

A public service for all?

SNP response to DCMS review of
BBC Charter and Agreement

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A public service for all?

1. Introduction

Digital broadcasting is the mass medium of the 21st century. The changeover to digital, and other technological advances, will transform the broadcasting sector beyond recognition. It is vital for Scotland, both economically and culturally, that this is addressed. The SNP contends that the best way to address this issue and provide a Scottish solution to it would be for the creation of an autonomous BBC Scotland with its own charter.

The Secretary of State's foreword to the 'Public Service for All' document states that the government has two objectives to make sure that the BBC has a secure future: it must keep pace with technological changes and "reconnect the BBC with the citizens it serves". With that regard there is a credibility gap in terms of the BBC's provision of services in Scotland - most obviously demonstrated through BBC TV News coverage in Scotland.

2. BBC TV Scottish News Coverage

There have been calls from across the political spectrum for the creation of a "Scottish Six" o'clock news since before the inception of devolution. The Broadcasting Council for Scotland (BCS) warned prior to the beginning of devolution that problems would arise in terms of centralised news coverage when Scotland went its own way on major public policy areas. The BCS thus produced the initial proposal for 'Scottish' versions of the flagship news programmes. However, this proposal was rejected by the Board of Governors of the BBC "in the face of widespread support for the programme from stakeholders in Scotland including the [BCS], BBC staff, politicians

and the public."

One of the concessions that was given in place of the flagship news programmes was the creation of a 20 minute Scottish opt-out at the end of Newsnight. Newsnight and Newsnight Scotland are perhaps the most directly comparable news and current affairs programmes from London and Scotland, respectively. Figures show that Newsnight Scotland has a higher audience share than its UK counterpart in Scotland; and BBC Scotland has itself indicated that Reporting Scotland and the ITV equivalents are proving more popular than the main UK news bulletins. Effectively, the people of Scotland are not watching Newsnight in as great numbers as they might, as the stories often do not affect them; hence, they switch on only for the Scottish segment. Furthermore, the debate over a "Scottish Six" begs the question as to why the BBC allowed BBC Scotland to produce Good Morning Scotland on radio—which has proven hugely popular, capturing 11.2% of audience share in 2004—but refrained from allowing BBC Scotland to produce an autonomous Scottish television news programme. What is unique to television broadcasting that prevents the BBC from allowing Scotland to produce its own full news programme?

In 2005 Dr Duncan McMillan of Aberdeen University published a report into how Scotland and Scottish stories were treated by the BBC's flagship news programmes. Dr McMillan found that just 2% of content on the UK Six O'clock news was "Scottish," compared to 34% of news which was considered to be "English." He also stated in his report that the bias was in greater evidence when only "serious" news on crime, health, education and politics were

looked at. In these subjects the “Scottish” content was just 0.7%. Scottish viewers are being shown widespread coverage of health and education policies from the UK Government which are as relevant to their lives as the health and education policies decided on by the French Government. While they may be of academic interest they have no bearing on their lives. The people of Scotland pay their fair share of the BBC license fee (£126.50 annually); shouldn’t its programming reflect their interests to an equally “fair” degree?

Despite being warned prior to devolution by the BCS that this issue would arise, the BBC has only recently begun to recognise its significance. In November 2005 Jeremy Peat, the national governor for Scotland, admitted that the BBC still had “some way to go” in resolving the necessity for different news coverage in Scotland to the rest of the UK. He also said that “we have some way to go in the BBC to properly reflect the devolved nature of Scotland in national programming.” Michael Grade said at the same meeting that he recognised that there was a “groundswell of dissatisfaction” at how the BBC flagship news programmes treated Scottish news. Grade further admitted in January 2006 that the BBC has sometimes exhibited “an imbalance and a lack of sensitivity” towards Scotland in its coverage of the UK in its national news bulletins.

There is also clear evidence that “devolving” the flagship news and current affairs programmes to BBC Scotland has significant support. In 2004 the Scottish Consumer Council carried out a survey into the levels of satisfaction that Scottish residents had with BBC News. The results of the survey were clear: as the SCC’s chairman, Graeme Millar, noted, “Almost 70% of the people in the survey favour greater Scottish control

over news output while only 14% oppose it...These results indicate that there is an appetite for change in Scotland that is not being satisfied at the moment.” Indeed, the BBC Scotland council itself noted this level of discontent in its 2004/2005 Annual Report: “approval in Scotland for the BBC remained low,” the council wrote, referring to approval ratings in Scotland which dipped consistently below those in the UK as a whole between 2001 and 2004, yet “news and programmes on BBC One made specifically for local audiences...proved the single strongest drivers of approval for the BBC in Scotland.” The people of Scotland have spoken, and they want programming produced in Scotland with a distinct Scottish focus.

The BBC is not alone in this problem as ITN, and Sky News’ “UK news” coverage also can pay only lip service to the distinct aspects of Scottish current events and life. The difference between these bodies and the BBC is that the BBC is under a firm obligation to provide a public service. Currently that service is not being carried out. Public service broadcasting must play a crucial role in providing satisfactory, trustworthy news to the citizens it is intended to serve. If it fails to win the public trust and the public satisfaction, it necessarily loses its mandate. The levels of public disappointment with BBC Scotland can be contrasted with the levels of public satisfaction in Finland with public service broadcasting.

In Finland, 98% of all Finns watch or listen to Yleisradio Oy (YLE, the Finnish public service broadcaster) programming in the course of a week. YLE has also consistently maintained the highest audience share among all broadcasting companies, attaining 44.3% of the daily audience share in 2005. Significantly, such an audience share does not stem from lack of alternatives: 81% of Finns

claimed to be “at least rather satisfied” with YLE programming in 2004. Furthermore, 20% of survey respondents claimed in 2004 that YLE TV news and weather at 8:30 PM was their single most important news source of the day during the week (ahead of any commercial news broadcasts, and second only to the newspaper delivered to their front door [21%]); and 95% of viewers believe that YLE’s “reliable and independent news” and wide reach are at least “rather important.” Especially in the context of increasing media concentration and internationalisation in Finland, YLE’s audience share and public service functions have become increasingly noteworthy. BBC Scotland should aim for such levels of public satisfaction and trust.

Furthermore, as the SCC observes, the competitive print media market in Scotland should serve as evidence of the Scottish people’s “demand for news produced and edited in Scotland that reflects and Scottish agenda and a Scottish perspective on the world.” The Daily Record has among the largest “regional” circulation (419,741 average net circulation per issue) of all morning papers in the UK, and The Herald (75,853) and The Scotsman (63,678) remain within the top ranks. Indeed, as Philip Schlesinger says,

“It is very clear that Scottish consumers—when given the choice between UK and Scottish produced papers, on the whole choose either Scottish papers or Scottish editions of UK papers with relatively few exceptions. I think that is a consumer choice which you can quite reasonably assume is related to regional and national ideas of identity.”

BBC Scotland is making positive noises and has plans to vastly increase ‘local’ news content in the opt-out and also online, and this is to be commended.

However it is no substitute for a quality and relevant national news service. BBC Scotland has the journalistic and production talent to provide these flagship programmes and should be trusted and provided with the necessary support to do so. Similarly, we join the SCC in welcoming the BBC’s recognition of the “changing UK” post-devolution and its allocation of increased funding for BBC Scotland; yet such enlarged spending must be placed in the context of both increased BBC funding overall and the question of how this money is ultimately spent in Scotland—to what extent BBC Scotland is still restrained by rigid programming schedules formulated in London, and is thus unable to use the money to help its local industry.

Nevertheless, the context in which this earlier decision to deny a “Scottish Six” was unilaterally made by the BBC Governors deserves recognition, especially in light of the new, more democratic structure of the BBC. According to the SCC, the issue at the time was not “what decision was taken by the BBC but how that decision was arrived at by the BBC governors...In our view this raises particular issues about the BBC’s accountability in Scotland which will not be helped by excluding the BBC from independent regulatory control by Ofcom.” Since the new BBC Trust will include “individual members dedicated to the interests if each of the constituent nations of the UK,” and will aim to provide a semblance of representativeness, could not the BBC now consider an arrangement which truly reflects the interests of its constituent members and the people which it purports to represent?

All the same, as the Scottish Consumer Council remarks, it must be remembered that the debate over the “Scottish Six” “obscure[s] the wider issue of the imbalance of investment in programme-

making between London and the UK nations and the regions of England.” News coverage is just one small aspect of the need for an autonomous BBC Scotland and there are a variety of other factors to take into account, such as cultural implications.

3. The Cultural Commission on Broadcasting

The SNP are not alone in believing that it is vital for the survival and development of Scottish culture that there should be devolution of broadcasting powers and particularly a revision of the operation of public service broadcasting in Scotland. Control over broadcasting should be—and is—an editorial, not a political decision. The non-partisan, Scottish Executive-established, Cultural Commission also advocates devolution of broadcasting powers and a review of Scottish public service broadcasting. In June 2005 the final report of the Cultural Commission was published, and its list of recommendations included the notion that the Scottish Parliament should have control over broadcasting in Scotland. It concluded that “public service broadcasting should be aligned with the shape of contemporary society and should work in sympathy with the nation.”

The report does recognise that there have been steps taken, such as the introduction of Holyrood Live and Newsnight Scotland, but said that “these changes have not been calibrated against the changes in Scottish society but in line with BBC corporate policies.” Indeed, the Commission ties the BBC’s willingness to provide for Scottish Parliamentary broadcasting to “the best traditions of its distinguished history of carrying Westminster affairs to the UK audience,” but notes that “the changes in Scottish society

are deep and broad and go beyond Holyrood.” Therefore, the shape of Scottish broadcasting must not only adapt to these new political arrangements; more importantly, it must reflect those deeper societal changes of which devolution was merely the culmination.

One of the principal problems that the Cultural Commission report highlighted with regard to BBC Scotland was that, as it operated on the basis of an opt-out rather than opt-in system, the “overall tone and configuration of the networks are set in London and are unalterable.” The report also says that “the only thing that will transform the scene in Scotland is an element of devolution of broadcasting...there is a strong case for the establishment of at least one channel based in Scotland”. It concludes on the subject by saying that “the commission recommends that Scottish Ministers should consider how a separate channel for Scotland might be financed and set up.”

4. The Languages of Scotland

As referred to in the White paper, more support, principally through the *Seirbheis nam Meadhanan Gaidhlig* (Gaelic Media Service), will be given in the digital broadcasting age by the BBC to ‘minority’ languages. An autonomous BBC Scotland TV channel could also provide a way forward for Gaelic Broadcasting, as it has done through BBC Radio Nan Gaidheal. It could play a pivotal role in bringing a creative, realistic service to Gaels as part of an overall broadcasting commitment to Scotland’s diverse cultures.

An autonomous BBC Scotland would also create extra capacity for the provision of languages other than English which are in use by select communities in Scotland, be they ethnic, religious or cultural

communities. This would mean supporting a broad spectrum of languages, from Urdu through to British Sign Language.

One language which has received scant support is Scots. Scots is often mistaken as being merely a dialect of English; however, this is not the case. Scots is a language with not only words distinct from English but also a separate grammar system. BBC Scotland has recently screened a series from Carl McDougall on Scots which has been well-received. Scots is one of the languages of Scotland, yet its prospects remain clouded by public ignorance. BBC Scotland should be allowed to use its position as Scotland's public service broadcaster to explore the opportunities that broadcasting in Scots provides itself and also the language.

An autonomous BBC Scotland could take inspiration in this regard from the public service broadcasters of other small nations with significant minority languages, including Finland and Ireland. The Finnish public service broadcaster, YLE, runs two analogue channels and three digital channels in addition to a digital Swedish-language channel, YLE FST-D, which broadcasts news, factual and children's programming, sport and entertainment. It also offers primetime FST broadcasts on its analogue YLE TV1 and YLE TV2 channels on Mondays and Tuesdays. In 2004, YLE FST-D broadcast 2139 broadcast hours of Swedish-language content. YLE FST, however, made an even more impressive showing, considering YLE FST is not an independent channel, but only the name given to Swedish-language broadcasts on analogue YLE TV1 and YLE TV2: it broadcast 957 broadcast hours of Swedish-language content in 2004, a total number of television hours well in excess of BBC Scotland's entire output of 846 hours. Furthermore, during one week, YLE FST reaches 70% of the

Swedish-speaking population, while all YLE channels reach 86% of Swedish speakers. Although YLE FST-D only reached 9% of Swedish speakers in 2004, many of these individuals—even those with digital receivers—chose to watch YLE FST analogue broadcasts. In 2004, YLE accounted for 37% of the daily viewing of Swedish speakers, more than each individual commercial channel.

Indeed, even the Åland Islands, a unilingual Swedish-speaking province of Finland, supervises its own public broadcasting system. Under the Åland Self-Government Act, this province makes its own decisions regarding the supervision of its own public broadcasting system. The public service company Ålands Radio/TV has produced its own programming since 1996 on the basis of a licence fee (€200 [£139.54], as of 2004).

Ireland also provides an instructive model for an autonomous Scottish public service broadcaster which would serve minority language communities. The Irish public service broadcaster, Radio Telefís Éireann (RTÉ), operates two stations, RTÉ One and RTÉ Two, in addition to providing support for TG4, an Irish-language station. The Broadcasting Act 2001 requires RTÉ to “provide a comprehensive range of programmes in the Irish and English languages that reflect the cultural diversity of the whole island of Ireland.” The subsequent Public Service Broadcasting Charter 2004 states that “RTÉ shall actively support the use of the Irish language in everyday life through the production of suitable programming.”

TG4 (the Irish-language TV channel) was established in 1996 “under the statutory umbrella” of RTÉ. This means that it operates under the aegis of RTÉ, but has independent status. TG4's signal covers all of Ireland (by aerial, satellite, cable, and DTT). It receives its current

funding as a Grant in Aid from the Exchequer—some €28m (£19.5m) in 2006—while earning some revenue from commercial airtime sales, programme sponsorship and programme sales, and receiving programming support from RTÉ.

TG4 sources its programmes from independent production companies and from RTÉ, receiving some 365 hours of programming annually from RTÉ, at no cost to TG4. Almost 800,000 viewers tune in daily to such broadcasts. Every day it broadcasts over seven hours of Irish language programmes, supported by a range of materials in other languages. RTÉ also contributes a daily 26.5 minute news bulletin on TG4, which offers regional coverage of the top stories of the day, and 4 documentaries per year to TG4. Moreover, even RTÉ itself was capable of broadcasting 146 hours of Irish language programming on its main stations in 2004 – 67.5 hours of programmes and 78.5 hours of news and current affairs. Compared with the paltry 28 hours of Gaelic television produced by BBC Scotland in 2004, these statistics speak to the potential of autonomous public service broadcasters in small nations to provide substantial support to local minority languages.

TG4 also invests over €15m (£10.5m) annually in Irish language programming from the independent production sector in Ireland. Such investment further supports 340 posts in small private sector companies throughout Ireland. Clearly, not only could an autonomous BBC Scotland cultivate Scots and Gaelic, but it could also stimulate the local economy in the process.

Both public service broadcasters also employ a plausible funding scheme, which will be explored in more detail later.

5. Broadcasting and Scottish Culture

The digital age has seen an explosion of channels, but with it has come the threat of a greater homogenisation of culture. The cost of the product is such that consolidation will apply and pressures will mount on smaller societies through a centralised media. In fact, consolidation is already occurring to an alarming degree within the UK and Scottish media markets. As the SCC remarked in 2002, the UK government's proposal in its White Paper on Communications to abolish the fifteen percent limit on TV audience share "[opened] the door to further mergers and takeovers as the ITV franchise companies [sought] to consolidate." In fact, according to the International Federation of Journalists (IFJ), the passage of the Communications Act 2003 subject the UK to the most liberal media ownership rules in Europe, relaxing controls on non-European media ownership of UK media and cross-media ownership.

Under these conditions, such media giants as the Scottish Media Group—which owns and operates Scottish and Grampian TV, Virgin Radio, Primesight, and Pearl & Dean, and which recently sold three of Scotland's biggest newspapers to the Gannett Corporation, the largest newspaper publisher in the U.S.—threaten to limit the Scottish public's exposure to varied and local news coverage. Indeed, the SCC rightly indicates that a contradiction exists between the UK Government's claim to defend regionalism, diversity, and competition in the media and its approval of greater consolidation in the commercial sector—the economics of which, the SCC maintains, work "against the principles of public service broadcasting for the UK nations." If Scotland is to retain its own cultural diversity and distinctiveness within both Britain and the Anglophone

world then television—particularly public service broadcasting—will be vital in this struggle.

The defining characteristic of the digital age will be the huge increase in viewer choice, albeit ultimately among a few large media corporations. Already, over 50% of households have access to digital TV (the figure was zero in 1996) and the UK government are hoping for full ‘switchover’ to digital by 2010, when the average television will have 36 channels on offer. Viewers will be able to pick and choose from a far larger variety of programmes from all over the world and from many different cultures. In this new global television terrain, national borders are rendered meaningless and national cultures are inevitably at risk, particularly those of smaller countries. Faced with the very real prospect of cultural hegemony in a digital world, it is essential small nations take control of their own broadcasting in order to promote their own culture both within their own borders and to the outside world.

In the DCMS white paper much play is made of the BBC’s Memorandum of Understanding with the Arts Council over major cultural initiatives to foster cross-organisation support and also to avoid duplication. But there is no such similar memorandum held with the Scottish Arts Council. This is yet another example where the devolved nature of Scottish political life has been overlooked by the London-centric BBC UK.

Insofar as the BBC claims to serve a certain “citizenship” purpose, “informing ourselves and others and increasing our understanding of the world,” it seems particularly important that an excessively centralised focus not dominate the BBC. The nations and regions of the UK should be able to determine for themselves the prism through which they un-

derstand the world. “Citizenship” is not uniform in Scotland, Wales, Northern Ireland, and England; and public service broadcasting in each nation should reflect that reality.

Perhaps the most serious cultural consequence for Scotland in having little or no control over such an important cultural tool as broadcasting, and public service broadcasting in particular, is that Scotland’s identity and culture is not accurately reflected to both our own people and abroad. This problem was recognised as far back as 1977 by the Annan Commission which observed that television in Scotland conveyed “hackneyed symbols” instead of the thriving, distinct and diverse cultural life that Scotland has to offer.

In its BBC White Paper, the Department for Culture, Media, and Sport emphasizes that two of the key purposes of the BBC include “representing the UK, its nations and regions” and “bringing the UK to the world and the world to the UK.” However, taking into account the BBC’s scant 1-2% of “Scottish” news content and its broadcast of a mere 191 hours of Scottish-produced programming out of a total of 8,555 hours of broadcasting on BBC One and BBC Two (a reduction in Scottish programming in spite of an overall increase in programming from 2004), one begins to wonder what sort of image of “Britain” is truly broadcast overseas. Furthermore, only 847 hours of Scottish productions were broadcast on the BBC Nations and Regions networks (down from 976 in 2004, and behind the volume of Welsh and English productions). Without an autonomous BBC Scotland, Scotland will lose out in the transmission of national identity at home and abroad—it will not be able to choose or even influence to a sufficient degree the image of itself that is sent out to the world.

One need only compare the programme output of BBC Scotland at present—volume as well as diversity—with that of YLE or RTÉ to see the potential for an autonomous BBC Scotland. YLE, for instance, broadcast 19,882 hours of television on all of its channels in 2004. 62% of its programmes were domestic productions, of which an additional 19% were independent productions. Its total of new domestic broadcast hours stood at an impressive 5,533 hours. Both RTÉ channels, in comparison, broadcast a total of 1,878 hours of indigenous programmes in peak-time in 2004. 59% of RTÉ One's content was composed of indigenous productions, 26% acquisitions, and 15% other; although RTÉ Two was much less domestically-focussed, with only 30% indigenous productions, versus 54% acquisitions, RTÉ's content (in total) remained at a strong 45% indigenous productions, 40% acquisitions, and 15% other. Compared with the mere 846 hours of television broadcast by BBC Scotland and 323 hours of network deliveries (a total of 1,169 hours), these small nations have proven themselves capable not only of producing a higher volume of programming overall than Scotland, but also of producing more distinctive “national” programming. Public service broadcasting thus serves its key “citizenship” purpose in these nations to a more satisfactory degree—reflecting the nation back to the people and projecting the nation to the world—than does BBC Scotland at present.

This remains a serious problem today, and is a direct result of control of such an important cultural medium lying out with Scotland. However, there are also economic considerations to be taken into account when analyzing Scotland's lack of control over its own image.

6. Broadcasting and the Economy

Scotland has a significant pool of talent in the broadcasting sector in terms of both artistes and production. While BBC Scotland only employs around 2,000 people, of whom some 195 were slated to lose their jobs in early 2006, nations of a comparable size to Scotland are providing far higher levels of employment.

Ireland's RTÉ, for instance, is divided into six integrated business divisions: radio, news and current affairs, television, network, publishing, performing groups and corporate centre. Day-to-day running of RTÉ is covered by the RTÉ Executive Board, which is chaired by RTÉ's Director-General. In total, approximately 2,000 people are employed by RTÉ.

RTÉ has its headquarters and main studios in Donnybrook, Dublin, and supplements this central hub with regional studios throughout the country. It has regional offices, which provide news and programme material, with live studios, crews, and editing capabilities in each office, in: Dundalk (North-East), Waterford (South-East), Cork (South), Limerick (Mid West), Galway (West), Sligo (North-East), Athlone (Midlands and North Leinster), and abroad, in Belfast, London, Brussels, and Washington, D.C.

RTÉ Network, Ltd., a wholly owned subsidiary of RTÉ, operates an extensive transmission network comprised of approximately 200 transmission sites covering the entirety of the Island. RTÉNL employs over 70 staff in five regional bases and a head office facility based in Dublin.

Finland's YLE, too, provides an admirable model of local employment. Including its 21-member Administrative Council

and its board of directors, YLE employs around 3,500 people in all of Finland. 80% of these employees are engaged in making programmes, while the remaining 20% work in support operations (e.g., engineering or administrative tasks). YLE's television production services are based in Helsinki and Tampere, and its studios are concentrated in Helsinki. It has production centres scattered throughout Finland—in Rovaniemi, Oulu, Vaasa, Kuopio, Jyväskylä, Tampere, Helsinki, Lappeenranta, and Turku. It also provides extensive regional television and radio programming—which necessitates local infrastructure—including: 20 Finnish-language radio stations, 5 Swedish-language radio stations in the coastal region,¹ Sami-language radio station in Lapland, and local television news in 8 regions.

Scottish universities, such as Stirling and Glasgow Caledonian among others, are providing a considerable number of graduates that are highly skilled in the creative industries but who, in all too many cases, need to seek employment for their skills in London or elsewhere. Scotland, through an autonomous BBC Scotland, must be able to grasp the opportunities offered by being part of the Anglophone world. As the digital age increases production from a variety of sources and, as is indicated in the white paper, the BBC becomes more of a commissioning agent than a direct producer, there is a great opportunity for growth in both jobs and the economy within the television and media sector.

7. Out of London?

A distinctive autonomous BBC Scotland TV station would deliver a welcome boost to the Scottish economy by fostering a strong television industry, a viable independent sector and a high number

of high quality jobs. The cultivation of a broadcast jobs sector in Scotland should be seen as being in keeping with the BBC aims to move production 'out of London'.

Despite the creative industries in Scotland being on the whole a growth sector, the television industry—an industry that should play an integral role—remains relatively stagnant. Despite Scotland having almost 10% of the UK population, Scottish audiovisual production accounts for a mere 5% of the total UK production. The White Paper is right to welcome the BBC's plans to start moving "out of London" but it can't be ignored that this effectively means that the jobs are being moved "into Manchester." Scotland will see little benefit from the move.

Broadcasting can provide a vital contact for our modern economy with the rest of the world, portraying Scotland as a good place to visit, work, live and invest in. S4C in Wales, for example, annually attracts £2 million of inward investment via co-productions. In Scotland, however, the potential benefits of broadcasting for our economy are minimised as programmes made by Scottish broadcasters and producers account for less than 2% of UK TV exports.

Independent Scottish TV Production
The Audit of the Scottish Screen Industries highlights the lack of commissioning power in Scotland as a main structural impediment to the expansion of our television industry. Only by bringing commissioning control north of the border can a structural basis for a successful television industry be created.

A crucial component of the television industry, and indeed the "knowledge economy" as a whole, are independent production companies, known as "Indies." Unfortunately, the Indies in Scotland con-

tinue to suffer from remoteness from the major UK commissioning centre, London, and the absence of a major production centre in Scotland. The expense of having a subsidiary presence in London is a severe economic hardship for Indies, but often seen as necessary to facilitate the networking and relationship-building that is so important in this industry.

The problems faced by Scottish Indies are accentuated by the success of their Welsh counterparts. The Welsh independent production centre has received a huge boost since the creation of S4C and has grown to be the largest outside the south east of England. S4C does not produce its own programmes, but commissions others (mainly small independent companies) to produce Welsh language programmes on its behalf. This ensures that “S4C is uniquely placed in Wales to make a much wider contribution to the Welsh economy, across the whole country and not limited to our base in Cardiff.” In total, the existence of S4C ensures a third more public service broadcasts in Wales than in Scotland (1420 hours per year to 850 hours per year).

S4C has a wide impact on the creative industry, in terms of both jobs and income produced, which spills over to benefit the larger Welsh society. The Welsh Economic Research Unit at Cardiff University and the University of Glamorgan estimates that “85% of S4C’s total spend is in Wales and 41% in areas covered by Objective One.” Yet even this figure does not adequately explain the extent of S4C’s impact on the Welsh economy, as S4C “underpins [the creative industry], creating a constant demand for new content and generating further investment in communities across the country.” In total, the Welsh Economic Research Unit concluded in 2001 that while S4C only provided 204 full-time equivalent jobs (FTEs) and £5.1 m in dis-

posable income in 1999, it indirectly generated a total of 1975 FTEs and £33.2m of disposable income that year, both within and without the arts and culture industry. More importantly, S4C forms a base from which ambitious individuals and companies can expand into wider markets—projecting Welsh programmes (and Welsh identity) throughout the world. Indeed, the Welsh Economic Research Unit places less emphasis on these concrete economic figures than on S4C’s unique cultural influence in Wales:

“S4C is a significant influence on culture, creativity and confidence in Wales, enriching the daily lives of Welsh-speakers and playing a leading role in the content, promotion, and quality of culture in Wales.”

If S4C can almost single-handedly form a robust base for the creative industry—and, in fact, for the wider society, as well—in Wales, then an autonomous BBC Scotland with control over commissioning could produce wide-ranging changes in this nation two million people larger.

The audio visual industry is characterised by youthfulness (62% of its participants under 35) and high levels of education (66% have degrees). As such, the sector is immensely valuable to the Scottish economy as a whole and provides an ideal opportunity to tackle arguably Scotland’s central economic problem—the retention of well-educated young people within the country. However, despite Scotland having some of the best media graduates in Europe thanks to high quality courses at Glasgow, Stirling and Abertay Universities, our television sector employs fewer people than Ireland, who have an overall smaller population than ours. The crucial structural difference between Scotland and the Ireland in this instance is the existence in the

latter of autonomous broadcasters, in the shape of RTÉ and TG4.

8. An Autonomous BBC Scotland

The cost of production even in a digital age is phenomenal. The cost of creating a new and separate ‘Scottish Broadcasting Corporation’ would be massive and arguably unnecessary given the situation and resources currently available. Rather than starting from scratch, the creation of a media cluster at Pacific Quay offers a golden opportunity for an autonomous BBC Scotland with its own charter.

One option to provide a distinct Scottish channel without having to start from scratch is via ITV, which has operated a ‘regional federal’ commercial model since 1955. However, due to a combination of the Carlton – Granada merger, the difficulties facing Scottish Media Group, and commercial pressures, there exists a genuine fear of increased centralisation of ITV and hence a fall in distinctive “Scottish” output. Furthermore, despite ITV’s stated claim of providing “the most comprehensive regional news service in the UK,” it breaks all of Scotland down into three “regions”—Borders, Scottish, and Grampian TV—while providing England with ten distinct regions (including Borders). Against this backdrop, it is difficult to see how ITV could provide a distinct and successful channel north of the border. Also if it were to provide such a channel it would not carry the public service obligations that not only underpin the BBC but also make it a respected institution; according to the Cultural Commission, “As Ofcom frees ITV companies from their obligations to produce non-news programming for local consumption, BBC Scotland’s importance to the nation grows.”

With the above points in mind, the most

viable option for a sustainable and high quality Scottish channel, in keeping with the hopes of the Cultural Commission, is an autonomous BBC Scotland with full commissioning and scheduling powers given by a distinct charter and agreement. As has been argued above, there are a number of advantages to broadcasting, culture and the economy of Scotland by going down this road to answer the current shortcomings in the ‘public service’ that is being provided by the BBC to Scotland.

The required infrastructure already exists in BBC Scotland, in its current form. The fundamental change would be the acquisition, through a Scottish charter, of commissioning powers and increased scheduling powers. This would allow BBC Scotland to ‘opt in’ to certain popular and high-quality network programmes while commissioning more productions made in Scotland, as opposed to the current situation of ‘opting out’ of the network schedule to show home made products. In addition, regional programming under the current arrangement is likely to suffer in the long term, as it has become increasingly difficult for commercial—and presumably public—channels to find “viable and attractive slots for... regional opt-out programming in an increasingly competitive network schedule.” The economics of our current competitive television industry create a disincentive for networks to show regional programming, as they have to sacrifice tried-and-true, culturally indistinct programmes to satisfy more narrow “local” interests. Under this alternative arrangement, viewers in Scotland would enjoy a wider variety of Scottish productions than are currently available, such as *Still Game*, while also having access to the best of the network productions that BBC Scotland chose to opt in to, for example *Eastenders*.

BBC Scotland already plays a central role Scottish in public life. This is a significant springboard to ensuring that an autonomous BBC Scotland is in the mainstream of Scottish life, not pushed to the fringes, as would be the danger facing a newly set-up Scottish digital station. News and Sport could be “hubbed” to build a successful station. News and sport are widely regarded as the two pillars of any national television station. With large sections of BBC network news becoming irrelevant to a devolved Scotland, as has been shown earlier, the need to present national and international news from a Scottish perspective is essential. For instance, the BBC Scotland Annual Review 2004/2005 makes note of a number of complaints lodged by Scottish viewers regarding the coverage of the Euro 2004 football tournament: the viewers complained that “in matches involving England, BBC commentaries focused on the fortunes of the England team rather than on the match as a whole.” This is unacceptable conduct for a public service broadcaster which purports to represent and serve the people of Scotland. The recent loss of live televised Scottish Premier league games by BBC Scotland further illustrates the extent to which the current institutional and economic arrangements surrounding BBC Scotland are out of line with Scottish interests.

An autonomous BBC Scotland would take this argument beyond the current impasse over a ‘Scottish Six’ and progress it towards building a distinctive station that accurately reflects Scotland’s priorities. Sports coverage would also play a pivotal role, contributing significantly to a unique character for the station and putting an autonomous BBC Scotland at the heart of Scottish life. It is upon the dual building blocks of news and sport that a television channel that reflects Scottish society and promotes

our culture both internally and externally can be achieved.

9. An opt-in system?

If an autonomous BBC Scotland were established, this would not necessarily imply that the people of Scotland would receive only content which could be perceived as “parochial.” BBC Scotland could choose to “opt-in” to popular BBC programmes, meaning that it could develop its own schedule according to local tastes and needs, rather than being subject to the economic imperatives of London. The new BBC Scotland could take “Arbeitsgemeinschaft der öffentlich-rechtlichen Rundfunkanstalten Deutschlands” (ARD), the public service broadcaster for the German Länder, as a model for such opt-in programming.

Post-World War II, a federal system was established by the Allied Powers in West Germany, which provided for independent parliaments in each of the German regions. The broadcasting organisations which developed in each region were (and are) governed by Länder broadcasting laws; thus they serve the Länder. However, inter-state treaties allow networks of regional broadcasters to form (e.g., ARD). Such inter-state treaties provide a national framework for an otherwise regionally fragmented market, while still allowing the regional broadcasters to retain their independence, by and large.

ARD is comprised of 11 regional public television and radio stations. Each of the regional television stations contributes programmes to ARD’s national channel (Das Erste), and also broadcasts its own regional channel (Die Dritte [“Third Channels”]) which has a more local focus. In the 1970s, the “Third Channels” concentrated on educational and training

broadcasts for regional minorities. By the middle of the decade, they began to broadcast entertainment, and emphasized their functions as regional alternatives to the national offerings of ARD and ZDF. Their numbers of broadcasting hours increased from two to six hours per day in the 1970s, and ultimately, in the 1990s, to almost 24 hours per day. Since the 1960s, the “Third Channels” have worked closely together, exchanging programmes for free and collaborating on long-term projects, while deciding their own programme schedules independently.

The German public service broadcasters held a combined market share of more than 45% in 2004—a very impressive figure, considering that Germany has the most competitive media market in Europe. Die Dritte alone held 13.7% of the audience share, with Das Erste—many of whose programs are sourced from Die Dritte—taking an additional 13.9%. Only 10 channels accounted for almost 88% of viewing time in all TV households in 2004; of these top 10, three were public service broadcasters (ARD, ZDF, and all of Die Dritte). Because ARD broadcasting is so decentralised, its income of more than €7 billion (£4.8 billion, in 2003), is spread throughout the German regions and helps to support their local economies. ARD is also funded according to a realistic and economically viable model which utilises a combination of sources, including: licence fees (€17.03/month [£11.88/month] for both radio and TV at present), advertising and sponsoring (not allowed on Die Dritte), and programme sales and merchandising. Clearly, if public service broadcasting can thrive in a federal arrangement on such small scales, a nation the size of Scotland should be capable of producing an opt-in independent public service broadcaster.

10. A Scottish Charter and Agreement for BBC Scotland

The creation of an autonomous BBC Scotland would not mean that it would operate in isolation; Scotland would still receive the digital radio and television stations that it does currently. The Scottish Charter should cover BBC Scotland in terms of its TV, Radio and Online output. The Scottish Charter should mirror that of the UK Charter and both should seek to have similar bodies in control. This would necessitate the creation of a BBC Scotland Trust and a BBC Scotland Executive Board. In order to maintain a link between BBC UK and BBC Scotland the Scottish representatives in the BBC UK institutions should come from the equivalent BBC Scotland institutions.

Future reviews of the Scottish Charter and agreement should be carried out by the Scottish Parliament, ideally with full devolution of broadcasting powers.

11. Funding an Autonomous BBC Scotland

An autonomous BBC Scotland is economically viable. Without a doubt the main impediment to independent broadcasting in a small country is the expensive nature of television and the lack of a large market to offset such expense. There exists a genuine danger that a poorly funded separate Scottish channel would result in low quality output that would actually be counter productive in achieving the goals of promoting our culture and creating a viable television industry. The advantage of an autonomous BBC Scotland is that such funding challenges can be overcome via adopting what would effectively be a ‘three tier’ funding model.

Scotland contributes at least £230m an-

nually to the UK licence fee (9% of the total); with such a major contribution comes the entitlement to demand increased autonomy for BBC Scotland. In addition, given the cultural and economic benefits an autonomous broadcaster would bring, it is not unreasonable to expect additional state funding. S4C, for example, receive an annual treasury subsidy of £80 m. RTÉ received €8,025,000 (£5,600,000) in capital grants from the Irish government in 2004/05, in order to cover its costs for TG4 programming. TG4 itself received €28m (£19.5m) in funding as a Grant in Aid from the Exchequer in 2006. Even if a treasury subsidy is not forthcoming, however, YLE provides an instructive example of how far a television licence can go, in the absence of advertisements and a state budget: YLE is capable of producing high quality programmes and retaining substantial audience share while operating almost entirely (90% of its revenue) on the basis of a yearly licence fee of €200.70 (£140) in 2005—the lowest television fee in the Nordic countries. This situation also renders the network independent from commercial and governmental control—it is a media company truly “owned by all Finns.”

A quality supporting schedule to support indigenous production can be very expensive and is often a stumbling block for broadcasters in small countries. An autonomous BBC Scotland, however, will be able to ‘opt in’ to BBC productions and schedule them as desired. This is a similar relationship to that of S4C and Channel Four, where up to 70% of C4 programmes are used by S4C to support indigenous productions. It is a somewhat similar situation in the German Länder, as seen above. As an English-speaking country Scotland is part of one of the largest linguistic communities in the world. This is a huge advantage for television production as there is a large mar-

ket in which to sell Scottish made programmes, thus providing an additional source of income. S4C, despite being a Welsh language broadcaster, have their programmes shown in more than 60 countries, a figure that an autonomous BBC Scotland should reasonably hope to better. YLE, too, brings in substantial income from programme sales: The combined value of all sales revenue (including co-productions, programme and archive sales, domestic video sales, and programme exchange in the Nordic countries [a much smaller bloc than the English-speaking world]) is nearly €5m (£3.5m). Also all sales revenue is considered extra income.

12. Conclusions

A distinctive BBC Scotland TV channel would allow Scotland to promote its own indigenous culture and portray it to the rest of the world. Built around the pillars of news and sport coverage, a distinct channel would be our window to the world, reflecting our people’s priorities and playing an integral part in everyday Scottish life.

By establishing a sustainable television industry north of the border, high value jobs would be created, boosting our economy and offering opportunities for the skilled media graduates our education system is consistently producing.

The cultural and economic stakes are high. The current charter review provides an opportunity for BBC Scotland to be made autonomous, giving Scotland control over how it is portrayed both to ourselves and to others.

A public service for all?

SNP response to DCMS review of
BBC Charter and Agreement

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