

The Northern Irish Angle

A paper for the 'A Future of Public Service Television' Inquiry

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Introduction

Eighteen years after the Good Friday Agreement, Northern Ireland remains a divided society with unstable political institutions, continuing sectarianism and residual fears about a return to violence.

The region presents a uniquely challenging environment for broadcasters where their every move is intensely scrutinised for evidence of bias and where, due to long-standing societal issues, they occupy a position of civic and democratic responsibility unprecedented elsewhere in the UK.

Since the 1950s, the region has been fortunate to be served by two PSB television broadcasters, BBC NI and UTV, which have managed to navigate the region's political and sectarian tensions to provide a range of programming which is broadly accepted by the whole population.

Unfortunately, the future of both these institutions is now uncertain. Proposed BBC governance changes may limit BBC NI's ability to cover the region in an impartial manner. Meanwhile, UTV has recently been acquired by ITV Plc and there are concerns that the station's local output will be cut and its unique identity lost.

This paper argues that altering these services would be unwise given the positive role which PSB television continues to play within Northern Irish society. It also discusses the issue of persistently low network expenditure in the region. Due to the unique nature of Northern Ireland, it will also provide a brief overview of the political situation and the function of PSB television in the region.

Although the "A Future for Public Service Television" inquiry has no statutory standing or powers to make binding recommendations, the author has decided to present suggested measures throughout this text to provide an indication of his preferred policy responses to the issues raised within it.

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1. Background information

Although peace has largely been achieved in Northern Ireland, there has been little progress in building a shared future for its population. Most of the region is still split between Catholic and Protestant areas and a substantial portion of its population “find a way of finding their own ‘sort’ and sticking with them”². In its two largest cities, Belfast and Derry/Londonderry, communal mistrust remains so high that over 50 peace walls remain to physically separate the two communities.

The region’s political system remains split along sectarian lines and prominent politicians are inclined to provoke sectarian tensions to maintain political support. In December 2012, for example, the actions of some Unionist politicians sparked riots after Belfast City Council voted to fly the Union Flag on designated civic days rather than on a permanent basis.

There is a clear democratic deficit in the structure of the Northern Irish Executive. A lack of collective responsibility means that individual ministers can pursue their own narrow political interests. No official opposition exists³ and the resultant lack of scrutiny has led to a wave of scandals involving politicians, state bodies and senior civil servants.

The role of PSB television in Northern Ireland

PSB occupies a critical role in Northern Irish society as a provider of non-sectarian news and current affairs coverage. The duration of the sectarian conflict, which started in the 17th century, means that the other media have long since aligned themselves to one particular community. The relatively tight regulation of PSB has ensured though that broadcasters have largely remained above the fray. The main functions fulfilled by PSB television in the region include:

- **The provision of objective news and current affairs coverage**

PSB television is the main source of objective news and current affairs coverage and analysis within Northern Ireland. BBC NI and UTV consistently provide balanced coverage which favours neither community. By contrast, the region’s print media consistently exhibit political bias to such an extent that two of its three morning newspapers have been described as “avowedly ideological”⁴

- **Holding regional government to account**

As mentioned above, there are significant governance issues within Northern Ireland’s political institutions. The local non-broadcast media has shown a limited interest in exposing them and holding the region’s political leaders to account. As a result, this vital democratic function is almost exclusively fulfilled by BBC NI and UTV.

² Fenton, S. 2015. “Northern Ireland is trying to socially engineer council estates to make Catholics and Protestants live together”. *New Statesman*. Available from: <http://www.newstatesman.com/politics/2015/08/northern-ireland-trying-socially-engineer-council-estates-make-catholics-and>

³ During the production of this paper, the Ulster Unionists announced that they would form the first-ever official opposition in the Assembly. Its likely effectiveness remains unclear as the opposition’s powers are very limited.

⁴ Black, L. 2015. “Media, public attitudes and crime” in Healy, D. et. al (eds) *The Routledge Handbook of Irish Criminology*, p406.

- **Facilitating cross-community exposure**

Cross-community contact in Northern Ireland remains very limited due to segregated settlement patterns and residual mistrust. As a result, many Unionists and Nationalists are primarily exposed to the other community and its culture through the media. Due to the tribal nature of print media in Northern Ireland, this exposure is generally facilitated by PSB output.

- **Representing local culture**

One aspect of Northern Ireland which is often overlooked is its distinctive cultural environment. Both communities have vibrant cultures which originated in Ireland and Scotland respectively yet have developed in a unique manner due to local circumstances.

The Nationalist community has an Irish cultural identity which is more assertive than that seen in the Republic. Most notably, the Irish language has become an integral part of their culture at a time when it is in long-term decline in the Republic. The Unionist community has an Ulster Scots cultural identity which is very visible due to its strong tradition of parades and marching bands. It feels a particular connection with traditions and rituals which have been passed down through successive generations.

Beyond the two cultures, there is a strong affinity with agriculture, reflecting the size and economic importance of its farming community. This has some cultural by-products, most notably the Balmoral Show, a major agricultural and social event which takes place each May.

2. Commercial PSB service

2.1 Service overview

The region's Channel 3 provider, UTV, is a strong successful broadcaster with an extraordinary connection with its audience. Its local programming is extremely popular even when scheduled against strong BBC network competition. One recent series, *Rare Breed: A Farming Year*, has consistently beaten *Eastenders* in its slot⁵.

The station has also managed the extraordinary feat of being seen as neutral within the region conflict. During the Troubles, it built a strong reputation for independent journalism which focused on informing its audience and holding the conflict's participants to account. This tradition has been maintained by its modern news and current affairs output. Its main bulletin, *UTV Live*, is the most watched local news programme in the region. At times of breaking news, UTV is the default choice for most viewers – *UTV Live*'s coverage of the gay marriage vote in the Northern Irish Assembly last November achieved a 49% audience share.

UTV retains a strong local flavour during peak viewing times through the use of in-vision continuity announcers, a practice which has been abandoned in the rest of the UK. Several announcers have become local celebrities, such as Julian Simmons whose unique introductions to *Coronation Street* have become part of Northern Irish culture.

The station is highly profitable. Between 2007 and 2014⁶, its gross profit margin never fell below 12%. Although revenue has fallen since 2008, UTV's pre-2009 figures were inflated by the Republic's economic bubble, which ended with a sharp decrease in advertising expenditure. Its advertising performance outstrips that of the other Channel 3 regions.

	2007	2008	2009	2010	2011	2012	2013	2014
Revenue	£41.3m	£38m	£32.6m	£35.3m	£35.6m	£32.5m	£36.6m	£33.6m
Pre-tax profit	£10.1m	£7.7m	£5.2m	£5.5m	£6.5m	£3.9m	£9.7m	£6.4m
Gross margin	24.46%	20.26%	15.95%	15.58%	18.26%	12.00%	26.50%	19.05%

Table 1: UTV station financial performance, 2007-2014. (Source: UTV annual reports)

Until last February, UTV was independently owned and managed, a situation which shielded it from the output cuts experienced in other Channel 3 regions. The station has the highest local quota of any Channel 3 region and is required to produce six hours of local output per week, including four hours of local news. This figure was cut from 8.33 hours by Ofcom under locally controversial circumstances in 2009 (see below).

Programme output

There is broad local satisfaction with UTV's local programme output – the main complaints centre on the quantity and variety of output available since 2009 and the perception that not enough of the

⁵ UTV. 2016. *New Series of Rare Breed Is huge hit with UTV viewers*. Available from:

<http://www.u.tv/Entertainment/2016/01/12/New-series-of-Rare-Breed-is-huge-hit-with-UTV-viewers-52011>

⁶ The 2015 figures have been excluded as UTV was consolidated within them with its loss-making sister station UTV Ireland.

station's profits were reinvested into its programming in recent years. One area of specific concern is the lack of a regular investigative current affairs series since *Insight* was cancelled in 2009. This development has left BBC NI as the sole provider of such programmes at a time when the region has been dogged by governance and financial scandals.

2.2 The ITV Takeover

The success of UTV's business model is such that it was envisaged that the station could maintain its current pattern indefinitely, an analysis which was accepted by its owners. The situation changed with the launch of UTV's ill-fated Irish sister station in 2015. UTV Ireland's financial projections and audience forecasts were overoptimistic, leading to substantial losses. These ultimately forced UTV Media to sell its television operations to ITV Plc for £100 million.

The ITV takeover has introduced considerable uncertainty about the station's future. While the logical approach would be not to disrupt a successful enterprise, there are concerns that ITV will seek to impose its business model upon the station.

Conflicting business models?

There is a clear conflict between the business models pursued by UTV and ITV. UTV has built its success upon stressing its unique Northern Irish character, maintaining a strong focus on local production and opting out of the network schedule when necessary to meet the needs of its audience. ITV's business model focuses on the creation of a single homogenous network and brand where local material is corralled into a small number of standardised schedule windows.

Although the UTV model delivers higher audiences and revenues, the author believes that there is a high risk that local production will be cut and that the UTV brand will be phased out for several reasons:

The Channel Islands precedent

The UTV purchase is not the first occasion where ITV in its current guise has acquired a smaller Channel 3 licence. In 2012, ITV purchased Channel Television, which held the Channel Islands franchise.

During Channel TV's change of control review, ITV gave assurances to Ofcom that local output would be maintained and even gave a verbal guarantee to Channel Islands government to that effect⁷. Once the transaction was completed, ITV then submitted a request for a 16% cut in the station's regional quota⁸.

This precedent raises questions about the credibility of the similar assurances given by ITV during UTV's change of control review. It is hardly surprising that one local commentator has written that

⁷ Ofcom. 2012. Channel TV Change of Control Review. Available from: http://licensing.ofcom.org.uk/binaries/tv/ccrs/Channel_TV_CCR.pdf

⁸ ITV. 2013. ITV's proposals for nations and regions news for a new Channel 3 PSB licence. Available from: <http://stakeholders.ofcom.org.uk/binaries/consultations/c3-c5-obligations/annexes/itvs-proposals.pdf>

he hopes that Ofcom ensures that “there is no ‘wriggle room’ to water down or reduce output in Belfast”⁹.

Branding homogeneity

In recent years, ITV has focused heavily on constructing a strong unified ITV brand across its Channel 3 licences. The maintenance of the UTV brand and distinct station identity would be a significant departure from this strategy.

There are concerns that ITV may fail to appreciate the value of the UTV brand, especially as the author’s experience is that English media professionals tend to have a limited understanding of Northern Irish society. It seems unlikely that a London-based brand manager could comprehend the position of “our Julian” and his in-vision colleagues within the region’s culture.

On a more serious level, the UTV brand is the only Northern Irish media brand which is generally trusted by the region’s two communities, giving its news and current affairs coverage an authority which its competitors cannot match. Its loss would significantly reduce the standing of PSB television as an information source within the region, especially given the ITV brand’s strong connection with the British mainland.

As a result, the author is concerned by ITV plans to phase out UTV’s current on-screen identity later this year and replace it with a modified version of ITV’s identity¹⁰.

Regulatory issues

The concerns about UTV’s future have been intensified by Ofcom’s performance as a regulator on Northern Irish matters. It is perceived as having little understanding of the region’s needs, non-responsive to the views of local stakeholders and overly supportive of ITV’s business model.

Meanwhile, the author has studied Ofcom’s procedure for handling changes to local quotas and has reached the conclusion that the process is weighted in favour of PSB franchisees due to a lack of transparency which makes it impossible for communities to challenge proposed alterations.

Ofcom’s second PSB review (2008)

Perceptions of Ofcom have been heavily coloured in Northern Ireland by its conduct during its second PSB review in 2008. During the review, Ofcom proposed and introduced significant cuts to UTV’s local output even though its own financial figures indicated that its prior output levels were sustainable¹¹.

⁹ Connolly, P. 2015. “Ofcom must protect UTV news in face of sale to ITV”. Belfast Telegraph. Available from: <http://www.belfasttelegraph.co.uk/opinion/columnists/readers-editor/ofcom-must-protect-utv-news-in-face-of-sale-to-itv-34132330.html>

¹⁰ UTV. 2016. *UTV unveils new look as part of ITV family*. Available from: <http://www.u.tv/News/2016/03/24/UTV-unveils-new-look-as-part-of-ITV-family-56262>

¹¹ Ofcom, 2008. *Consultation document – preparing for a digital future*. Available from: http://stakeholders.ofcom.org.uk/binaries/consultations/psb2_phase2/summary/psb2_phase2.pdf

The regulator's proposal appears to have been driven by a desire to optimise the operation of the Channel 3 network for ITV by imposing consistency in licencing terms across the UK nations¹². It then ignored overwhelming opposition from the region, including a unanimous vote against the proposals in the Northern Irish Assembly¹³. The only concession made to local opinion was to reduce the extent of the cuts by 30 minutes. Ofcom's intervention led to job losses within UTV and a series of changes to the station's output which led to the cancellation of *Insight*.

UTV's application to cut non-news output (2013)

Ofcom's handling of a subsequent application from UTV Media to cut its non-news output exposed further issues in terms of its approach. Quite simply, Ofcom declined to publish UTV's submission as the station had deemed it 'confidential'. The author has subsequently learned this is standard practice and a large number of documents relating to quota changes have never been released.

This is problematic as this 'confidential' material seems to be highly influential within Ofcom's decision-making processes as it uses an evidence-based approach to its adjudications. Without access to the evidence involved, however, it is very difficult for external stakeholders to engage effectively with the pre-decision consultation process. Indeed, it is probably impossible for such stakeholders to produce a convincing counterargument against a decently compiled application for a reduction in local output hours.

In the event, Ofcom rejected UTV's highly opportunistic application but the fact remains that the system seems loaded in favour of the licensees.

Ofcom's modelling of the Northern Irish market

The author is also concerned about Ofcom's modelling of the Northern Irish market and the apparent weight placed upon the availability of television services from the Republic in its deliberations concerning the region. This overlooks the fact that, for historical and cultural reasons, these stations are viewed almost exclusively by the Nationalist community. As a result, the author submits that it seems inappropriate to factor them into decisions regarding PSB television and associated production quotas in Northern Ireland.

2.3 Conclusion

Current service

UTV is a highly-successful broadcaster which fulfils a key role in Northern Irish society as a trusted news source and a promoter of local culture. It has developed a unique business model which has allowed the station to provide a high level of local PSB content while consistently outstripping the rest of the Channel 3 network in terms of ratings and financial performance.

The main complaint about the service focuses on the level of local content, which seems justified given the circumstances under which the 2009 cuts were introduced. It is quite likely that, without Ofcom's intervention, UTV would still be providing about eight hours of local content per week. The cancellation of *Insight* is a particular issue – the series is badly needed given the region's

¹² Ofcom. 2009. Statement on short term regulatory decisions. Available from:

http://stakeholders.ofcom.org.uk/binaries/consultations/psb2_phase2/statement/shortterm.pdf

¹³ Ibid.

internal governance issues and the local political pressure being applied to its BBC equivalent *Spotlight*.

Suggested measures

Short term -

- Ofcom should request that UTV reintroduce *Insight* as a regular series. Any reintroduction should be facilitated through an increase in UTV's local quota to 6.5 hours (to maintain the station's existing programme offerings).

Medium term -

- A review should be launched into the possibilities of increasing UTV's quota.
- This review should be conducted independently of Ofcom to maintain regional public confidence in the process.

ITV takeover implications

It is too early at this stage to predict the impact of ITV's takeover of UTV upon Channel 3 PSB provision in Northern Ireland.

The most optimistic scenario would see ITV maintain a supportive arm's length relationship with the station. This would involve maintaining decision-making functions in Belfast, maintaining the UTV brand and local production levels, and providing the investments necessary to sustain the station's success. The most pessimistic scenario would see ITV slowly dismantle UTV's local character and PSB provision, assisted by Ofcom's willingness to ensure conformity across regional licences and facilitate the efficient running of ITV's network.

Although this author maintains an open mind, previous experience seems highly discouraging. As such, the author believes that firm and urgent action could soon be required to preserve current Channel 3 provision in Northern Ireland.

Suggested measures

Short term -

- In the light of local concerns, Ofcom should ask ITV to provide a legally-binding commitment to maintain UTV's local production quotas and brand for the current licencing period (until 2024).
- Ofcom should freeze all local quotas until its consultation processes are reformed.
- Ofcom should cease incorporating stations from the Republic in its modelling.

Medium term -

- Ofcom should establish a principle whereby local quotas are fixed for the entirety of a licencing period.
- Ofcom should require that all changes of control are accompanied by a legally-binding commitment from the new operator to maintain existing quotas and brands (where applicable) for the remaining licence period.
- Ofcom should introduce a more transparent procedure for consultations concerning quota changes. These would involve the publication of all applications and supporting documentation.

Strategic –

- Ofcom should remain neutral in terms of questions concerning network management, operations and efficiency.
- Ofcom should create standalone Scottish, Welsh and Northern Irish Channel 3 licences. The performance of these licences should be partly judged on regional diversity criteria, local control levels and the maintenance of distinctive regional identities.

3. BBC Service

3.1 Service overview

BBC NI accounts for approximately two-thirds of all regional PSB origination in Northern Ireland. It provides a far wider range of programming than UTV and is the sole provider of local drama, comedy, local music, public debates and investigative current affairs programmes. It is also the only Northern Irish provider of programmes for speakers of the region's two minority languages – Irish and Ulster Scots. The latter situation reflects the fact that the audiences involved are too small to make commercial PSB provision a realistic prospect.

Although its programmes are well-liked, BBC NI has never commanded the same level of affection felt by viewers towards the BBC in other parts of the UK. This situation stems from how its ownership and control model is viewed in the context of the region's sectarian conflict. In essence, BBC NI is often seen by both communities as an agent of the British government, which affects the perceived credibility of its news and current affairs output.

Nationalist attitudes have been shaped through historical experience. Upon launching in Northern Ireland, the BBC firmly aligned itself with the region's Unionist government¹⁴. Then, during the Troubles, the broadcaster quickly pledged allegiance to the British Army¹⁵. Meanwhile, its unbalanced coverage of the UWC Strike in 1974 helped unionist extremists bring down the Sunningdale Executive, the forerunner to the current Assembly¹⁶. Since the 1980s, its coverage has been far more balanced but the damage had already been done.

In recent years, Unionist criticism of BBC NI's output has become more pronounced. One notable critic has been Arlene Foster, the region's first minister, who has described the organisation as "parasitic"¹⁷. Complaints have centred on the broadcaster's apparently favourable coverage of Sinn Féin and alleged anti-Unionist bias in *Spotlight*, its investigative current affairs series. This author believes that these complaints lack credibility and possibly stem from a very old Unionist conspiracy theory that the British government wishes to promote nationalism so that it can withdraw from Northern Ireland.

Programme output

BBC NI consistently secures lower ratings than UTV and its local programmes rarely capture the public imagination in a similar manner to those of its rival. In recent years, there has been some concern that BBC NI might be resorting to sensationalism in its attempts to close the ratings gap with UTV. Earlier this year, a new series, *Radio Face*, was promoted with a focus on the foul language utilised by its participants and their politically incorrect views¹⁸. Meanwhile, its live

¹⁴ Bardon, J. 2000. *Beyond The Studio*, p7

¹⁵ Curtis, L. 1984. *Ireland: The Propaganda War*, p10

¹⁶ Curtis, p106

¹⁷ BBC Online. 2014. *Arlene Foster criticises 'parasitical' BBC over investigation*. Available from: <http://www.bbc.co.uk/news/uk-northern-ireland-30129803>

¹⁸ Unknown. 2016. "Radio Face: Stephen Nolan's most controversial show yet..." *Belfast Telegraph*. Available from: <http://www.belfasttelegraph.co.uk/news/northern-ireland/radio-face-stephen-nolans-most-controversial-show-yet-and-the-mums-whose-views-on-benefits-will-shock-northern-ireland-tv-audience-34332181.html>

discussion programme, *Nolan Live*, appears to feature sectarian confrontations with surprising frequency. On one occasion, the audience was whipped into such frenzy during one debate that it couldn't focus on the remainder of the programme.¹⁹

3.2 The White Paper

The government's recent White Paper on the BBC is welcome in terms of its focus upon the UK regions. Unfortunately, a deeper examination of the document suggests that the proposed governance reforms may have implications for the ability of the BBC – on both a local and national level – to provide impartial coverage of events in Northern Ireland.

Editorial independence

The BBC's editorial independence has been protected since 1927 by its unique governance model which minimises the potential for government influence on editorial policy. Although the BBC's top management tier – the BBC Trust (formerly the Board of Governors) – is appointed by the government, it has no editorial role. It exists as a means of providing political accountability and strategic oversight. Meanwhile, the BBC's management team operates separately to the board and discharges its editorial responsibilities free of direct state interference.

This structure has proven particularly useful in a Northern Irish context in terms of maintaining the provision of impartial BBC coverage of the region's sectarian conflict. The governors have sometimes adopted a simplistic 'patriotic' attitude towards the region and have favoured the BBC's deployment as a means of quelling Irish nationalism and promoting government policy. By contrast, the corporation's management has, particularly since the 1980s, taken a far more balanced and measured view of the situation.

The depth of this conflict remains best exemplified by the controversy surrounding *At The Edge of The Union* (1985), a documentary which prompted a rare breakdown in the BBC's traditional governance model. The film focused on the lives of two political figures at the extremes of the conflict – Sinn Féin's Martin McGuinness and the Democratic Unionist Party's Gregory Campbell. It aimed to show the political polarisation within the region even between men who "were in many ways similar: they were young family men, teetotalers [and] church-goers"²⁰.

Under pressure from the Home Secretary, the governors overruled the BBC's management team and banned the film, due largely to its balanced portrayal of McGuinness, who was perceived as an enemy of the state²¹. The BBC's management eventually managed, amid the resultant controversy, to regain editorial control and it was eventually transmitted with a few minor alterations to spare the governors' blushes.

Based on the structural reforms proposed in the White Paper, it seems improbable that such a programme would be aired by the BBC in the future if a government set its mind against it. When

¹⁹ McCurry, C. 2016. "Jason Manford and Phill Jupitus nightmare as Nolan chat falls flat after heated dissidents debate". *Belfast Telegraph*. Available from: <http://www.belfasttelegraph.co.uk/entertainment/news/jason-manford-and-phill-jupitus-nightmare-as-nolan-chat-falls-flat-after-heated-dissidents-debate-34550855.html>

²⁰ *Minutes of BBC Board of Governors Meeting*, July 30, 1985.

²¹ *Ibid.*

deconstructed, the White Paper's proposals could conceivably lead to a situation where the station's editorial management could find themselves with little support on its board, due to the following issues:

1. Government appointees will always hold at least 42% of the board

A one-member swing against the BBC would be sufficient to either trigger a defeat for the corporation (in 12 or 13-member boards) or trigger a tied vote (in a 14-member one). In the latter situation, it is highly likely that the government-appointed chairman would have the casting vote.

2. Government appointees will have a veto over BBC appointments

The White Paper indicates that the six government appointees will form the initial board. The BBC members will then be added via recommendation by that initial six-person board's nomination committee²². Under standard procedures, the committee would be required to hold a vote prior to recommending an individual's appointment to the board. This potentially allows for some or all of the BBC's nominees to be rejected by the government appointees.

3. Influence of government-appointed chairman on BBC appointments

The White Paper further states that the government-appointed chairman will be "closely involved" at all stages of the selection of BBC nominees²³. His role will include contributing to the drafting of the recruitment specifications. These specifications could be engineered to prevent certain candidates from being selected.

4. Non-executives are allowed to have input into editorial framework

This is a significant departure from the previous structures where government appointees were excluded from editorial decision-making. The White Paper clearly states that "non-executives may have specific roles in regard to the editorial framework, but not making pre-broadcast case-by-case decisions"²⁴. From a journalistic perspective, the editorial framework is often more influential than case-by-case decision-making in that it delineates what can be covered, how it can be covered and how much prominence can it receive.

3.3 Conclusion

Current service

BBC NI provides a highly valuable television service to the people of Northern Ireland, offering a wider range of programming than its rival UTV and making an important contribution to serving the speakers of the region's two minority languages. It is worth considering though whether the broadcaster's ongoing pursuit for higher ratings is necessarily healthy in terms of its own editorial standards and the overall maintenance of PSB provision within Northern Ireland.

The broadcaster needs to be aware of the dangers of sensationalism and the potential for it to become provocation in such a volatile political and cultural climate. It should also be mindful of the societal importance of UTV and the possible consequences of undermining that station's business model.

²² DCMS. 2016. *A BBC For The Future*, p50-1.

²³ Ibid

²⁴ Ibid

White Paper

The governance provisions within the White Paper represent a significant threat to the BBC's editorial independence. While most of the coverage has focused on boardroom numbers, the real dangers are concealed within the nomination procedures.

There is a distinct risk that the composition of the unitary board could be stacked in favour of the government, potentially leading to a situation where the BBC could be forced to promote government policy in its coverage of controversial issues such as Northern Ireland. This is particularly worrying as such a move could enflame the tensions within the region.

In that context, it seems wise to maintain the current BBC governance model but modernise it to improve oversight and public accountability.

Suggested measures

- The government should abandon its plans for a unitary board in light of the risk presented to the BBC's editorial independence.
- If it does proceed with a unitary board, it should alter the nominations procedure to eliminate the risk that BBC appointees might be blocked on political grounds.
- Regardless of the governance model pursued, it should be explicitly established that government-appointed directors have no role in BBC editorial decision-making.

4. Network expenditure

Northern Ireland persistently receives a disproportionately low level of PSB television networked production expenditure given its population. The latest available figures, which date to 2014²⁵, starkly demonstrate the extent of the problem:

	Population	Network expenditure (2014)				Total
		BBC	ITV	CH4	CH5	
Scotland	8.4%	9.2%	--	4.6%	1.0%	5.2%
Wales	4.8%	6.5%	0.1%	1.1%	--	3.2%
N. Ireland	2.9%	2.5%	--	0.3%	--	1.2%

Table 2: Regional population compared with networked programme expenditure, 2014

It is immediately clear that the levels of network expenditure among PSB services regulated by Ofcom are very low. In a narrower Northern Irish context, Northern Ireland Screen has stated that Ofcom has overseen a situation where the region has been “almost wholly starved of the direct economic and cultural value of network PSB production”²⁶. The agency also implied that Ofcom was concealing this situation by presenting the relevant data in a manner which was “hard to penetrate and often misleading”²⁷.

Ofcom has shown little interest in addressing the low level of network expenditure in Northern Ireland. Although it has set an ‘Out of England’ production quota for Channel 4 of 9%, it declined to introduce individual sub-quotas for the nations. Its judgment was heavily influenced by Channel 4’s negative characterisation of local producers which, in the case of Northern Ireland, was strongly refuted by Northern Ireland Screen²⁸.

Meanwhile, the BBC’s expenditure figure is more in line with the region’s population but it should be considered in the context of the comparative over-expenditures in Scotland and Wales. Although the BBC has a target of producing 17% of all TV content within the three regions, there are no fixed regional quotas meaning that this could be achieved in a geographically uneven manner.

Indeed, in a key respect, the BBC’s approach to promoting network expenditure in Northern Ireland is different to that utilised in Wales and Scotland. In the latter two regions, the BBC has relocated productions previously made in England and introduced specific network production centres. By contrast, the BBC has made no such long-term strategic commitment to network programming production in Northern Ireland. In addition, the recent statement on broadcasting in the nations from

²⁵ Ofcom. 2015. *PSB compliance reporting*, p9-11. Available from: http://stakeholders.ofcom.org.uk/binaries/broadcast/reviews-investigations/psb-review/psb2015/PSB_compliance_report_2015.pdf

²⁶ Northern Ireland Screen. 2015. *Consultation Response from Northern Ireland Screen to Ofcom’s third PSB review*. Available from: http://stakeholders.ofcom.org.uk/binaries/consultations/psb-review-3/responses/Northern_Ireland_Screen.pdf

²⁷ Ibid.

²⁸ Northern Ireland Screen. 2014. *Consultation Reponse on Channel 4 Out of England quota*. Available from: http://stakeholders.ofcom.org.uk/binaries/consultations/renewal-c4-licence-out-of-england-quota/responses/NI_Screen.pdf

the BBC's director-general suggests that none shall be forthcoming – the corporation's focus in Northern Ireland shall be on digital services and local television²⁹.

Suggested measures

- Ofcom should introduce specific quotas for Channels 3, 4 and 5 for productions from Scotland, Wales and Northern Ireland. These quotas should be linked to their proportion of the total UK population.
- The BBC should develop BBC NI as a network production centre in the same manner as BBC Scotland and BBC Wales through the relocation of selected productions and the establishment of a network production centre for a specific strategic genre in the region.

²⁹ Hall, T. 2016. *The BBC In The Devolved Nations: Progress Report*. Available from: <http://downloads.bbc.co.uk/mediacentre/nations-progress-update.pdf>