used to promote the portrayal of Northern Ireland throughout the UK and further afield.

I was surprised to hear the Committee being told by one of the witnesses this week that the BBC Northern Ireland news website receives 350,000 unique users per day as this figure is astounding. I took the opportunity to check this with the BBC and as I suspected this figure was wrong, the real figure is 134,000 unique users. This is a fantastic level of users for a website in Northern Ireland, but still far below the number of people who receive their news from the early and late evening news programmes from UTV.

Mr Birney is a former Editor of UTV’s Current Affairs output and one of the most experienced current affairs producers in our region, but he is incorrect when he tells the Committee that UTV “does not do investigations”. The format of UTV Current Affairs has indeed changed. Our late news programme has a significant proportion of short exclusive investigations into issues relevant to our audience lives, such as health, policing and politics. As Northern Ireland has developed since the Troubles, so has our current affairs output.

However, we continue to provide some long form current affairs programmes and we were the only ITV region to send a team to the inauguration of President Obama this year, producing a half hour current affairs programme looking at US-Northern Irish relations. In addition, a major investigation is currently in production on child abuse which should be broadcast before Christmas.

Northern Ireland has always had a greater demand for current affairs given our troubled past than other regions. To ensure this demand is satisfied I believe the non-news fund we suggested which of course includes current affairs would be most welcome and a vital life line for independent production companies in Northern Ireland.

Mr Hill from Northern Ireland Screen stated that UTV’s service was at risk from the handback of the Channel 3 licenses by ITVplc. This is a very old debate. To my knowledge, it is many months since ITV threatened handback. As I’ve submitted to the Committee before, the process of handback is long and complicated, and if in the very remote possibility were to happen, UTV would put in place an alternative quality programme supply.

To conclude Sir Patrick, it is very easy to knock the incumbent. Usually however those doing the knocking suggest a brave new world of opportunity and suggest how the incumbent should be delivering a better service or is failing in its obligations. Throughout the oral and written evidence I have seen and heard, this has not been the case.

As Mr Grogan said, most other regions of the Untied Kingdom look upon the audience offering delivered by UTV with envy. We thank him for those kind words. We are proud of our achievements and, while not complacent, we hope the Committee has seen our commitment and our business acumen is core to delivering quality public service output for Northern Ireland.

As always, should you or the Committee require further information relating to the content of this or any of our previous submissions we would be delighted to assist.

Michael Wilson
Managing Director

23 November 2009

Written evidence from RTÉ

RTÉ welcomes the opportunity to make a submission to the Northern Ireland Affairs Committee inquiry into Television Broadcasting in Northern Ireland.

THE ROLE OF PUBLIC SERVICE BROADCASTING

RTÉ believes that Public Service Broadcasting (PSB) is central to the democratic, cultural and economic well-being of a nation, and this is especially true for small nations. In a recent address concerning the nature and further of PSB in Europe, to the Cleraun Media Forum 2009, Helen Shaw, Athena Media and formerly of RTÉ, stated that:

The Commission's Amsterdam Protocol on Public Broadcasting defines PBS's key role as "disseminating information", defines it within the "democratic, social and cultural needs" of the members states and "the need to preserve media plurality".²² That remains at the core of the PBS identity—to provide trustworthy information which safeguards a plural democracy.

But PBS, largely through the influence of Lord Reith, has also come to mean cultural goods, arts, music, sports and entertainment which have ensured strong content brands across Europe from NRK in Norway to RAI in Italy, brands which are distinctly different in form and shape, but which are now seen as a core part of the society.

Addressing the same conference Blair Jenkins of the Scottish Broadcasting Commission emphasised the role of PSB as being "even more important in the digital age than it has been in the era of analogue broadcasting"²³ while speaking of Scotland, as a devolved nation of the UK, in the context of the 2009 Digital Britain Report.

On 13 November 2008, Ofcom's Public Service Broadcasting Conference in Belfast—*Towards a Sustainable Future*—provided *Briefing Notes* which stated the following:

There is a degree of plurality in the media landscape in Northern Ireland not found elsewhere in the UK and cross-border broadcasting may offer scope for new commercial partnerships with a public service dimension.

RTÉ is on record to have stated that it is eager to play its part in supporting plurality in Northern Ireland and would be glad to see provision made for the carriage of its services to all the communities of Northern Ireland. In addition, RTÉ has been active in supporting the independent production sector in Northern Ireland and would envisage continuing that support in the future. RTÉ further notes the discussion concerning the provision of indigenous language provision in Northern Ireland, and refers to Ofcom's *Second Public Service Broadcasting Review, Phase One: The Digital Opportunity* Consultation document, which stated that Ofcom recognised "the importance of obtaining secure and widespread distribution for TG4 in Northern Ireland and the prospects for similar distribution of RTÉ" (Section 9.101).

Policy issues of social inclusion, media pluralism and media literacy are paramount to the ethos of PSB, in Ireland as in the UK and elsewhere. These are the hallmarks of a democratic digital society where all citizens have access to information and knowledge.

With regard to Indigenous Language Programming in Northern Ireland, also an integral aspect of PSB, Ofcom posed the following question in its *Second Public Service Broadcasting Review, Phase One: The Digital Opportunity* Consultation document:

What about Irish language and Ulster Scots programming?

Indigenous language broadcasting is an important part of the UK's PSB landscape and there are formal obligations regarding broadcasting in Welsh, Scottish Gaelic and Irish arising from both the European Charter for Minority Languages and existing UK legislation. In the case of Northern Ireland, the Good Friday Agreement commits the Government to making TG4 available in Northern Ireland, and Ofcom has already pointed the way for TG4 to become available on Freeview in Northern Ireland after digital switchover in 2012. The Agreement commits the Government to supporting Irish language production in Northern Ireland as well. Ofcom has also recognised that Ulster Scots is important to audiences in Northern Ireland.

We welcome the proposals from BBC Northern Ireland to increase the amount of Irish language and Ulster Scots programming. However, there are perceived concerns at the lack of a consistent approach to government funding for indigenous languages in Northern Ireland in the long term.

²² http://www.dcenr.gov.ie/NR/rdonlyres/AEC22B86-DE99-4A48-8B1F-525D504CEDBA/0/1ProtocolonPublicServiceBroadcasting_Amsterdam_Protocol.pdf (May 1999); see http://www.cleraun.com/download/PSB_a_bright_newfuture.pdf

²³ http://www.cleraun.com/download/A_new_vision_for_public_service_broadcasting_in_Scotland.pdf

In its Response to that Consultation RTÉ is on record as having stated the following:

In this regard, RTÉ fully supports the provision of TG4 services in Northern Ireland. While language is only one part of a complex set of identities, nevertheless the significance of the various indigenous languages of Northern Ireland cannot be over-emphasised in this particular context.

RTÉ wishes to re-state that RTÉ has a statutory obligation to broadcast in the Irish language as the first national language of Ireland. RTÉ currently operates an all-Irish radio service, RTÉ Raidió na Gaeltachta; provides an annual subvention of one hour's programming per day to TG4; as well as investing in specific home-produced and acquired Irish language programming in television and radio schedules. The RTÉ website also publishes Irish language material online. RTÉ services, therefore, are bilingual. RTÉ has been pleased to work with the independent sector in Northern Ireland and to assist in submissions to the Irish Language Broadcast Fund (ILBF) also.²⁴

Therefore RTÉ, as Ireland's primary PSB, fully supports the important role of PSB for people living in Northern Ireland, and if RTÉ can assist by extending its services to Northern Ireland, it would be very glad to do so. Ofcom is on record as stating that RTÉ has a unique contribution to make regarding the plurality of television services in Northern Ireland.

DIGITAL SWITCHOVER

As the UK roll-out of its digital switchover strategy continues, the switchover for Northern Ireland is scheduled to happen during 2012.²⁵ To date no definite date has been set by the Irish Government although both 1 January 2012 and 31 December 2012 have been mentioned in Government documents.

Arising from the RRC '06 International Frequency Spectrum Co-ordination conference, bilateral meetings are continuing between the Republic of Ireland and the UK: issues of co-ordination across the border with Northern Ireland are primary in these ongoing discussions.

With regard to digital switchover in Northern Ireland, it is likely that RTÉ services in Northern Ireland will be lost to many viewers there who will be affected when the switchover happens in 2012. This will have a significant impact on the cultural diversity of the television landscape in Northern Ireland. For this reason RTÉ is interested to engage with the UK Government to see if some way of legitimately providing free-to-air RTÉ services in Northern Ireland could be considered for the future.

The advent of the free-to-air Digital Terrestrial Television (DTT) platform in Britain and Northern Ireland, and soon in the Republic of Ireland, provides a unique opportunity for broadcasters to contribute to the further establishment of peace and reconciliation and play a part in supporting the normalization of Northern Irish, and indeed Irish, society by allowing for the full expression of "*all traditions and identities on the island*" free-to-air in both jurisdictions.

During 2008, RTÉ was happy to respond to *Ofcom's Second Public Service Broadcasting Review, Phase Two: Preparing for the digital future* Consultation in December. In June 2008 RTÉ also responded to *Ofcom's Second Public Service Broadcasting Review, Phase One: The Digital Opportunity* Consultation, with specific reference to the provision of RTÉ services in Northern Ireland; as well as the importance of cross-border collaboration and co-ordination of spectrum frequency planning and DTT deployment. The *Ofcom Second Public Service Broadcasting Review* specifically referred to RTÉ and its services under a number of headings, and while the major focus concerned the provision of free-to-air Irish language television services, the Consultation document also opened a wider debate concerning the distribution of RTÉ services in Northern Ireland.

THE ROLE OF LOCAL NEWS

Regional consumption patterns, evident in every society, are strongly apparent in Ireland notwithstanding the small size of the island and the relatively small population. News services, whether in print or broadcast media, evidence particularly strong geographical allegiances. RTÉ's schedule always has featured scheduled News programmes as an anchor in the programmes schedule and this will continue to be the case. News audiences are consistently high, spiking upwards around major national and regional events. In this context the experience is that regional and local interests are a very strong driver of news services. Within the analogue environment, linear news broadcasting features regional contributions to optimum effect within general bulletins. However within the fully digital environment the opportunity to opt out/in to regional and local services will greatly increase, allowing viewers the chance to enhance their local experience via the national service.

Within this environment it is undoubted that regional factors will drive greater demand and uptake for cross-Border offerings; viewers in Donegal/Derry, in Monaghan/Armagh to take just two examples, will experience shared interest in events, stories and cultural and sporting activities taking place within the broader common neighbourhood. It is predictable that plurality and the demand for access to a pluralist offering will increase.

²⁴ RTÉ submission to Ofcom's Second Public Service Broadcasting Review, Phase Two: Preparing for the digital future—4 December 2008

²⁵ <http://www.digitaluk.co.uk/>

Finally, it is to be noted that Ofcom, in their submission to DCAL²⁶ regarding the importance of local news stated the following:

Ofcom's research, as part of the Review of Public Service Broadcasting, shows that people in Northern Ireland value local news and current affairs programming more than any other region of the UK. Strong audience demand and competition has led to both BBC and UTV providing news and current affairs coverage that is perceived to be of a high quality here.

CURRENT AFFAIRS AND OTHER PROGRAMMING

Current Affairs programming is an evident element of the RTÉ programme offering which can be of direct relevance to the Northern Ireland viewership. Surveyed viewing figures in January 2009 showed two editions of Prime Time, the main RTÉ current affairs vehicle, among the 20 most watched RTÉ programmes in Northern Ireland. Given the political axes operating between Dublin, London and Belfast in respect of Northern Ireland's political affairs, the view from Dublin on aspects of Northern events is not simply an alternative editorial view but represents a material perspective. RTÉ's coverage of Northern Irish events is naturally related to the changing news agenda and to the fluctuating political cycle, but coverage of party political activity and of policing and related matters is and will remain a recurring element of RTÉ Current Affairs coverage. RTÉ's recent investment in its Northern Ireland studios and continued staff presence in Belfast is a strong indicator of commitment.

Beyond the harder political agenda, subject matter of material interest in Northern Ireland includes coverage of cross-border shopping; health service co-operation; transport infrastructure; smuggling; joint tourism initiatives and other recurring stories. The Northern Ireland business community has also, across the period of the Republic's economic growth up to recent times, paid increasing attention to reportage and coverage of business affairs in Dublin and as seen from Dublin. The perspective on Eurozone activity offered via RTÉ in Dublin is additional to what might be obtained from a UK-based broadcaster.

Outside Current Affairs, RTÉ programming clearly already has established appeal within the population of Northern Ireland. Major international sporting events on RTÉ such as Republic of Ireland soccer and GAA will draw sizeable audiences in Northern Ireland. Six Nations Rugby, though also provided on BBC, earned 9% audience share on RTÉ Two in March. Outside these special events, scheduled regular programming is of evident appeal. Viewer share figures for *The Late Late Show* on Friday nights, registering 14.6% in January 09 and 14.2% in March are, sizeable minority audiences within the overall Northern Ireland audience. *The All-Ireland Talent Show*, an entertainment series with a competitive regional dynamic including Ulster, also earned good audiences near the 9% mark.

The simplest conclusion to be drawn from these figures is that a minor but significant portion of the Northern Ireland population is already choosing RTÉ services, based on less than complete access to the population. Spontaneous plurality is already in evidence.

THE PLACE OF BROADCASTING IN A DEVOLVED NATION OF THE UK

Therefore it is evident that the role of broadcasting is ever increasing within the devolved nations and region of the UK. RTÉ is glad that its services can be enjoyed by people within Northern Ireland, and RTÉ is therefore very glad to engage in this debate.

18 December 2009.

Further written evidence from the ULTACH Trust

1. NOTES ON REVISED SUBMISSION

This submission is an update of our original submission of 30 April 2009. It involves two new elements:

- The revised version provides new data comparing BBC and Government spend on Irish language television broadcasting in Northern Ireland with spend on Welsh and Scottish Gaelic.
- A detailed response to statements made by Mr Siôn Simon MP, Minister for Creative Industries in evidence to the Northern Ireland Affairs Committee on 4 November 2009. Mr Simon appears to have misunderstood the legal obligations on the British Government in respect of Irish language television broadcasting, and we welcome this opportunity to provide a more accurate analysis of these obligations.

²⁶ http://www.culture.gov.uk/images/publications/CCE_DCAL.pdf

While our original submission covered a range of issues, we are particularly concerned at the current threat to the Irish Language Broadcasting Fund (ILBF). We will focus on the issue of the ILBF in this submission. Additional material from our earlier submission is provided in Appendix 2.

2. BBC IRISH LANGUAGE PROVISION IN CONTEXT

2.1 The latest BBC Charter introduced Service Licences, under which each of the Corporation's services provides details of content and costings. In its announcement of 24 April 2008, BBC Northern Ireland, for the first time, identified costed commitments to Irish language broadcasting. These commitments will hold until March 2011, after which "an incremental increase" is promised. The funding itself is modest; that sourced from the Licence Fee amounts to only £950,000 a year and is spread across radio, television and the online services, £530,000 of which will be spent on television.

2.2 While this is a welcome improvement on the previous situation, there remains an unacceptable discrepancy between provision for Irish and that for Welsh and Scottish Gaelic. This disparity is far too great to deliver the BBC's own Charter obligation with regard to the "importance of appropriate provision in minority languages." The following table will outline the discrepancy between the various services. Sources for the figures below can be found in Appendix 1:

Table 1

BBC CELTIC LANGUAGE SERVICES: FUNDING FROM LICENCE FEE (TV CONTENT)

	<i>2001 Census knowledge of Welsh, Gaelic and Irish</i>	<i>BBC television services (from Licence Fee)</i>	
		<i>Spend</i>	<i>Spend per individual</i>
Wales (Welsh)	797,717	£27,600,000	£35
Scotland (Gaelic)	92,396	£4,030,000	£44
N Ireland (Irish)	167,490	£530,000	£3

Note: These figures refer only to content costs. The dedicated Welsh and Gaelic services receive a further £8.6 million for infrastructural and distribution support (see Appendix 1 for breakdown and details of sources)

2.3 It must be added that the BBCNI's Irish language television programmes (just over 40 hours per annum) are funded from two sources. The Licence Fee provides £530,000 (30%) and the Irish Language Broadcast Fund provides £1,200,000 (70%). It is clear that if the ILBF is not sustained the BBC will be unable to maintain its current modest level of programming in Irish, let alone provide an "incremental increase" in the future.

3. THE IRISH LANGUAGE BROADCASTING FUND IN THE UK CONTEXT

3.1 The ILBF is one of a number of bodies that receives direct Government funding to support broadcasting in an indigenous minority language. Its current budget is £3 million per annum. The Welsh language channel S4C has been in receipt of Exchequer funding since 1982. Direct Westminster funding of Gaelic television was initiated in 1990 with a grant of £8 million to the Gaelic Broadcasting Committee (now known as MG Alba). It is funded (from the Block Grant to Scotland) by the Scottish Parliament. MG Alba is a partner with the BBC in the Gaelic Digital Service, BBC Alba.

3.2 The following table outlines the discrepancy in direct Government funding between provision for Welsh and Gaelic on the one hand and Irish on the other:

Table 2:

DIRECT GOVERNMENT FUNDING FOR CELTIC LANGUAGE SERVICES, (TV)

	<i>Welsh (S4C)</i>	<i>Gaelic (MG Alba)</i>	<i>Irish (ILBF)</i>
Direct Government Funding (TV)	£98.4m	£12.4m	£3m
Knowledge of Language	797,717	92,396	167,490
Spend per individual	£123	£134	£18

Note: These figures include costs for infrastructural support for Gaelic and Welsh language dedicated services. See Appendix 1 for sources.

4. TOTAL SPEND ON CELTIC LANGUAGE BROADCASTING FROM PUBLIC SOURCES

The following table identifies all spending from public sources on Celtic language broadcasting, except for online services which were impossible to identify separately in all cases. Table 3 includes the costs of infrastructural support and distribution as well as radio services. See Appendix 1 for sources:

Table 3:
PUBLIC FUNDING FOR CELTIC LANGUAGE SERVICES,
(TV, RADIO, BBC, DIRECT FUNDING)

	<i>Wales (Welsh)</i>	<i>Scotland (Gaelic)</i>	<i>N Ireland (Irish)</i>
Direct Government Funding (TV)	£98.4m	£12.4m	£3m
BBC Spend (TV)	£32.5m	£7.8m	£0.53m
BBC Spend (Radio)	£15.4m	£5.7m	£0.24m
Total Spend	£146.3m	£25.9m	£3.77m
Knowledge of Language	797,717	92,396	167,490
Spend per individual	£183	£280	£23

5. RESPONSE TO MR SÍÓN SIMON MP, MINISTER FOR CREATIVE INDUSTRIES, DCMS

5.1 In oral evidence to the Northern Ireland Affairs Committee on 4 November 2009, in response to a question from Sir Patrick Cormack on the future of Irish language broadcasting and Ulster Scots broadcasting in Northern Ireland, Mr Simon made the following two points:

The Irish language programming, as you know, the Government took over from DCAL this year and is committed to fund to the tune of £3 million a year until the end of 2010. Beyond that, we are in the next CSR period, and like everything else in the next CSR period, will have to take its chances.

I think it is worth noting, while we are on it, that in relation to the Scottish Government fund, of the £14 million that is spent on Gaelic broadcasting the Scottish Government spends 10, so that is perhaps a message that can go out from here.

(Corrected Transcript of Oral Evidence to be published as HC 1071-iii, Q157 and 158)

5.1.1 As can be seen in Appendix 1, the Scottish Government spends £10.1 million on television content from a grant of £12.4 million to MG Alba. However, a much more important point needs to be made here. Direct Government funding for Welsh broadcasting has a firm legislative basis. Direct Government funding for Scottish Gaelic broadcasting does not. Before devolution, the Westminster Government provided an annual Specific [ring-fenced] Grant ranging from £8–£10 million to the Scottish Office for Gaelic broadcasting. This grant was made on a grace and favour basis, and was amalgamated into the Block Grant for Scotland after devolution. In other words, the Scottish Government was entitled to cease funding Gaelic broadcasting. In the event, the grant was increased.

5.1.2 Mr Simon appears to think that the situation of Irish language broadcasting in Northern Ireland is the same as that of Gaelic in Scotland. He appears to believe that responsibility for funding (or not funding) the ILBF has devolved to the Northern Ireland Assembly. Both assumptions are incorrect.

5.1.3 Good Friday Agreement

This legislation imposes an imperative on the British Government to ensure that public funding is made available for Irish language television. The Good Friday Agreement of 1998 is a legal instrument with the force of an international Treaty. The specific commitment is as follows:

- (3) All participants recognise the importance of respect, understanding and tolerance in relation to linguistic diversity, including in Northern Ireland, the Irish language, Ulster-Scots and the languages of the various ethnic communities, all of which are part of the cultural wealth of the island of Ireland.
- (4) In the context of active consideration currently being given to the UK signing the Council of Europe Charter for Regional or Minority Languages, the British Government will in particular in relation to the Irish language, where appropriate and where people so desire it: ...

seek more effective ways to encourage and provide financial support for Irish language film and television production in Northern Ireland;

5.1.4 It may be useful to disentangle the key clause here:

... the British Government will ... seek more effective ways to encourage and provide financial support for Irish language television and film production in Northern Ireland.

5.1.5 This obligation was recognised by Paul Murphy MP, Secretary of State for Northern Ireland, in his press release when he announced the fund on 1 July 2004:

The Secretary of State explained that the Fund stemmed from the Government's commitments in the Good Friday Agreement and in the Joint Declaration made by the British and Irish Governments.

5.1.6 It should be noted that, while all parties to the Agreement signed up to "respect, understanding and toleration in relation to linguistic diversity", only the British Government made a commitment to fund Irish language television and film production. This commitment is not binding on the Northern Ireland Assembly. It is certainly not binding on the unionist parties, who are hostile to the Irish language and are in a position to block funding from the Assembly. In other words, responsibility for fulfilling the Agreement commitments relating to Irish did not revert to the Northern Ireland Assembly in the way responsibility for funding Gaelic broadcasting reverted to the Scottish Government.

5.1.7 The British Government will be in breach of the Good Friday Agreement if it fails to ensure the continuation of the Irish Language Broadcasting Fund, or fails to provide adequate funding through an alternative mechanism. It is clear that the Northern Ireland Assembly will not provide the funding from within its Block Grant, and it appears that the Government has no powers to ensure that it does so. It therefore falls to the British Government to provide the funding directly.

5.1.8 Joint Declaration of the British and Irish Governments

The Secretary of State referred to the Joint Declaration of the British and Irish Governments of 1 April 2003. This again acknowledged that the Fund is based on international legal obligations:

The British Government will continue to discharge all its commitments under the Agreement in respect of the Irish language. Specifically, in relation to broadcasting, the British Government will take all the necessary steps to secure the establishment as soon as possible, following the receipt of the final business case in April, of a fund for financial support for Irish language film and television production.

5.2 *European Charter for Regional and Minority Languages*

The Good Friday Agreement also referred to the European Charter for Regional and Minority Languages, which was ratified by the UK Government on 27 March 2001. The Charter came into force in the UK on 1 July 2001. It is, therefore, a full obligation of the UK Government.

5.2.1 This international convention is designed to promote and protect regional and minority languages. In Northern Ireland, the Charter applies to the Irish language (Parts II & III) and Ulster Scots (Part II).

5.2.2 The UK Government has already signed up to 36 provisions for the Irish language under Part Three of the Charter, ranging from education to the media. In Article 11, in the section on Media, the British Government made the following commitment to the Irish language in Northern Ireland:

"to the extent that radio and television carry out a public service mission ... [the Government undertakes] to make adequate provision so that broadcasters offer programmes in the regional or minority languages." [Paragraph 1a (iii)]

5.2.3 An International Committee of Experts examined the performance of the UK in relation to the Charter and published its first report in 2004, before the ILBF was set up. Their report, addressed to the Committee of Ministers of the Council of Europe, found "shortcomings in the services in Irish and Scottish Gaelic, particularly regarding television", and stated that:

"The Committee of Experts considers the undertaking fulfilled in relation to radio but not currently fulfilled in relation to television." (p. 53)

5.2.4 The Committee of Ministers of the Council of Europe received the report, and on 24 March 2004, passed the following resolution (Recommendation RecChl(2004)1):

"[The Committee of Ministers] recommends that the authorities of the United Kingdom take account of all the observations of the Committee of Experts, and, as a matter of priority ... improve the public service television provision in Irish." (p. 70)

5.2.5 In reporting to the Council of Europe in July 2006, the UK Government confirmed that it had acted on the Charter to deliver more and better broadcasting in Irish. It listed more BBC programming, the activities of the ILBF, including its training programme, and better viewer reception of TG4. "Together," said the UK Government, "these mark current and planned improvement in the situation of Irish language broadcasting. The UK Government has taken the recommendation of the Committee of Ministers seriously and has acted on it."

5.2.6 In its following report to the Committee of Ministers in March 2007, the Committee of Experts considered that the obligations relating to Irish language broadcasting provision in Northern Ireland had been fulfilled.

5.2.7 The vast majority (85%) of the funding for Irish language television production in Northern Ireland comes from the ILBF. Should the fund be withdrawn, it is inconceivable that the British Government will not be found to be in breach of its Charter commitments.

6. PROBLEMATIC STATUS OF THE IRISH LANGUAGE BROADCASTING FUND (ILBF)

6.1 The ILBF was launched in September 2005 under the aegis of the Belfast Agreement, but does not appear to have been mainstreamed within the UK's funding structures. The original funding of £12 million appears to have been sourced in the Government's Contingency Fund rather than the Department of Culture, Media and Sport (DCMS), and was paid directly to Northern Ireland's Department of Culture, Arts and Leisure (DCAL). Early in 2008, it was announced by DCAL that funding for the ILBF would cease at the end of March 2009. As part of a deal to sustain the Northern Ireland Assembly, it was announced on 17 June 2008 that the Prime Minister had made a commitment to extend the fund for two years, until March 2011.

6.2 DCAL is no longer involved in administering the Fund. It appears that the extended funding, £3 million per annum, is sourced from the UK Film Council, and is then passed on directly to Northern Ireland Screen, which hosts the ILBF. We are not aware that any extra funding was given to the UK Film Council during 2009–10 for the ILBF.

6.3 That the two-year extension of the ILBF was contingent on short-term political leverage underlines the need for the development of a long-term strategy for funding Irish-language television in Northern Ireland.

6.4 That the funding for the ILBF is not identified under a separate heading in Government spend for 2009–10 is also a matter of concern. It increases the risk that the ILBF will not be considered during the next CSR period (it should also be noted that the UK Film Council is expected to make annual savings of £25 million in the run-up to the Olympic Games). Such an eventuality is all the more likely given the failure of the Minister for Creative Industries to acknowledge the Government's legal responsibilities in this area.

7. SUMMARY

7.1 Our central argument is based on a clear legislative obligation on the British Government to ensure the continuation of the Fund.

7.2 It is clear that the Fund needs to be mainstreamed within Government structures.

7.3 Current funding of Irish language television is extremely modest by comparison with funding for other Celtic languages. While we accept that, in the current economic climate, a more substantial fund is unlikely, we are extremely concerned that the Government appears to have no intention of fulfilling its legal obligations beyond March 2011.

APPENDIX 1

SOURCES FOR STATISTICS

KNOWLEDGE OF WELSH, GAELIC, IRISH

KNOWLEDGE OF WELSH

The 2001 Census gives a figure of 582,368 speakers of Welsh and 661,526 people recorded as being able to understand the spoken language (*Census 2001, Report on the Welsh Language*, "Supplementary table on Welsh language skills", page 39). The figure totalling those who had a knowledge of Welsh across the various combinations of the four language skills of speaking, reading, writing and understanding is extrapolated from Table S137 on page 13, which identifies 797,717 people with knowledge of Welsh.²⁷

KNOWLEDGE OF SCOTTISH GAELIC

The 2001 Census gives 92,396 people who have some knowledge of the language (Table 2B), and 58,652 people who can speak Gaelic (Table 1).²⁸

KNOWLEDGE OF IRISH

The Northern Ireland Census, 2001, published by the Northern Ireland Statistics and Research Agency, gives 167,490 who have a knowledge of Irish (Table UV014, "Knowledge of Irish, Intermediate Detail"). The figure of 106,844 speakers of Irish can be extrapolated from this table.²⁹

WELSH LANGUAGE BROADCASTING SPEND

1. *Welsh, BBC/S4C: Content, £27,600,000; Total spend, £32,500,000*

According to the *Strategic Partnership Deed of Agreement between the BBC and S4C, 17 October 2006*, Par 4.1, the "BBC's Contribution" for 2008–09 was to be £25.1 million.³⁰ This figure has been checked against the BBC's *Full Financial and Governance Statements, 2008–09*. Service Licences allow a tolerance of 10%. Page F67 reveals that the BBC spend on S4C was £32.5 million, made up of £27.6 million for content and £4.9 million for infrastructure/support.³¹ The sum quoted is exactly at the tolerance limit, at 10% above the agreed amount.

²⁷ http://www.statistics.gov.uk/downloads/census2001/Report_on_the_Welsh_language.pdf.

²⁸ <http://www.gro-scotland.gov.uk/files1/stats/gaelic-rep-english-tables.pdf>

²⁹ http://www.nisranew.nisra.gov.uk/census/Excel/univariate_tables/uv014_ni.xls

³⁰ www.bbc.co.uk/bbctrust/assets/files/pdf/regulatory_framework/other_activities/s4c_strategic_partnership.pdf

³¹ http://downloads.bbc.co.uk/annualreport/pdf/bbc_ar_online_08_09.pdf

2. *Welsh, S4C: £98,440,000*

DCMS Annual Report and Accounts, 2008–09, “Notes to Departmental Resource Accounts”, page 123, says that S4C received a direct grant from DCMS of £98,440,000 in the year 2008–09.³² It has not been possible to disaggregate content and infrastructural costs.

3. *Welsh, BBC Radio Cymru: £15,400,000*

Page F67 of the BBC’s *Full Financial and Governance Statements, 2008–09* reveals that the BBC spend on Radio Cymru was £15.4 million, made up of £12 million for content, £1.3 million for distribution and £2.8 million for infrastructure/support.³³

SCOTTISH GAELIC BROADCASTING SPEND

1. *Gaelic, BBC Radio nan Gaidheal: £5,700,000*

Page F67 of the BBC’s *Full Financial and Governance Statements, 2008–09* reveals that the BBC spend on Radio nan Gaidheal was £5.7 million, made up of £4 million for content, £900k for distribution and £800k for infrastructure/support.³⁴

2. *Gaelic, BBC Alba (BBC spend): Content, £4,030,000; Total spend, £7,800,000*

Figures are available for only the second half of 2008–09. According to page F67 of the BBC’s *Full Financial and Governance Statements, 2008–09*, the cost to the BBC of the BBC Alba service was £4.4 million over a six month period. Of this, the £3 million content costs “were under baseline budget by more than the 10% tolerance level as the service was only operational for six months whereas the baseline budget was set on an annual basis.”³⁵ But according to the BBC’s Service Licence: “BBC Alba is funded jointly by the BBC and by GMS. The total budget for BBC Alba is £13.68 million in 2008–09. The BBC’s contribution to this budget, as covered by this Service Licence, is £4.03 million”.³⁶ This sum appears to refer only to content costs. According to the *Public Value Test on a proposed BBC/GMS Gaelic digital service*, published by Ofcom and the BBC Trust in August 2007: “[The Gaelic Digital Service] would cost £17.9 million per annum. of which ... £7.8 million would be contributed by the BBC.”³⁷

3. *Gaelic, BBC Alba (MG Alba spend): £12,400,000*

MG Alba is the BBC’s partner in BBC Alba. Page 34 of MG Alba’s *Annual Report and Statement of Accounts 2008–09* identifies its baseline grant as £12.4 million.³⁸ According to the MG Alba website: “the [BBC Alba] television budget for 2008–09 is £14 million, £10 million of this being provided by MG ALBA and £4 million by BBC Scotland. MG ALBA is funded by the Scottish government and regulated by Ofcom”.³⁹ A similar figure of £10.1 million given in the *Public Value Test on a proposed BBC/GMS Gaelic digital service* involves television content only. The most important other costs identified in the Annual Report involve administration, development, training, promotion and operating costs.

IRISH LANGUAGE BROADCASTING SPEND

Irish language, BBC Television: £530,000:

In March 2008 the BBC Executive submitted proposals to the BBC Trust on spend on the Irish language for 2008–11. This document recommended an expenditure from the Licence Fee of approximately £950,000 each year on Irish language output across radio, television and online:

Based on the BBC’s enhanced funding allocation for indigenous minority language provision in Northern Ireland It is projected that BBC NI’s investment in Irish language television programmes will increase to £530,000 per year from 2008–09.⁴⁰ (emphasis in original)

Irish language, BBC Radio: £240,000:

The document quoted above did not identify the projected sum for Irish language radio, but if the projected £180k for online services is added to the £530k for television, the radio budget comes in at approximately £240,000.

³² <http://www.culture.gov.uk/images/publications/AnnualReport2009ResourceAccounts.pdf>

³³ http://downloads.bbc.co.uk/annualreport/pdf/bbc_ar_online_08_09.pdf

³⁴ http://downloads.bbc.co.uk/annualreport/pdf/bbc_ar_online_08_09.pdf

³⁵ http://downloads.bbc.co.uk/annualreport/pdf/bbc_ar_online_08_09.pdf

³⁶ BBC Alba Service Licence. Issued May 2009, page 2.

³⁷ http://www.bbc.co.uk/bbctrust/assets/files/pdf/consult/gaelic_digital_service/gaelic_ser_desc.pdf

³⁸ <http://www.mgalba.com/downloads/reports/annual-report-08-09.pdf>

³⁹ http://www.mgalba.com/en/rhs_links/faqs.html

⁴⁰ “BBC NI’s Indigenous Minority Language Commitments 2008–11”, 19 March 2008, BBC Trust, Paper No T(08) 52

Irish Language Broadcasting Fund: £3,000,000

Source: Press statement from the Northern Ireland Assembly, June 2008:

The Joint Declaration committed the Government to take the necessary steps to establish a fund for financial support for Irish language film and television production. A similar commitment was also contained in the Good Friday Agreement. ... Funding is £3 million per year giving a total of £12 million up to 2008–09. The fund has been operational since June 2005. The UK Government has agreed to make available £6 million to ensure the fund continues for the final two years of the Comprehensive Spending Review (2009–10 and 2010–11).⁴¹

APPENDIX 2

ADDITIONAL MATERIAL

Our original submission had a broader focus, in which we made the case that Irish language programming should, in the future, embedded into the public service broadcasting framework in Northern Ireland through the following measures:

- an adequate distribution mechanism;
- maintenance of current development and support mechanisms;
- a realistic long-term development strategy; and
- enhanced opportunities for the production of Irish language programming in the future.

The following pages include excerpts from our original submission of 30 April 2009.

SUCCESS OF THE IRISH LANGUAGE BROADCASTING FUND

ULTACH Trust is encouraged by the economic studies of the effectiveness of the financial support for Irish language programming, through the ILBF. Deloitte's report on the effectiveness of the ILBF between June 2005 and March 2007, commissioned by DCAL, has shown the ILBF to be a proven success. We believe that its future should be reaffirmed as an essential pillar of public service broadcasting in Northern Ireland.

Within a budget of £3 million a year and from a standing start, the ILBF has been highly successful:

- 290 hours of programmes have been created for TG4, RTÉ and the BBC, much of it for young audiences from cartoons to sport and teen drama.
- Quality programmes have been made. The feature film *Kings* was Ireland's Foreign Film Oscar nomination. *Tri Shúile an Chait* was nominated for an Irish Film and TV Award.
- 25 independent production companies have received funding, some of which work only in the Irish language.
- 539 Irish speakers have been employed in some capacity by the Fund. Before the ILBF this number was just five.
- 120 trainees have been funded.

The fund has been a proven success, by any measure. In a very short period, from a standing start, it has succeeded in creating a nascent Irish language production sector in Northern Ireland. It has successfully pioneered the first contestable funding model in the UK. To maintain and build on this success, ULTACH Trust believes that sustained financial support for Irish language programming is essential, and that failure to establish a long-term strategy in this area would be extremely counterproductive.

CREATING A NEW PUBLIC SERVICE BROADCAST LANDSCAPE

Irish is the only Celtic language in the United Kingdom which has a significant presence in a neighbouring state. This fact involves two separate but related issues of principle. The first is that, while the UK has sole responsibility for broadcasting in Welsh and Scottish Gaelic, it can share the responsibility—and costs—of an Irish language service with the Republic of Ireland. Implicit in that principle, and reflected in the Belfast Agreement, is a requirement to make the service provided by the Republic available to the Irish-speaking community of Northern Ireland. The Trust will look at the implications of these two complementary principles for a broadcasting framework that will assure the availability of Irish language programming sourced in both the UK and the Republic of Ireland.

TG4

This is the dedicated Irish language channel in the Republic of Ireland, which provides a unique public service broadcasting function for Irish speakers in Northern Ireland. The Trust believes that, in the special circumstances of the Irish language situation, no distinction should be made between Northern Ireland and the Irish Republic regarding access to its services.

⁴¹ Northern Ireland Executive, 17 June 2008—Announcement of additional funding for Irish Language Broadcasting Fund <http://www.northernireland.gov.uk/news/news-dcal/news-dcal-june-2008/news-dcal-170608-announcement-of-additional.htm>

The Trust supports the proposal of allocation of UK digital spectrum to TG4, and would argue that this spectrum should be sufficient to permit TG4 to satisfy the needs of Irish language users, and enable them to receive a full range of public service programmes. We would also suggest that TG4's Irish language programming should have a "must carry" obligation on all platforms serving Northern Ireland. To future-proof its services, the Trust proposes that, as better technology permits, further broadcast opportunities should be afforded to TG4 to utilise spectrum released by higher efficiency for further channels in the Irish language.

RTÉ TELEVISION

RTÉ Television broadcasts its own Irish language material both on television and radio, as well as providing TG4 with 365 hours of programming material every year; a contribution that forms a core part of TG4's topical programming. The Trust believes that, quite aside from arguments relating to access in Northern Ireland to RTÉ on grounds of cultural identity and cultural diversity, the fact that RTÉ itself provides more Irish language broadcasting than does the BBC makes a case for broader access to its services throughout Northern Ireland.

ULTACH TRUST

The ULTACH Trust is a cross-community Irish language charitable body established in Belfast in 1989. We are particularly active in the area of Irish-medium broadcasting. We have:

- Published five reports since 1990 on the issue of Irish-medium television in Northern Ireland;
- Campaigned for a training and production fund for Irish language television in Northern Ireland, for guaranteed access to the Irish language television channel TG4, and for provisions for the Irish language in the Communications Act;
- Managed the first Irish-medium television training course in Northern Ireland (2002);
- Developed and co-funded support packages for emerging Irish language television producers;
- Been active in all stages of the Ofcom review of public service broadcasting and BBC Charter Review.

SUMMARY OF ULTACH'S VIEWS

ULTACH Trust argues that the following modest measures are necessary to ensure that the UK Government fulfils its legal and other obligations (for example, the Belfast Agreement and the European Charter for Regional and Minority Languages) to provide for Irish language television broadcasting. These measures also bring considerable economic, social and cultural benefits to society in Northern Ireland. We ask the British Government to:

- Ensure that international agreements, such as the Belfast Agreement, are enshrined in the broadcast and production structure and, as appropriate, in any future legislation. The Belfast Agreement involves two critical commitments by the British Government: (a) access to TG4, the Irish language television station in the Republic of Ireland, (b) funding to support the production of Irish language film and television programmes within Northern Ireland.
- Guarantee that sufficient funds are made available to develop high quality Irish language programming by means such as the Irish Language Broadcasting Fund (ILBF), and ensure that the level of such funding reflects the growing use of and interest in the Irish language. We note the clear endorsement of the success of the ILBF in the Deloitte Report to the Department of Culture, Arts and Leisure.
- Provide a 10-year guarantee for the ILBF. ILBF funding should also be index-linked, in line with Welsh language support for S4C.
- Establish a long-term broadcasting framework for Northern Ireland which will ensure a stable and well-funded television landscape to serve the Irish language community. The framework should reflect the greater stability provided for the Welsh language through the S4C licence and BBC production support, and that for the Gaelic Digital Service in Scotland.
- Create within that broadcasting framework sufficient opportunity for the continuing and wider distribution of programming in the Irish language from the Republic of Ireland as an essential part of public service broadcasting in Northern Ireland.

THE IRISH LANGUAGE

The Irish language is one of the two national languages of the Republic of Ireland, has been a Treaty language of the European Union since 1973 and became an official working language of the EU in January 2007. It is also an essential aspect of the heritage and living culture of Northern Ireland, and is spoken and understood by a growing number of people. As such, its place as an integral part of the linguistic landscape of the United Kingdom needs to be enshrined in any UK broadcasting structure that affects Northern Ireland.

The 2001 Census for Northern Ireland reported that 167,490 (or 10.4%) of the population claimed a knowledge of Irish. This compares with 142,000 in 1991—almost a 20% increase over the decade.

There are more than 4,000 children in the Irish-medium education sector in Northern Ireland (compared to 2,385 in Gaelic-medium schools in Scotland). The sector is growing at a rate of nine new schools every two years. A further 20,000 children study the language at English-medium schools.

Of all adults in Northern Ireland, 29% consider Irish language and culture very or fairly important (McCann-Erickson February 2000).

Research carried out by Ofcom has shown that “In Northern Ireland, just under one-third of people thought that some programmes needed to be in Irish” (Ipsos MORI research, April 2008).

Research carried out by PriceWaterhouseCoopers on behalf of the BBC in 2007 stated that 34% cited language as an important part of their identity. 55% of those who had some knowledge of the Irish language want more local programmes in the Irish language.

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