

**March 2009**

## **RESPONSE TO *DIGITAL BRITAIN: INTERIM REPORT* BY THE INTERNATIONAL BROADCASTING TRUST**

### **INTRODUCTION**

#### **WHY DO WE NEED CONTENT ABOUT THE WIDER WORLD ON UK TV?**

The International Broadcasting Trust (IBT) believes that television, the internet and other digital platforms including radio have unlimited potential to encourage an understanding of the wider world and influence public perceptions. We believe that if this power is effectively harnessed Public Service Content can be entertaining and engaging as well as informative which will help the UK flourish in the increasingly Globalised world.

In discussing Public Service Content, the underlying question we face is what we want our society to be like in 10 or 20 years time, in a fully digital age. What is PSC for?

What Britain will look like in 10 or 20 years time is dependent to a large degree on how younger members of the UK population develop – they are the UK citizens of the future and those we should be most concerned about.

The challenges we face in the current economic downturn are being faced by a multitude of other countries around the world. Because of Globalisation we are connected to the rest of the world in an inter-dependent way which means we need to adapt in order to survive – both economically and culturally. We will need to be able to communicate, respect and interact with people from all around the world in future in order to be able to do business on a global scale. Without an understanding of the wider world, how will we do this?

With the Digital Britain process, IBT believes we have an ideal opportunity to reframe our Public Service Content provision with all that the digital age offers us.

One of the reactions to Globalisation is to become more insular because this reinforces local cultural identity, providing a greater sense of personal security based on national identity. It is IBT's view that we can't afford to be inward-looking because this is likely to isolate us and lead to greater economic and social problems. We believe this trend is only likely to continue unless policy-makers address it and it is IBT's belief that Public Service Content could provide a solution to this problem with the right institutional framework in place.

IBT's 2008 research<sup>1</sup> provides evidence that traditional broadcasting isn't tapping into the potential to engage and enable viewers by providing them with innovative, engaging content through which they can learn about the world around them, the world outside the UK. Too often programming is derivative and stereotypical, following tried and tested formats in order to engage an audience. Where is the new programming which reflects the shift that has taken place over the past ten years which is so apparent on the net? Already the net has been hugely enabling as a platform for citizens – providing access to information, services and social networking which we didn't imagine in the last century. Why has broadcasting not followed this example?

In addition to the economic impact of insularity, the social impact of insularity threatens. It is clear that our social well-being as a multi-cultural society also depends on us being able to understand foreign cultures and mores. There is recent evidence that awareness of the wider world leads to greater social cohesion: children questioned in a 2008 MORI poll<sup>2</sup> showed a greater respect for their neighbours and for the multi-cultural nature of UK society when they had been exposed to information about the wider world.

IBT believes there is huge potential through broadcasting to provide people with the inspiration to adapt and engage in a globalised world, but there is equally the potential, if policymakers ignore this call, to ensure current trends continue which will lead to greater isolationism and insularity. We can cosset the population with predictable, comforting programmes which reinforce stereotypes, reassuring them that the UK is still the centre of the world and that the 'world outside' is a long way away and no threat. Alternatively we can use this as an opportunity to put in place the framework required to ensure that content providers and broadcasters rise to the challenge to engage UK citizens with the wider, globalised world.

IBT would like to see the creation of a second public service broadcaster which can provide the scale and reach to have impact. We would like Channel 4, and all it stands for, to be at the heart of this broadcaster but we would like the constitution of this new organisation to include a duty to engage and inspire a mainstream audience with the wider world across all genres and types of content.

IBT believes that in order for the UK citizens of the future to be able to flourish in a globalised society, they need to be, as Andy Burnham described in January this year, the '*best informed citizens in the world*'.<sup>3</sup> IBT believes we should use this as a moment of opportunity to put in place the means to achieve this admirable ambition.

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<sup>1</sup> Screening the World, IBT, 2008

<sup>2</sup> Our Global Future: How can education meet the challenge of change? An Ipsos MORI Research Study on behalf of DEA 2008

<sup>3</sup> Andy Burnham, Speech made to Oxford Media Convention, January 2009

## **RESPONSE TO DIGITAL BRITAIN: INTERIM REPORT**

IBT welcomes the *Digital Britain Interim Report* and agrees with many of the statements made in it about Public Service Content. We believe the current broadcasting ecology is not delivering adequate plural Public Service Content about the wider world and we welcome this opportunity to engage in the discussion about the future of the UK's Public Service delivery.

We acknowledge the proposal for a second PSB entity, but we believe Digital Britain up until now has been too focussed on technology issues and that if urgent action is not taken to support content providers/broadcasters in the short term we are at risk of losing some creative talent forever.

### **SCOPE OF IBT's EXPERTISE**

IBT broadly supports the Government in achieving what it describes as the *Five Objectives of Digital Britain*, namely: upgrading our digital networks; providing a dynamic investment climate for UK digital content; encouraging UK content for UK users; access for all; widespread take-up of public services and government interaction online.<sup>4</sup>

We recognise that these five goals are to a certain degree inter-dependent, however IBT's expertise and research mostly relates to content and therefore this submission will focus on that area of the *Digital Britain: Interim Report*.

### **KNOWLEDGE-BASED ECONOMY**

IBT Welcomes the statement: *The first, crucial conclusion of the analysis we have done shows that, as a country, we must ensure that our wired and wireless communications and broadcasting networks can meet the demands of a modern knowledge-based economy.*<sup>5</sup>

As we have expressed in our Introduction, IBT fully agrees that the UK is a knowledge-based economy and the population is increasingly dependent on digital media for its information about both their immediate world and the wider world outside the UK. We agree that it is essential for the public to be able to access information about the world around them digitally in order for the UK to be a fully engaged, successful country in the Global economy.

This concurs with Andy Burnham's ambition expressed in January 2009: *We want British citizens and voters to continue to be the best informed in the world. We want children to continue to have quality programming. We want all the voices of our country - and life in all parts of the country - to be reflected on our*

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<sup>4</sup> Digital Britain: Interim Report. Page 6

<sup>5</sup> Digital Britain: Interim Report. Page 4

screens.<sup>6</sup>

## **KNOWLEDGE-BASED SOCIETY**

IBT agrees that *In addition to news and democratic participation, the digital world gives individuals scope for a broader and richer range of public service content than ever before, that truly informs and educates as well as entertains.*<sup>7</sup>

As expressed in the Introduction, IBT argues that it is essential for the UK population to be informed not only as citizens of the UK but also as world citizens in a globalised age, therefore we agree that *It is important for the UK that we enjoy content over digital networks that relates to our culture and experiences as a society and informs us as citizens in a democracy. In practice, this means content generated in the UK for UK consumers, and plural sources of informed, accurate and impartial news, as well as of informed comment and analysis.*<sup>8</sup>

*The market will always provide some of this content, but we need to decide what else we require, and make policy decisions to achieve that.*<sup>9</sup> In order to answer the question, *What do we, as a society, expect and require, and what institutions and policies will best deliver it?*, IBT would argue that we require policies which ensure that this content includes balanced material about the world outside the UK. This means that we don't only see 'disaster' or stereotypical images of developing countries, but also content which presents a more everyday, balanced view of life in those countries.

IBT's *Screening the World (2008)* research provides evidence that currently the broadcasting ecosystem is failing to provide such balanced coverage. It shows that the information we receive on television about the world outside the UK is oversimplified and reinforces stereotypes, rather than increasing our understanding. If current trends continue in mainstream television, instead of broadening understanding, television is likely to limit people's horizons. It is doing this by increasingly reinforcing stereotypes about other countries and moving programmes about international affairs onto niche channels which attract far fewer viewers and smaller budgets.

*'The longitudinal element of this research reveals some striking trends. International factual programming on the four main terrestrial channels has now reached its lowest overall level since 1989-90. The increasing levels of output on BBC3, BBC4 and More4 point to the migration of international factual content to digital channels. And the collapse in recorded programme hours of international and developing country factual programming on ITV1 is striking.'*<sup>10</sup>

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<sup>6</sup> Andy Burnham, Speech made to Oxford Media Convention, January 2009

<sup>7</sup> Digital Britain: Interim Report. Page 5

<sup>8</sup> Digital Britain: Interim Report. Page 5

<sup>9</sup> Digital Britain: Interim Report. Page 5

<sup>10</sup> *Screening the World*, IBT, 2008

IBT believes that this is a moment of significant opportunity to address the issue that the current ecology is not providing balanced, engaging public service content about the wider world and an opportunity to move away from stereotyping which is a common problem:

*'Africa receives relatively little coverage and is dominated by wildlife programming whereas the Middle East is dominated by conflict and disaster programming. Europe and North America together make up 47% of all international factual output and are characterised by high levels of travel and crime programming respectively.'*<sup>11</sup>

We encourage the Government to seriously consider how we might address these shortfalls in current provision through an institutional framework for the new second public service content provider. IBT would like to propose that it is an expressed duty of this new broadcaster to provide innovative content which will engage and inspire the population to understand the wider world better.

### **PUBLIC SERVICE CONTENT AT RISK**

As stated above, it is IBT's view that the *Digital Britain Interim Report* neglects discussion of how to provide and support content in favour of the technical issues facing Digital Britain. While we understand that the technical challenge to create digital networks, ensure connectivity and media literacy are key for the future of a digitally-enabled country, we believe that without urgent attention, and possibly support from the Government, the UK production and broadcasting community will suffer irreparable damage.

The Digital Britain Interim Report states with understandable pride that *The UK's inherent creative strengths have given us a global advantage in the creation and production of compelling and innovative content, not just in traditional broadcasting, but in advertising, online content, mobile content, music and programme production. These have given this country a cultural significance around the world out of proportion to our relative size.*<sup>12</sup>

and

*Much of the sector's size and growth has been based on revenues in television. Internationally, the UK television content sector is the largest in Europe and the largest relative to GDP in the world, and in export of TV show formats, the UK is by far the largest single source. Overseas sales of UK programmes and formats grew by 23% in 2007, with overseas revenues of UK distributors and producers totalling £663m, producing a net contribution to content creation, after distribution costs and commissions, of around £380m.*<sup>13</sup>

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<sup>11</sup> *Screening the World*, IBT, 2008

<sup>12</sup> *Digital Britain: Interim Report*. Page 36

<sup>13</sup> *Digital Britain: Interim Report*. Page 37

It is IBT's view that unless urgent action is taken by the Government, this very precious economic and cultural asset is likely to diminish rapidly. As stated by Ofcom in its Second Phase of the PSB Review, analysis '*suggests that Channel 4 will need certainty about its long-term funding no later than 2010 and ideally significantly earlier. Otherwise, pressures on its existing funding model are likely to result in significant impact on its ability to invest in innovative public service content, potentially including news, international and investigative current affairs, documentaries, arts, religion, challenging UK drama and UK scripted comedy.*'<sup>14</sup>

Many of these programme areas highlighted as under threat by Ofcom are of direct concern to IBT members and we would urge the Government to take action to support Channel 4 before current provision is reduced.

In tough economic times it is more tempting than ever for content providers to cut back on programming which is perceived to attract lower ratings, such as international programming, in an effort to maintain income from advertising. IBT believes it is apparent that an institutional solution is required to solve this problem. If there were an institutional framework in place which allowed Channel 4, for example, to measure success not only in terms of ratings and advertising revenues, then vulnerable areas of Public Service Content would be more secure. Additionally, this would put a greater onus on the content provider to originate innovative and engaging solutions to the problem of how to attract an audience to such areas of programming instead of simply dropping them.

### **TRENDS TO WORSEN FOR VULNERABLE PROGRAMMING**

It is IBT's view, supported by Ofcom's findings, that those areas of programming which are perceived to be less commercially viable will become increasingly scarce if trends continue. IBT believes this will be irreversible because in future 'self-selection' will be the primary method for viewers to choose content. In a world with multiple digital platforms and the possibility of time-shifting, viewers who are overwhelmed by the amount of content available are likely to only watch what they are familiar with or that which is highly marketed. This is likely to result in people watching content which is either well-marketed or something they recognise. This is likely to preclude one-off programmes of any kind and new, possibly innovative programming.

IBT strongly agrees with Ofcom that up til now "*serendipity*" has been an important "*feature of television*" and welcome the point made by respondents in Ofcom's research for the Second Phase of the recent PSB Review, that people '*felt that when using the internet the likelihood of having their views challenged or their knowledge expanded by chance was minimal.*'<sup>15</sup> With reference to programmes about the wider world, it is IBT's view that serendipity is an

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<sup>14</sup> Ofcom's Second Public Service Broadcasting Review, Phase 2, para 6.89

<sup>15</sup> Ofcom's Second Public Service Broadcasting Review, Phase 2, para 3.100

essential indirect motivator: where viewers may not proactively choose to watch a programme about the wider world, once watching there is the potential that they may become engaged and really enjoy it.

The question is, how can policy ensure serendipity? It is IBT's view that in order to support this element of serendipity in broadcasting, we need a content provider which has reach and ambition, has a duty to take risks and surprise us with programming we don't anticipate or expect. We need a broadcaster which is prepared to market programming which is on its first run or is 'out of the ordinary', to give that output a chance of being discovered. No broadcaster will do this in a commercially competitive marketplace unless an institutional framework is in place whereby measures of success do not focus solely on ratings. IBT believes that Channel 4 has a track record of promoting new, innovative programming successfully which is one of our reasons for proposing that Channel 4 should be at the heart of the second public service broadcaster being considered by the Government.

#### **SUPPORT FOR PUBLIC SERVICE CONTENT ON CHANNEL 4**

*ACTION 10 In the final report we will examine measures needed to address the challenges for digital content in more detail, including opportunities for providing further support to foster UK creative ambition and alternative funding mechanisms to advertising revenues.<sup>16</sup>*

While we welcome the ambition expressed here to examine in detail opportunities for providing further support to the UK creative industries, IBT regrets that in the *Digital Britain Interim Report* most of the Actions related to content leave the examination of the measures required to support the provision of content until the final report. We believe that in order to continue commissioning with ambition and scale and to avoid a form of programming 'hiatus' Channel 4 needs assurances now of its future position and we urge the Government to treat this as a matter of urgency.

#### **INVESTMENT IN CONTENT: RIGHTS & DISTRIBUTION**

IBT agrees with the statement that *Across both old and new media, if we have an ambition to be the leading international destination for creative businesses, we need to combine an environment where opportunities abound for rights holders and digital distributors to develop exciting new ways to package and sell the content that people want<sup>17</sup>* and we look forward to the Government's findings following its exploration of the concept of a Rights Agency.

#### **INVESTMENT IN CONTENT**

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<sup>16</sup> Digital Britain: Interim Report Page 38

<sup>17</sup> Digital Britain: Interim Report Page 39

IBT acknowledges that *The profits that funded high levels of original UK content are diminishing. This change impacts on television and radio broadcasting, and our press among other parts of the sector.*<sup>18</sup>

IBT welcomes the statement that *The Government is committed to a strong, fully funded BBC at the core of delivering public purposes in Britain's media*<sup>19</sup> and that *The Government does not believe that the BBC as the only publicly secured provider will be sufficient.*<sup>20</sup>

### **NEWS PROVISION**

IBT welcomes the Digital Britain conclusion that plurality is essential in providing a range of different voices and also welcomes the finding that the public places a great importance *upon the relationship between impartial news and an informed democratic process... This suggests that we need to be sure of a continued wide range of impartial news sources. More generally, the Government is clear that a range of different creative sources, commissioners and perspectives is vital for healthy levels of innovation and to ensure that we are developing the talent and voices of all diverse communities*<sup>21</sup>

IBT agrees that plural provision of *impartial news is not something that we can any longer take for granted.*<sup>22</sup>

And with reference to the aims expressed for plural Public Service provision, IBT supports the ambition to have high quality impartial news, large scale British content, a wide range of voices from across the UK, guaranteed levels of investment in independent production, a range of commissioning sources, original children's production and the development of a variety of sources of commissioning of current affairs, international issues and serious factual programmes.

### **INTERNATIONAL AFFAIRS**

IBT welcomes the inclusion of international affairs as an important element in the PSB programming mix. We note the Government's aim to *develop plural sources of commissioning for current affairs, international issues and serious factual programmes*<sup>23</sup> and the priority given to *high quality impartial news, both at UK and international level.*<sup>24</sup>

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<sup>18</sup> Digital Britain: Interim Report Page 45

<sup>19</sup> Digital Britain: Interim Report Page 45

<sup>20</sup> Digital Britain: Interim Report Page 46

<sup>21</sup> Digital Britain: Interim Report Page 46

<sup>22</sup> Digital Britain: Interim Report Page 45

<sup>23</sup> Digital Britain: Interim Report Page 46

<sup>24</sup> Digital Britain: Interim Report Page 46

We would like, however, to stress how important this ambition is, in light of recent evidence which demonstrates that the UK public's awareness of the wider world is very low:

*When asked to name countries currently experiencing conflict, while 69% and 65% of those questioned identified Iraq and Afghanistan respectively, less than 1% of respondents were able to identify other countries including Sudan, Somalia, and Central African Republic. Almost one in five (18%) were unable to name five countries in the world in conflict* <sup>25</sup>

## **DOMESTIC AND INTERNATIONAL NEWS PROVISION**

IBT strongly disagrees with the statement *that UK-wide and international news remains relatively well provided for from a range of sources. This contrasts with the position of news at the level of the devolved Nations and the English Regions where the commercial PSBs are facing challenges.* <sup>26</sup>

IBT's current research for publication in June 2009 is focussed on news output and collated data will not be available until April, but early analysis suggests that international news provision is under severe pressure because of the inherent additional costs in maintaining foreign bureaux and paying for foreign shoots. It is likely that in the long term, in order to cut costs, most international news content will be provided by a number of global news agencies. This will break the direct link between the viewer and broadcaster, since the information will be provided by a third party. It is likely to lead to homogeneity among news reports (fewer suppliers) and it could threaten the impartiality of our news provision. Therefore, while we would agree that there are serious challenges ahead in provision of news for the Nations, we would urge the Government not to overlook the pressures on international content in news provision as well.

## **PROVISION FOR CHILDREN**

IBT is a supporter of the Save Kids TV Campaign and therefore we welcome the statement whereby Digital Britain recognises the need for more support of UK originated children's content. *The plural public service provision of original children's production, especially for the over 10s (a group currently underserved by the market unlike older teenagers and young adults) is an area we have identified above as being very important. We will return to this important topic in the final Digital Britain Report.* <sup>27</sup>

IBT's research for *Screening the World* (2008) shows a deplorably low level of new programming produced for UK children about the wider world. As stated in our Introduction, IBT believes that the development of young people in the UK as well-informed global citizens is essential for the country's future development as a fully-enabled member of the Global economy. We urge the Government to

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<sup>25</sup> Poll of 2072 people across the UK, conducted by ICM on behalf of the British Red Cross, 2008

<sup>26</sup> Digital Britain Interim Report page 47

<sup>27</sup> Digital Britain Interim Report page 48

include within its consideration of children's provision, regulated content about the wider world which IBT believes is essential if the current generation of school children is to grow up fully-engaged in the world around them.

Additionally, we would like to stress that while the internet is evidently a popular source of information for younger people, according to recent research conducted by DFID, children are reliant on television as their main source of information about the world outside the UK: 72% of children questioned said TV news was their main source of information about what is happening in poor countries.<sup>28</sup>

Children's content is a specific challenge. As can be seen from IBT's *Screening the World(2008)* research, even the BBC, the UK's major broadcaster of UK-made programming, is failing to engage children in events and issues outside the UK. *Newsround* and *Blue Peter* are struggling to achieve ratings and there are very few other programmes on the BBC for children which strongly feature the world outside the UK.

IBT believes that Channel 4 would be well-placed to appeal to a younger audience, aged 8 and upwards. Most children are attracted to channels and programming watched by their older siblings/peers. Channel 4 appeals to a younger than average demographic and therefore in our opinion is the most appropriate broadcaster currently in existence to challenge the BBC's output and provide an alternative set of programming.

### **IMPACTS OF REDUCED INCOME FROM ADVERTISING**

IBT agrees fully with the statement that *With an increasing pull towards net-based search advertising, and away from traditional broadcast ad sales, the commercial broadcasters are likely to be increasingly unable to develop their businesses to satisfy both their shareholders and our wish for them to continue to generate original UK content at scale and to meet our other public policy demands on them.*<sup>29</sup>

Evidence in *Screening the World*<sup>30</sup> demonstrates that on the terrestrial commercial channels programming about the wider world diminished dramatically between 2005 and 2007. IBT believes that without support or legislation to prevent this trend and others in public service content, the situation will only deteriorate further.

### **TERMS OF TRADE**

We agree in principle with ACTION 15, that *it makes sense to have a forward look at how the relationship between independent producers and those who commission their ideas could evolve. This review will focus on the appropriate rights holding agreements and definitions required for a multi-platform digital*

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<sup>28</sup> UK-wide youth omnibus survey run by GfKNOP, April-July 2008.

<sup>29</sup> Digital Britain Interim Report page 50

<sup>30</sup> *Screening the World*, IBT, 2008

*future, on the overall health of the sector and on continuing to ensure that viewers, listeners and users get the best and most innovative content and programming.*<sup>31</sup>

#### **CHANNEL 4**

We welcome the statement that *At the heart of this new remit should be strong commitments to international and national news, current affairs, documentaries and film with the prospect of introducing programming for older children and news for the nations*<sup>32</sup> but IBT would like to stress that international content needs to be included across the schedules, outside news and current affairs, in order for a balanced picture of the wider world to be provided.

The very nature of news and current affairs reporting tends to focus on disasters and extraordinary events rather than the everyday life of people in other countries. Content about daily life may appear more mundane than ‘disaster’ material but in order to have a balanced understanding of the world, the public needs to be presented with engaging content which tells the other side of the story – across all genres of programming which should include children’s, drama, specialist factual, and even entertainment.

We welcome the proposal that *It would be a body with public service at its heart, but one which is able to develop flexible and innovative partnerships with the wider private and public sector.*<sup>33</sup>

IBT believes that Channel 4 is the best placed organization to form the basis of the second Public Service content provider because its underlying ethos is one which encourages an alternative perspective to content provided by the BBC, provides for a different audience (thus increasing PSC impact) and is ambitious in challenging our view of the world.

The current Channel 4 remit includes two purposes which IBT sees as essential in the modern, digital age: to ‘challenge people to see the world differently’ and ‘inspire change in people’s lives’. We believe these goals are fully aligned with the Government’s ambition for broadcasting in the digital age to act as an enabling force in our lives.

In response to the analysis conducted by Ofcom, IBT urges the Government to take urgent action to put in place the necessary means and framework to support Channel 4 with direct funding until longer term methods of support may be available. As stated by Ofcom, analysis *‘suggests that Channel 4 will need certainty about its long-term funding no later than 2010 and ideally significantly earlier. Otherwise, pressures on its existing funding model are*

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<sup>31</sup> Digital Britain Interim Report page 50

<sup>32</sup> Digital Britain Interim Report page 51

<sup>33</sup> Digital Britain Interim Report page 51

*likely to result in significant impact on its ability to invest in innovative public service content, potentially including news, international and investigative current affairs, documentaries, arts, religion, challenging UK drama and UK scripted comedy.*'<sup>34</sup> Many of these areas are of direct concern to IBT members and we urge the Government to take action to support Channel 4 before current provision is reduced.

It is IBT's view that Channel 4 should have guaranteed underwriting/direct funding to cover the shortfall predicted in its finances up until 2012 with a ceiling to the figure of £100m/annum. This funding should be designated to maintain the current levels of public service content the channel offers.

In return for such support, explicit clarification of the channel's remit should be required which in IBT's opinion should include internationalism at its heart, and rigorous and transparent methods of accountability.

With reference to ACTION 16 whereby the Digital Britain Team *will establish whether a long-term and sustainable second public service organisation providing competition for quality to the BBC can be defined and designed, drawing in part on Channel 4's assets and a re-cast remit*<sup>35</sup>

IBT has a number of recommendations to make.

- IBT believes that the current Management Team at Channel 4 are best placed to implement any future changes to the structure of the organization because they have a proven track record and an understanding of the challenges they face in providing an alternative vision to the content provided by the BBC already.
- It is IBT's view that Channel 4 should be central to the new second Public Service organization and not subsumed in some larger organization where the creativity of its staff, its unique commissioning structure and its current ethos are diluted.
- We believe that in return for support, Channel 4's accountability arrangements need to be altered and IBT would like to see an institutional framework created whereby there is a more explicit remit for the channel.
- We believe that the new second public service organisation with Channel 4 at its heart should have a constitution, not dissimilar to the BBC Charter, whereby the organisation is bound to deliver certain key objectives, the delivery of which can be measured. IBT would like to see a commitment in the constitution of the new channel to read as follows:

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<sup>34</sup> Ofcom's Second Public Service Broadcasting Review, Phase 2, para 6.89

<sup>35</sup> Digital Britain Interim Report page 51

The new public service broadcaster will have a principal duty to: 'engage and inspire a mainstream audience by reporting events and stories from around the world, with content across a range of genres, aimed at both adults and children, which demonstrates ambition, innovation and creativity.'

- IBT believes that in any model where public funding is available that this model should be transparent, proportionate and should be subject to independent scrutiny.
- It is IBT's belief that any new constitution or licence would be able to address three of the 'five key risks' expressed by Ofcom in the Second Phase of the recent PSB Review <sup>36</sup>, namely:
  - *compromising Channel 4's independence;*
  - *failing to ensure provision of content geared to audiences' needs;*
  - *overcompensation or lack of efficiency in use of funding;*

## **LONG TERM CONSIDERISATIONS**

There is also need for a long term financial solution which will provide security for Channel 4 and its programme-makers in the future, allowing them the confidence to experiment, innovate and be creative without fear of imminent financial crisis. As a result, IBT believes that the scale of the channel's operations and its business model need to be analysed with a view to its business model being redesigned to ensure its future viability. IBT's preferred funding options post-2012 are use of the digital switchover surplus, regulatory assets, tax credits for vulnerable genres of programming and income from the auctioning of digital spectrum.

## **Background: IBT**

The International Broadcasting Trust (IBT) is an amalgamation of two sister organisations: the former Third World and Environment Broadcasting Project (3WE) and former International Broadcasting Trust (IBT). The new IBT is a charity which seeks to promote high quality television and new media coverage of matters of international significance. In the past, 3WE has been active in this area and this submission fully reflects 3WE's long history of campaigning on these issues and arguing that international coverage on television is a necessary tool in informing us all, as global citizens.

IBT represents a coalition of international charities. Its members include: ActionAid, Amnesty International, British Red Cross, CAFOD, Care UK, Christian Aid, Comic Relief, Concern UK, Friends of the Earth, Merlin, Oxfam, Plan UK, Practical Action, Progressio, RSPB, Save the Children, Sightsavers International,

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<sup>36</sup> Ofcom's Second Public Service Broadcasting Review, Phase 2, para 6.92

Skillshare International, Tearfund, TVE, UNA UK, UNICEF UK, VSO, the World Association for Christian Communication and World Vision. IBT is a registered charity, number 326150.

The views in this submission reflect the concerns of IBT's member agencies regarding adequate common understanding of the world in which we live. These concerns are shared by millions of UK supporters of our organisations. IBT's members, being intimately and operationally concerned with the effects of 'globalisation' on communities and environments around the world, and with communicating across the world, welcome the advent of the global information society.

IBT's argument, reflected in all our policy work since 1997, is that television coverage of the developing world should not just focus on images of suffering which is more often than not what is presented in news coverage. It is IBT's view that an international dimension should be an integral part of all programming.