

## ITV REGIONAL NEWS CUTS

1. The ITV unions urge all MPs to support the campaign against ITV plc's cuts in its regional and local news programming.

### THE PROPOSED CUTS

2. ITV plc proposes to reduce the number of ITV news regions/sub regions from 17 to 9. This understates the problem since there are currently more than 25 local news opt outs, reducing to just 9 programmes.
3. Regional news budgets are - at a conservative estimate - being halved to £40-50m.
4. Regions are to be merged, including Tyne Tees/Border, West/West Country, East/West Midlands and Meridian/Thames Valley.
5. This will create a regional structure based on large geographical areas (eg Lands End to Gloucester) with no relevance to local communities. It directly contradicts ITV's recent move towards a more regionally focused service (eg the introduction of new service for Thames Valley).
6. This represents a fundamental erosion of ITV's distinctive characteristic through its history - its strong regional structure. It also runs contrary to the interests and priorities of viewers - since audience research has consistently demonstrated strong viewer approval for regional programming.

### THE FINANCIAL ARGUMENT

7. ITV's underlying justification is the financial shortfall arising from the forthcoming digital switchover and greater digital competition.
8. As with commercial public service broadcasting (PSB) generally, we do not accept that cutbacks in ITV regional news are necessary or unavoidable. Alternative funding streams are available, including:
  - Allocation of advertising revenue from extra advertising minutage for regional/PSB programming.
  - Gifted spectrum or discounted spectrum pricing in exchange for regional/PSB programming.
  - A levy on the turnover of UK-licensed broadcasters who do not provide regional/PSB programming. BSkyB in particular is a lucrative commercial franchise which contributes, relative to its revenue streams, a pitifully small amount of original programming. Such a levy would redistribute some of this revenue for much needed regional/PSB programming.
9. The alternative funding method that would certainly not be justified is 'top slicing' the licence fee - which merely redistributes revenue within the already hard pressed PSB sector.

## OFCOM

10. Ofcom has a legal duty to 'maintain and strengthen' public service broadcasting. ITV's proposed regional cuts represent a serious weakening of PSB and contradict the commitments in current ITV licences running until 2014.
11. Ofcom has an unfortunate track record of being very 'understanding' and accommodating of the 'commercial pressures' on ITV. The regulator should be asked to withstand these arguments, to defend public service broadcasting in the UK and to reject ITV's proposals for regional news cuts.