

***“Many industries in the midlands  
have died; please don’t let network  
television production be next”***

***A look at the implications of ITV plc’s plans to  
end over thirty years of network production in  
the Midlands***



A document produced by the Birmingham and Nottingham branches of the  
Broadcasting Entertainment Cinematograph and Theatre Union

[www.bectu.org.uk](http://www.bectu.org.uk)

## Introduction

The Central television franchise area is geographically the largest in the United Kingdom. In terms of the population it serves it is second only to London, serving 9 million people. Only the London and Meridian regions produce more advertising revenue for ITV.

The production of television programmes in the Midlands is an industry in crisis. In 1994 the Carlton management closed the Birmingham Studio complex with the promise of good times to come in Nottingham. At the end of June 2004 the management of ITV plc will close the Nottingham Studios. During the eighties the two sites employed in excess of two thousand people. At the start of 2005 only 268 people will be employed to make programmes purely for the regional audience. The company will move to small rented office space in Nottingham. In Birmingham it will contract onto one floor of its existing building and let the other two floors out to commercial tenants. The Midlands workforce regularly used to make in excess of 200 hours of programming per year for the national audience. From 2005 the region will produce the minimum requirement of 8.5 hours per week of regional programming. Most of which is local news. The regular production of programmes for the ITV network will cease.

There has been an undoubted move away from studio production. The ratings success of 2004 so far is *I'm a Celebrity*; broadcast live from an Australian jungle. ITV plc injected about £12 million pounds into the economy of New South Wales to make that programme, including building a new road. Of course this programme had a large production team who came up with the idea, planned the production and indeed many would have travelled to the other side of the world to help make the programme. That production team of course has a UK base. They could be based in Nottingham, Birmingham, Coventry or Derby etc. The important point is the presence of a production centre and not the existence of a studio. However the high costs of *I'm a Celebrity* demonstrate why most of the time those people will produce programmes closer to home, as do staff based in Leeds and London ITV production centres.

The 2003 Communication Act calls for a suitable range of production centres. The Act also calls for levels of regional production for the ITV network. OFCOM costs the British taxpayer £129 million per year and has a remit to *serve the interests of the citizen-consumer as the communications industry enters the digital age*. OFCOM certainly don't appear to be serving the citizen consumer of the Midlands but ITV plc and its shareholders appear to be well served.

This briefing paper explains the history of independent television in the Midlands, and why it exists only because of strong regulators and political pressure. It explains the importance of network production to the Midlands and how OFCOM appear unprepared to defend production for the ITV Network in the Midlands.

## **15 years to establish television production in the Midlands**

Independent television came to the Midlands on February 17, 1956. It was launched with a showpiece ball at Birmingham Town Hall with speeches by civic heads and the then chairman of the ITA, Sir Kenneth Clark.

Eleven years later in 1967, the Independent Television Authority (ITA) awarded *ATV Network Ltd. (ATV Midlands)* the contract for the Midlands area. When ATV won its franchise to broadcast to the Midlands with a seven-days-a-week contract, *it was on the condition that they had a headquarters in the Midlands*. Even in the formative years of independent television strong regulation was required to drag the industry kicking and screaming out of London. It was this strong regulation that brought the investment to Birmingham and the Midlands. In 1970 the ATV centre in Broad Street was fully operational. The cost of the new colour equipment alone was £3 million, in today's terms about £15 million. The ATV centre when it opened was then considered the best television facility in the world. Contrast that with ITV plc and its planned investment of £5 million in 2004, split between Nottingham and Birmingham.

In 1970 on the opening of the centre, the Lord Mayor of Birmingham (Ald. Neville Bosworth) gave this message."

"The official opening of the new ATV Centre by Princess Alexandra is just another important milestone in the development of Birmingham which has been a continuing process for the past 25 years, gradually growing in momentum (despite occasional setbacks), until today we look around us and see a scale of development unprecedented in modern times anywhere else in the country.

The confidence displayed by the board of ATV in building this new centre is to be applauded by all concerned with the future of this area. *Not only will it demonstrate the place of the West Midlands in the fields of communication and entertainment both nationally and internationally, but also establish a focal point for the dissemination of much that is of interest from within this metropolis.*"

Despite this bright beginning dissatisfaction was expressed through the 1970s about the commitment to the Midlands region by ATV, which continued to maintain a substantial proportion of their production outside the region, at Elstree Studios. The Midlands region is among the least homogenous of the ITV regions, and it is not surprising that the most

vocal complaints came from the East Midlands, because even though much of ATV's production was centred on Elstree at least Birmingham has succeeded in acquiring some work. Although it has to be noted that the local councils in Birmingham weren't that happy either, despite it being ATV's Midland base, they too were unhappy about the dominance of Elstree.

On Sunday (as this would reduce the panic selling/buying of shareholders) 28th December 1980 the IBA announced, after inviting applications for franchises in early 1980, that ATV would retain their franchise *on the conditions that they would reflect the Midlands more in their programming (including making the Midlands a dual region, East and West), have shareholders with Midlands interests, and change their name to a more regional one.* Central Independent Television was created to satisfy the IBA. This led to the separate distinct news service from the East Midlands.

Officially ATV ceased broadcasting, and Central began to broadcast on 1st January 1982.

Central Independent Television opened the East Midlands Television Centre in 1982. Central then had two major production centres in the Midlands and no longer made programmes at Elstree. The Nottingham studios are generally regarded as some of the best in Europe.

It took 15 years of work by Members of Parliament, local councillors in the Midlands and strong regulators in the form of the ITA and IBA for true regional production for the ITV network to become established in the Midlands and break free from Elstree and London.

## **2004 - ITV plc brings Network Production in the Midlands to an end**

On the 26<sup>th</sup> of February 2004 the newly formed company ITV plc (formed by the merger of Granada and Carlton) announced a major restructuring of operations in the Midlands.

The restructuring will result in the loss of 361 jobs. The bulk of the job losses will arise because of the closure of the Nottingham Studios. ITV will cease to employ permanent staff in the Midlands to produce network programmes, or have the management in place in the Midlands to seek commissions for network production. ITV will concentrate on producing local news and programmes purely for the regional audience.

Back in 1994 Carlton Communications closed the Broad Street studio complex in Birmingham and shifted nearly all network production to Nottingham. At the time, Andy Allan, the then Chief Executive of Carlton UK Television, wrote to many Members of

Parliament in the West Midlands. In his letter he wrote, *"We are neither neglecting the city nor the region. The fact is that we are enhancing the region as a programme making force. The restructuring will mean that some programmes that would have been made in London will now be made in Nottingham. We value our highly skilled workforce and we hope they will be making more programmes in the region not less."* Curious then that even Carlton productions such as "Today with Des and Mel" are made in studios that are not even owned by ITV at Teddington.

The production of network programmes has always provided the vast majority of jobs in the Midlands. Programmes made only for a regional audience are usually made on a lower budget and increasingly suffer from lower technical quality and lower production values. The larger budget network productions are often destined for overseas sales; therefore there is a requirement for high production and technical standards. Therefore the network productions usually employ more staff and often staff with a higher skill level.

By the end of 2004 the hard fought gains of 15 years will be lost forever with the end of network production.

## **We are not passionate about bricks and mortar**

You may hear the management of ITV plc pronounce their dislike of bricks and mortar. They claim to be passionate about investing in programmes but not buildings. Well the employees of ITV plc who work in the Midlands don't care much for bricks and mortar either but understand that the presence of production facilities is what largely stimulates the production of network programmes. Even if that production facility does not have a studio it needs to be a centre for creative minds and craft skills to come together to make quality television.

The retention of an effective management and commissioning structure is also vital. Although the Nottingham studios complex is a fantastic production centre it was doomed to failure by the attitude of the management. After the Carlton takeover of Central the production departments of the two companies were merged to form Carlton Productions. The management of the department was in London. BECTU spoke to one former senior producer from Nottingham who told us that life became very difficult once this change took place. In the past he was able to pitch for work directly from the ITV Network Centre (of which more later). After the formation of Carlton Productions he always had a problem getting through the layer of London management to the network centre. He also told BECTU that he would unofficially go directly to the network centre using his personal contacts. In that way he found it easier to secure work for Nottingham. He told us that in

his view Carlton had such a poor reputation for quality programme production that it was difficult to get work from the Network Centre if the pitch came from Carlton in London. In some programme genres the people and structure required to win programmes commissions for Nottingham disappeared altogether. Remember that Carlton in London was firstly a publisher broadcaster. The London based management did not have any experience or real understanding of how to effectively manage and run the business they purchased in the Midlands. They did however have a good understanding of how to asset strip that business.

ITV plc proposes in future to have three major production centres for network programme production in London, Leeds and to a smaller extent Manchester. London is the venue for some production simply because some creative talent will not work outside the capital. Leeds and Manchester produce long running soap operas with *Emmerdale* and *Coronation Street* respectively. However it is around the studio centres that most other production revolves. Around Yorkshire Television in Leeds much of ITV's drama production occurs, such as *A Touch of Frost*, *Where The Heart Is*, *Heartbeat*, *The Royal* and *Fat Friends*.

For ITV management to argue that bricks and mortar are irrelevant is clearly nonsense. For example Yorkshire Television is at the heart of an expanding media cluster, directly employing over 1000 people and sustaining the employment of a further 1100 in supply chain companies (from Regional Impact Survey by Leeds University 2002). The ITV plc production centre in Leeds acts as a catalyst for further investment. In April 2003 Yorkshire's media, interactive and film industry was boosted by an investment of £3m by Yorkshire Forward – the largest investment by any RDA - to help develop production facilities, research and development and support for skills and business development. This funding will attract a further £1.55m from Europe for the region's new film and media industry body, Screen Yorkshire, to help support the sector's growth and ensure Yorkshire and Humber projects an even better image of an ever stronger industry.

If bricks and mortar are really so unimportant why do ITV plc continue to invest in Leeds. In March 2004, a new edit suite was opened in Leeds at a cost £250,000. At the same time £400,000 is being invested in a new 35mm film processing facility. When Tessa Jowell, Secretary of State, visited the site to officially open the new edit suite she said, *"I have been impressed by the sheer scale of what I have seen during my visit, which demonstrates a clear commitment to regional investment in high quality programmes. These programmes successfully reflect the region in which they are made while being enjoyed across the whole country."* Where is the investment in the Midlands, and where are the programmes that successfully reflect the Midlands going to be made in the future for the whole country to enjoy?

The Culture Media and Sport Committee, in its recent report, *Broadcasting in Transition*, mentions this subject on page 25, paragraph 100. Referring to witness's appearance before the committee the report says "Both Donald Emslie, Chief Executive, SMG, and Mr Clive Jones of Carlton referred to "bricks and mortar" as being less important than what goes on the screen. We (the committee) do not believe the latter can be as readily, not to say facilely, divorced from the existence of studio and production facilities as these remarks suggest."

With no ITV production centre in the Midlands there is no heart for a media cluster to develop around. This is clearly bad news for the Midlands and the economies of the region.

Some ITV Regions have always had just a small operation to produce news and regional programmes; the path the Midlands is now destined to follow. As an example West Country Television with its base in Plymouth has never achieved significant network production levels. It's difficult to believe the management of ITV plc when they argue that the Midlands will for some reason be different. The argument that serious levels of network production will continue after the closure of the Nottingham Studios does not hold true. Perhaps one off productions may happen, but the costs of staff travelling into the region and staying overnight makes this arrangement cost prohibitive for regular productions.

The important issue is not the retention of any particular studios but preserving regional production. If Nottingham studios are to close the capability and status of the region as a regional production centre must be maintained. Even if ITV did not own any premises in the Midlands it needs to employ creative and technical staff actively seeking commissions from the Network Centre for the Industry to have a long-term viable future in the Midlands. It is just very difficult to see how this can be achieved with the planned closure of the Nottingham site and no alternative in place.

It is a curious contradiction that while the government is paying more attention to the regions, ITV is paying less.

## **Midlands Television Production for the ITV Network**

For the last thirty years the Midlands has produced some of ITV's most successful network programmes.

Soldier, Soldier

Woof

Peak Practice

Chancer

Boon

Spitting Image

Crossroads

Outside Edge

Tiswas

The Cook Report

The Price is Right

Blockbusters

Family Fortunes

Bullseye

Johnny Ball Reveals All

Celebrity Squares

Crossroads

Supermarket Sweep

New Faces

The Golden Shot

Shortly after the formation of the new company ITV plc produced a document. From a Midlands perspective the document was ironically titled "Looking Forward." The document reads, "The production arm of ITV plc, now called Granada, incorporates the combined talent, creativity and heritage of the Granada, Central, LWT, Carlton, Anglia, Tyne Tees and Yorkshire production companies. For almost 50 years these companies have produced programmes that are the envy of the world and have enjoyed unparalleled commercial and creative success. These programmes cover all genres from soaps to arts, children's, documentaries, costume drama and factual from across the regions of the UK. This talent has now been aggregated into one world class production company within ITV plc."

In truth the production arm of ITV plc wishes to continue the total destruction of the Central heritage. Many people hold the view that Carlton never made a decent programme. They did however brand some very good Midlands production as Carlton productions, before the asset stripping and management incompetence took over.

In 1994 the Midlands produced 242 hours, in 1995 the figure rose to 298 hours and 1996 production stood at 184 hours for the ITV network. The regulators did not publish figures after 1996, but during 2003 BECTU calculates the Midlands produced only 17.5 hours for the ITV network.

The last ITC Annual Performance review to mention the Central region on an individual basis was in 1996. On the subject of network production the ITC wrote, "The Midlands continued to be a major source of high quality children's and factual programmes, popular drama and entertainment for the network. The Midlands maintained a key production role in network supply across a variety of stands."

The amount of production within ITV should actually be increasing due to the extra airtime to fill on ITV2. With the proposed launch of ITV3 and ITVKIDS there is scope for further increases.

As a key region of the UK the Midlands should play a key role in network supply.

## **The importance of network television production in the Midlands**

The future of regional network production is perhaps now more important than ever. The devolution of government to Northern Ireland, Scotland and Wales has raised the profile of regional matters. The debate about devolution is also now clearly extended to the English regions. Central Government itself is looking to decant Departmental operations to the Regions. Many would argue that we are in the midst of a regional renaissance with cities such as Birmingham benefiting from investment in infrastructure and buoyant social and cultural scenes. A thriving television industry is essential to the democracy of post devolution Britain. Cultural diversity can be only partly achieved by centrally based producers. It must involve a high degree of dispersed, indigenous production that reflects the cultural diversity of the Midlands.

The Midlands has an essential, vibrant and economically viable role to play in the future of ITV. One based on realising the potential of the reservoir of talent that exists outside the capital rather than looking to perpetuate formulae that have passed their sell-by dates. The economic argument is that much more emphasis should be placed on

promoting the development of a viable cluster of talent and expertise in the Midlands rather than the proposed rationalisation of production. Network production in the Midlands is vital to the British creative economy. Based within a regional cluster a network production centre enables companies to reflect the region and to foster and encourage new talent and ideas. Television production is part of the expanding knowledge economy, and can help support and build high quality employment across the UK. Combined with other creative and technical sectors it can contribute to growth to areas under economic pressure, and can help the UK achieve a more balanced economic development across the country. Some television production in the Midlands has already made a significant contribution to tourism and hotels. Some programmes, which have been a particular success in developing tourism, are *Peak Practice* and *Inspector Morse*.

ITV plc is in danger of undervaluing its regional heritage. David Liddiment the former Director of Channels at ITV said “Regional production bases and the independents who cluster round them are the open doors for the talent and ideas that are critical to ITV’s survival as a mass market network.” It can be in the commercial interest of ITV plc to use and develop Midlands’s creative talent and production skills. Programming made in the Midlands, with the benefit of a diverse mix of voices and ideas, can often connect better with audiences than material produced with a metropolitan voice. If the Midlands has no centre for network production then the, “If you’re any good why are you working in the Midlands?” assumption will grow stronger. Talented people from the Midlands will have to move to work in television there-by making the production of high quality Midlands based programming less likely. This discourages the continued development of diverse cultural identities.

ITV plc should keep a substantial network production centre in the Midlands. Nurturing the conditions for the successful development of creative clusters will be a potentially important role for regional and local development agencies and for other institutions.

All broadcasters have their headquarters and most of their programme commissioners in London while 87 per cent of the population live outside the M25. This trend has increased in the last ten years with the centralisation of commissioning power and the establishment of Channel 5 as a London-based company. Closure of the only Midlands production centre is another move towards centralisation.

Broadcaster Anthony (Tony) Wilson was a British record label and nightclub manager. He founded the record label *Factory Records* and the *Hacienda* nightclub. He was the pop group manager behind (at various times) *Joy Division*, *New Order* and the *Happy Mondays* (amongst many others). He formed a central part of the music and cultural scene of Manchester (and, indeed, the whole of the NW of England). Originally, Wilson

sought a career as a television journalist on Manchester's local station, Granada TV, where he worked as reporter and anchorman. He eventually returned to the career and the channel in the late 1990s, where he still works.

Tony Wilson is a man with a strong sense of regional identity. His thoughts on ITV make for interesting reading. "In a world, or rather, a country, which spins off its axis on a daily basis with the ponderous weight attracted to its south eastern capital, the Federal nature of the ITV Network has since its inception been maybe the only true emotional empowerment of the disenfranchised 87 per cent of the population. We can look back on circa fifty years where the system created to keep the media entrepreneurs' profits within reason has been perhaps the only bulwark against the transformation of each distinct cultural region of England into a compliant suburb of the kingdom within the magic circle called 25. I pray the approaching end of the federal system will come only when a new system is in place, true regional government."

Thankfully for Tony Wilson, and others, Manchester will continue to be the home of major ITV network production, most notably Coronation Street. Programmes such as Coronation Street and Cold Feet are shown around the world. This raises the profile of Manchester on a world scale. Many areas of the Midlands, particularly the West Midlands suffer from a poor media image. For example Birmingham, The Black Country, Coventry and The Potteries could all benefit from some positive media exposure.

The viewers (or citizen consumers) of the Midlands will of course be cheated if ITV plc continue to extract commercial revenue from the region but don't regularly make network programmes, or show programmes that reflect well on the region.

## **1990 Broadcasting Act**

ITV network production in the Midlands has been subject to a series of changes in regulation of the industry over a number of years. Sadly all of the changes have resulted in decline.

The 1990 Broadcasting Act was a disaster for ITV in the Midlands. Until the act each region worked under a programme guarantee system. Therefore the Midlands region was guaranteed a certain level of production to be shown nationally on the ITV network. After the act the ITV companies were forced into networking arrangements. These arrangements provided for the establishment of a Network Centre. This is a division of the Independent Television Association (ITVA), the licensees' trade association, whose function it is to draw up the network schedule and to acquire and commission

programmes for it from licensees and independent producers. A guarantee of any level of production was gone.

The 25 % quota for Independent Producers was also introduced in the act. This seemed to be a good idea, however the reality is that the majority of Independent producers who win network commissions are London based. London is the only area of the UK where a large pool of skilled freelance labour able to crew these productions exists. Therefore the quota has almost turned into a guarantee that London has 25% of ITV network production.

The 1990 act also allowed publisher broadcasters to bid for the Midlands franchise. Central were worried about this prospect and started the slow dismantling of production facilities. The process has continued now for 15 years.

The largest effect of the 1990 act was to allow the London based company Carlton Communications to take over Central Independent Television. The London based management always seemed to regard the Midlands as a small part of the Carlton Empire gradually allowing it to become a television backwater.

## **2003 Communications Act**

The 2003 Communications Act allowed the “merger” of Carlton and Granada to form ITV plc. The merger has now proven to be a Granada takeover of Carlton. The new ITV plc management are almost exclusively former Granada managers.

Before the takeover of Carlton, Granada owned the northern England licences for Tyne Tees, Yorkshire, and of course Granada. Two of the major southern England licences were also owned by Granada, LWT and Meridian. This structure has perhaps led the new ITV plc management to continue along the same path as the preceding Carlton management. Many of the departmental closures in Birmingham just ignore the city completely. The decision to relocate the ITV Sport department to London demonstrates the dogmatic thinking. Birmingham, the middle of the country, is quite a logical place to locate such a sport department. This polarising of operations between London and the North of England is now also visible on screen. All regular network programming such as Coronation Street, Emmerdale and The Bill are based in the north or south. There is no regular network programming which reflects the largest franchise area, the Midlands. With the impending closure of the Nottingham production centre this trend looks set to continue.

The 2003 Communications Act, for the first time, allows foreign ownership of ITV. Unless there are strong regional commitments with meaningful facilities and staff it will be much easier for a foreign broadcaster to come in and be able to replicate what already exists.

Section 286 of the Communications act relates to regional programme making for the national network audience. It imposes requirements for ITV to finance a suitable range of production centres outside the M25. Surely a suitable range should include a production centre in the largest franchise area, which includes the strategically important East and West Midlands. OFCOM could insist on a production centre in the Midlands.

For OFCOM to satisfy the spirit of the Communications Act then each ITV region should produce a certain amount of production for the network. The Culture Media and Sport Committee, in its recent report, Broadcasting in Transition, mentions this subject on page 23, paragraph 91, "We believe that quotas for regional production for the network are essential to conform with the spirit of the legislation, that there should be sufficient investment in regional production centres of excellence, and that OFCOM should be alert to this need." The ITV plc view is that they cannot live by quotas it must be a meritocracy. If a meritocracy means that the network centre must commission on price as well as quality, then how can the Midlands compete on price? London based independents have a large pool of freelance staff on which to call and a large number of production facilities to hire just for one production. For the Midlands to compete on quality then investment in staff and facilities are essential. The Midlands can't compete with London based Independent production companies. ITV is able to live with the 25% independent production quota; it should be made to live with strong regional production quotas.

Please note that the concept of a meritocracy does not appear to apply to Midlands based production. Birmingham has been home to Children's ITV (CITV) for over twenty years. It has become a centre of excellence. Since the contract has to be renewed every 12 months it seems safe to assume that the longevity of Birmingham as the home of CITV would point to it being in Birmingham on merit. At the end of 2004 the production must leave Birmingham because the building will no longer have space to accommodate the studio requirements. The studio space is needed to present Central News East to the East Midlands.

## **OFCOM - Regional production and regional programme definitions**

Shortly after the ITV announcement, on 26 February 2004, of 361 job losses in the Midlands, the first consultation meeting with BECTU convened. At that first consultation meeting, on the 16 March 2004, the ITV Central managing director (Ian Squires) stated that the communications act does not ask for a specified quota of regional production. At the time this was true, but he did not take into account the fact that OFCOM were about to publish *Regional Production and Regional Programme Definitions*. OFCOM published the definitions on the 6 April 2004.

The OFCOM definitions stipulated that *geographical distribution of regional production is similar to that achieved in 2002*. In 2002 Nottingham produced in excess of 80 hours for the ITV network. In stark contrast, so far in the first five months of 2004 Nottingham is yet to produce a programme for the network.

BECTU met with OFCOM on Tuesday 18 May 2004. At the meeting OFCOM introduced some alien concepts into the definition of regional production. OFCOM have decided to divide England into three macro regions, which are Midlands and East, North, and South. It is difficult to understand why after nearly 50 years of ITV OFCOM have decided to ignore the conventional English ITV regions of which there are ten, and instead regulate on the basis of three macro regions. One of the major concepts of regional production for the network is to show the full cultural diversity of the UK. The larger the macro regions the less likely all regions and communities will be featured. To amalgamate the Central region with the Anglia region does not recognise the huge differences between the regions. The Midlands should not be pooled with East Anglia in regard to such an important economic and cultural issue. For some reason, perhaps only known to OFCOM, the use of macro regions is not mentioned in the published definitions of regional production.

OFCOM have declared they are an “output regulator.” They intend only to look at the end result of what they see on our television screens. Therefore at the end of 2004 OFCOM will calculate the level of network production in the macro region of Midlands and East and expect it to be similar to the 2002 levels. ITV make one network programme in Norwich, Trisha. It is very hard to see how at the end of 2004 ITV will have achieved a similar level of network production in the Midlands and East macro region as it did in 2002. If ITV fail to satisfy the requirement then OFCOM will take action against ITV.

However it will be too late at that point. What action is OFCOM able to take, which would restore network production capacity to the Midlands? The staff will be long gone and the facilities could be just a pile of rubble. OFCOM have to act now. The Secretary of State, Tessa Jowell should stop OFCOM shutting the stable door after the horse has bolted.

At the final consultation meeting on the 1 June 2004 BECTU again raised these issues with ITV management. Much to our disbelief the management seem to have taken a different interpretation of the definitions as explained by OFCOM to BECTU. It is ludicrous that a regulator cannot make such important information more clear.

### **A level playing field is required**

In the calendar year 2003, ITV plc paid £217 million in licence fees. The licence fee was introduced to tax what were viewed as excess profits from ITV's original position as the sole commercial channel. Now there are not two, but over 200 channels available in the UK and now this argument can no longer be valid. ITV should be able to compete with other commercial broadcasters on equal terms, and the licence fee should be materially reduced.

Government action to reduce the licence fee could be paid back in extra regional economic activity if Section 286 of the Communications Act was amended to include clearly defined and enforced regional production quotas. The UK would also benefit culturally.

It is impossible to understand why BskyB, the main commercial rival to ITV is not required to comply with any production quotas. BskyB must be brought into line in terms of spend on original UK regional production, or at least there must some gradual move towards parity as digital penetration increases.

Surely BskyB is now a major broadcaster but still it has no Public Service Broadcasting obligations. Again it must be gradually aligned with other broadcasters.

### **Spare us the sob stories**

It is an often quoted fact that if ITV is regulated too strongly that they will hand back the analogue licences. Most media workers in the Midlands don't have a problem with that. There are hundreds of disillusioned media workers who would quite happily take up the challenge of running the Midlands franchise.

Remember when Central television won the Midlands franchise in 1993 the application was unopposed. The winning bid required them to pay just £2000 per year for 10 years. Leslie Hill, the then Chairman, promised staff a bright future. Virtually every major promise and commitment made at that time has now been abandoned. ITV wish to use a scarce public resource in the Midlands, the analogue television frequency, to earn huge sums of money from advertising revenue. They now want to put very little back into the community they purport to serve. The moral right to transmit to the Midlands has now almost gone. Surely there would have been many more interested parties applying for the franchise back in 1993 if they had known ten years later the only obligation to the region is little more than a local news service.

Management have squandered in excess of 1 billion pounds on the ITV digital debacle at the same time as destroying the industry in the Midlands. Michael Green was of course paid £15 million when he was prevented from taking up a position within the new ITV plc. That's a big reward for asset stripping in the Midlands.

### **Don't let Network Television production in the Midlands die**

Members of Parliament, Councillors and the public need to stand united across the Midlands and say to OFCOM, ITV and Tessa Jowell that enough is enough. Many industries in the Midlands have died; please don't let network television production be the next.

OFCOM need to act before the end of June 2004 and enforce regional production quotas. OFCOM need to recognise the importance of a centre for network production in the Midlands.

In the longer term Section 286 of the Communications Act should be amended to include a regional production quota for the Midlands.

### **Further Reading**

OFCOM. Regional Production and Regional Programme Definitions.

[http://www.ofcom.org.uk/codes\\_guidelines/broadcasting/tv/reg\\_prod/?a=87101](http://www.ofcom.org.uk/codes_guidelines/broadcasting/tv/reg_prod/?a=87101)