

DCMS Consultation: Sustainable independent and impartial news; in the Nations, locally and in the regions.

Response from Channel Television Ltd

1. Do you agree that securing plural sources of impartial news for the Nations, locally and in the regions should be a key priority?

Yes.

It is widely acknowledged that a choice of high-quality regional news is highly valued by viewers (Ofcom PSB Review phase 1). Nations/regions news is seen as one of the most important areas of programming to be shown on more than one of the public service channels. This choice is a fundamental cornerstone of democracy and is particularly important in the nations and self governing states like the Channel Islands where there is a strong imperative for plurality of news services to be maintained.

Plural sources of regional news ensure the continuation of a socially responsible and accountable media. It ensures balance and impartiality, raises standards, promotes creativity and encourages engagement in news issues with the widest possible audience. It is vital therefore that plurality of provision is a key priority.

2. Do you agree that sustainable, impartial news in the Nations, locally and in the regions is likely to require some top-up public funding?

Yes.

Both Ofcom's Second Review of Public Service Broadcasting and the Government's Digital Britain Report recognise that current funding models will not sustain existing commercial broadcast news. Some, like Channel Television, which has served the Channel Islands for nearly 50 years, are under immediate threat and once lost will not be replaced, posing a serious threat to the range and quality of news provision in the region. In this instance the commercial broadcaster (Channel Television) is the principal national broadcaster and the only provider of a daily half hour news programme dedicated to the Channel Islands.

In addition to the current serious economic downturn, traditional advertising revenues are under increasing pressure due to the structural changes taking place within the broadcast industry. However the costs of the supply of high quality services continue to rise and existing suppliers have faced the costs of significant investment in digital infrastructure and news gathering.

3. Do you agree that the Television Licence Fee should be used to support impartial news in the Nations, locally and in the regions in addition to BBC services?

Yes.

Having identified a strong public desire to maintain plurality of high quality regional news services and the need for urgent funding, the proportion of the Licence Fee ring-fenced for digital switchover which remains unspent (the digital switchover surplus) is a logical and judicious resource which should be used to ensure the continuation of valuable services in the short to medium term. It is a levy that already exists and avoids the need to introduce any alternative 'tax'.

In order to preserve the editorial integrity of regional news services, there is an absolute imperative to maintain a clear separation between news funding and Government. Direct Government subsidy is therefore unfeasible and the funds which exist as a result of the additional levy for digital switchover should be shared for public purposes which support the original essence of the Television Licence Fee, namely the provision of public service content.

On the basis of that principle, in the longer term, should the pilot funding schemes prove to be workable and effective, the next Television Licence Fee settlement should follow that precedent and make provision for a contained contestable element to fund impartial news.

4. Do you agree that any funding within a contained contestable element of the television licence fee not required for impartial news should potentially be available to fund other forms of essential public service content, or should such funding be limited to news?

The funding should be limited to news until the operation of the pilot phase can be assessed and the level of funding required to provide high quality news provision is reviewed.

Ofcom research has demonstrated that news should be the key priority in television broadcasting for the nations and regions and that news is the genre in which plurality of provision is most important, particularly in the devolved nations. As a region of two self-governing states, the Channel Islands reflect an equivalent position.

Until the costs of the administration of contestable funds and the potential level of funding required to maintain and strengthen news provision is fully realised, the Government should delay any decision to make the contained contestable element available for other public service content.

5. Are there alternative funding mechanisms that you believe would deliver the above objectives more effectively?

Channel Television has held discussions with both the Jersey and Guernsey States authorities over many months with regard to this issue. No alternative funding mechanisms have been identified as being effecting or workable.