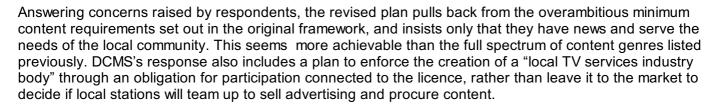
New proposals for local TV may mean that new stations will be ill-equipped to protect their own independence, and to play a positive democratic role.

Dec 19 2011

<u>Sally Broughton Micova</u> looks at the most recent proposals aimed at establishing local TV broadcasters, and finds that the revised plans may lead to local stations that struggle to maintain their own independence.

The Department for Culture, Media and Sport (DCMS) has released <u>its response</u> to the consultation on local TV that ended in September, including the announcement of the <u>first locations</u> to be licenced. The response basically confirms the previously published <u>framework</u>, however it does attempt to address some concerns that have been <u>previously raised</u>. Nevertheless, as this process moves to Ofcom now for further consultations, two new twists should be considered carefully. These are the suggestion to revise the role of independent producers in broadcasting, and the proposed obligations on local TV to carry party political broadcasts (PPBs). Licences are to be granted through a 'beauty contest', but the numbers of interested parties are low. These new twists therefore raise a serious question: if the one contestant is too 'ugly' will Ofcom be able to use its discretion to not grant a licence.



More independent producers may mean less original UK content

According to current rules, independent producers cannot own more than 25% of a broadcaster and the government suggests that this be changed in order to allow independent producers a greater role in the development of local TV. At the same time it would consider whether the obligation derived from European level legislation that broadcasters procure at least 10% of their programming from independents, should be applied to local TV. The EU allows exceptions to this rule for local television and it is common practice.

Under the government's plan the BBC is required to subsidise local TV by procuring content. If a local TV station is owned by an independent producer, will the content procured from it count towards the BBC's independent producer quota? If not, will the independent producer loses its status and inclusion in such quotas on national stations? Such producers are likely to be oriented towards national and even international markets. If local TV content taken by BBC also counts towards nation's quotas, how local will it be and how can it not lead to a net loss in UK original content?

More Party Political Broadcasts?

One of the main selling points for investment in local TV is the opportunity for more democratic discourse on local issues and participation in debate at the local level. But the government's revised plan now includes both an obligation that local TV stations carry PPBs and that Ofcom consider revising the rules on PPBs for local TV. The government already has the BBC Trust considering adding one more PPB per year. I would argue that often local issues that merit debate, even those that involve elected officials or local party leaders, are often, and should be, outside of the major battles of mainstream party politics. What would be the impact of PPBs, particularly if allowed more frequently?

Also, what kind of owners will be able achieve enough financial security in the smaller local markets to protect themselves from political and business influences? I recently interviewed the managers of local televisions in two other European countries, and all struggled with pressure from political elites and were barely hanging on financially. Relying on a small circle of business for advertising, one manager said plainly that "everybody knows that small media are not independent". He explained that he could not be too critical and still keep his advertising, "they don't expect a favour, but you know that if you want to do business with the company you have to be nice". This was in a town slightly larger than Preston and almost twice the

population of Grimsby, both among the first locations to be licenced. Granted, political and business cultures differ across Europe, but the events and revelations of this year have shown that even in the UK unhealthy relationships between politics, business and media can exist.

Few expressions of interest for local licences

The questions about who should be getting local TV licences, and how equipped they will be to play a positive democratic role should be considered in the context of the numbers of parties that have so far expressed an interest. Licences are to be granted on the basis of a beauty contest. Based on the responses to DCMS's consultation it seems that in most locations it will be a contest of one. For 20 of the 65 locations DCMS received no response and for 23 locations only one party expressed an interest in operating local TV. Even among the 20 locations proposed for the first round of licences, Oxford, Grimsby and Swansea had only one response, and four others had only two, including Edinburgh and Glasgow.

Ofcom will only grant one licence per location, but it seems it will not have much choice as to whom to grant it. One can only hope that criteria on institutional and editorial capacity, on independence and ownership, will be carefully set, and that Ofcom will have the option to find no applicant "beautiful" enough in these areas to get the licence. As not giving a licence at all, especially in places like Edinburgh or Oxford, would certainly look like a failure, will anyone be brave enough to not place the tiara at all?

This article first appeared on the <u>LSE Media Policy Project blog</u> on 16 December.

This entry was posted in <u>Media and Communications</u>, <u>Sally Broughton Micova</u> and tagged <u>government</u>, <u>independent TV</u>, <u>Jeremy Hunt</u>, <u>local content</u>, <u>local TV</u>, <u>media</u>, <u>politics</u>, <u>power</u>, <u>public spending</u>, <u>tv licensing</u>, <u>UK</u>, <u>uk government</u>. Bookmark the <u>permalink</u>.