



Northern Ireland
Assembly

COMMITTEE FOR
CULTURE, ARTS AND LEISURE

OFFICIAL REPORT
(Hansard)

Update on Digital Britain Report

15 September 2009

NORTHERN IRELAND ASSEMBLY

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Members present for all or part of the proceedings:

Mr Barry McElduff (Chairperson)
Mr P J Bradley
Mr Francie Brolly
Lord Browne
Mr Trevor Clarke
Mr Kieran McCarthy
Mr Raymond McCartney
Miss Michelle McIlveen
Mr Ken Robinson

Witnesses:

The Minister of Culture, Arts and Leisure (Mr McCausland)
Ms Anne Tohill (Department of Culture, Arts and Leisure)

The Chairperson (Mr McElduff):

Welcome, Minister, and thank you for attending. The Minister is accompanied by Anne Tohill, who is head of arts in the Department of Culture, Arts and Leisure (DCAL). We are grateful for your attendance this afternoon. I will hand over to you straight away, Minister, and ask you to make your presentation.

The Minister of Culture, Arts and Leisure (Mr McCausland):

Thank you. Today, we will consider a couple of issues about the digital Britain report. I hope that we can treat this session informally and reach consensus on the way forward. Members will recall that I met the Committee on Thursday 2 July 2009. The issue about the report was raised at

that meeting. I undertook to go away, carry out consultation, talk to all the stakeholders and bring back recommendations by the end of the summer.

We talked to a range of stakeholders, including Ofcom, NI Screen, BBC, UTV and representatives of the independent sector. Therefore, fairly comprehensive conversations have taken place. I am also keen to hear the Committee's views on the proposed approach.

The transition to a digital future will, obviously, present challenges and opportunities for Northern Ireland. It is, of course, a reserved matter. Nevertheless, it is important that we look after Northern Ireland's interests and make representations to the Department for Culture, Media and Sport (DCMS) that are beneficial to Northern Ireland.

Some of the proposals in the digital Britain report will undoubtedly help to strengthen and develop the creative sector at a UK and Northern Ireland level. However, a small number of specific recommendations give rise to a bit more concern and could be detrimental to Northern Ireland. As the Committee is aware, two issues in particular are the failure to include Northern Ireland in the proposed pilot programme for regional news provision and the failure to bring forward to 2012 the BBC's quotas for network production in Northern Ireland in the way that has been recommended for Scotland. Therefore, our response will focus on those two key issues.

Folk are aware that the independent sector has voiced its concerns on those recommendations. We talked to the sector and other stakeholders. Unsurprisingly, there is no single agreed view on the impact of recommendations on Northern Ireland or on the way forward. However, after we had the conversations and conducted the consultations, it became clear that the view throughout the UK — certainly, it is held by Ofcom and DCMS — is that Scotland and Wales face particular difficulties with regional news provision. Furthermore, the view is that without intervention, regional non-BBC news will diminish during the next couple of years, which will leave people without choice and the BBC without competition.

Ofcom provided an example about certain regions of England that have just four minutes of regional news broadcasts each day. In Northern Ireland, people like the news. They would be concerned if they thought that they would get only four minutes of regional news in a non-BBC format each day. Therefore, the situation in Northern Ireland is somewhat different from that of other UK regions. At least, that is the situation at present.

In the Northern Ireland context, Ofcom's analysis concluded that the provision of regional news is quite different. That is the current position, but it could change in the near future. Based on that analysis, it was decided not to include Northern Ireland in the proposed pilot scheme. The difficulty with that, of course, is that Northern Ireland will miss out on the opportunity to access a share of the state funding that is being made available for that purpose. That means that funds that are raised by Northern Ireland's customers who pay for and hold TV licences will, effectively, be used to subsidise the pilot programme in other parts of the UK, with no benefit to Northern Ireland.

Another issue on which, I am sure, most members have been lobbied, is the impact on the independent sector, which will not benefit from the funds that are available or the opportunity that is presented to develop their capacity and capability. It is worth noting in passing that people in Northern Ireland believe that UTV provides a high-quality service. That should be recognised.

After all those considerations, the Department is minded to request that Northern Ireland be included in the proposed pilot programme. However, I stress that in any approach to DCMS, I want to request that the pilot is extended to Northern Ireland to cover news and non-news provision, with a particular emphasis on current affairs programming. The feeling is that, in Northern Ireland, provision is a bit light in that area; therefore, it is about more than just core news programming. That may be an issue now, and it could be a bigger issue in the future.

Formatting our request in that way keeps the door open for discussions on how Northern Ireland can access that money, while flagging up to DCMS the particular concern about current affairs programming in Northern Ireland. When we compare the tremendous amount of current affairs programming that we had through all the years of the Troubles with the level of programming that we have today, it is clear that that is the area in which the biggest cutbacks have occurred. We think that our stance is reasonable and that it would meet the needs and the aspirations of the independent sector. I welcome the Committee's views on the proposal.

The Department is minded to request that the BBC's network production quotas for Northern Ireland are brought forward from 2016 to 2012, as has been recommended for Scotland. It would be good to get an across-the-board view in the Assembly that that is our desired aim so that it would bring us into line with Scotland. Scotland spoke with a strong voice on that matter, we

want to speak with a strong voice on it, and we are unaware of any practical reason why that cannot be done by 2012 rather than 2016. If successful, that could provide earlier and important opportunities to promote the development of the production sector and divert much needed investment to Northern Ireland.

Those are our views after all the conversations that we had. I am here to listen to the Committee, and I hope that we can engage in this issue and reach a consensus on it.

The Chairperson:

OK. Thank you very much, Minister.

Mr K Robinson:

I thank the Minister for his helpful briefing. He referred to the independent sector. Is that a cohesive or a nebulous group? Does it speak with one voice and foresee the same problems, or are there differences in approach within that sector?

The Minister of Culture, Arts and Leisure:

The impression that we are getting is that there is a fair degree of consensus — I keep using that word for some reason — among the independents.

Ms Anne Tohill (Department of Culture, Arts and Leisure):

Northern Ireland Screen is the sectoral development body for the TV and film industry here. In a sense, it represents the sector, so although we have consulted directly with the independents, we have also taken the views of NI Screen. There seems to be a strong alignment in the views that we have received. NI Screen advised us that there are approximately 70 companies in the sector, which covers film and TV. It estimated that the sector is worth some £29 million to the economy. If the sector is fragmented, it is because many of those companies are very small, but there is no obvious discrepancy between what one independent producer might want in a news or non-news pilot and that of any of the others. It just seems to make so much sense.

The Minister of Culture, Arts and Leisure:

We were somewhat reassured with what NI Screen, as the body that represents the sector, was saying.

Mr K Robinson:

There is a bit of a conundrum. I understand that they all want to access the pot of money, whatever level that is at, and I understand that there is an opportunity to develop skills that may have been thin on the ground or that we have not yet tapped into. From what the Minister said, we have a consensus suggestion. We were talking about independents, and, in my mind, UTV is independent television, but we are obviously talking about something slightly different. UTV has produced certain output over time, and that may evolve into something different in future.

I am keen to include the independents, but I wonder whether anyone will lose out in that balancing act. We have a good product, which provides a viable alternative to the BBC diet. If a third body — for want of a better term — is introduced, will what we have on the UTV side be diluted without necessarily improving the overall diet that is presented to the public?

The Minister of Culture, Arts and Leisure:

That was why we used that form of words to cover news and non-news provision, but with a particular emphasis on current affairs programmes. That is the area in which there is already a shortfall. We no longer have the same amount of in-depth current affairs investigation that existed in the past.

Ms Tohill:

Given the criteria that a provider of that type of service is required to meet, such as impartiality and the service's reach, were it to make any future bid, UTV is likely to be in a strong position.

Mr K Robinson:

Is the Department stating that it does not think that it would greatly or noticeably damage the existing provision?

Ms Tohill:

I do not think that it would.

The Minister of Culture, Arts and Leisure:

We see it as complementing rather than damaging.

The Chairperson:

Will the Minister tell the Committee how UTV has reacted to his position? What impact would a pilot scheme have on UTV?

Ms Tohill:

We are due to meet UTV this week.

The Minister of Culture, Arts and Leisure:

Some conversations have taken place with UTV, but we are due to meet the company tomorrow.

The Chairperson:

What time is that meeting? I ask because the Committee will be meeting UTV at 11.30 am.

The Minister of Culture, Arts and Leisure:

Our meeting will be in the afternoon.

Lord Browne:

I know that broadcasting is a reserved matter, but it is important to make a strong case for Northern Ireland to be included in the pilot scheme. As the Minister said, it is totally wrong for licence-fee payers here to be disadvantaged compared to the rest of the United Kingdom. As it is a reserved matter, how do we make that case? Do we know Ofcom's opinion? If we have a report from Ofcom, I have not read it. Are we privy to any report that would enable us to find out why Ofcom has adopted its position?

The Minister of Culture, Arts and Leisure:

We will comment to DCMS on those issues. Broadcasting is a reserved matter, but DCMS is seeking our views and would be surprised if we did not respond. In addition, we hope that, in the future, there will be other issues that we want to take up with DCMS. In the past, the Committee raised issues about broadcasting and other areas of benefit to the Northern Ireland economy. In future, it would be useful to take such issues to DCMS.

The Chairperson:

The Minister is poacher turned gamekeeper — only joking.

Mr P J Bradley:

I thank the Minister for his update. I am certainly an awful lot wiser, because, being new to the Committee, I had no idea what the picture was. However, that update was good and I am well pleased with it.

The Minister may not have answers to my two questions off the top of his head, nor would I expect him to. What would inclusion in the pilot scheme mean financially for Northern Ireland? Secondly, on a related matter, how much money is spent annually on licence fees in Northern Ireland?

The Minister of Culture, Arts and Leisure:

A wee bit of uncertainty exists about the precise amounts, but approximately £3 million a year may be brought in by the pilot scheme. A figure of £15 million a year over two years has been talked about, which totals £30 million. If we can get £3 million, £4 million or whatever into the Northern Ireland economy, it would be churlish of us to turn that down. I am not sure how much money is generated in Northern Ireland through licence fees; I will get back to the Committee with that information.

Mr P J Bradley:

That might come into the argument at some time.

Ms Tohill:

I will clarify how the pilot scheme is funded. Part of the licence fee goes towards digital switch-over; for instance, a scheme is in place to help older people and those who have difficulty getting used to the digital system. The pilot scheme will use surplus money from the digital switch-over element to test the independently funded news consortia, at an anticipated cost, as the Minister said, of around £30 million over two years.

Mr McCartney:

I thank the witnesses for their presentation. My questions are more factual. Does the reference to four minutes news provision relate to television news or is it across the board?

The Minister of Culture, Arts and Leisure:

The impression that I got was that it referred to television news.

Mr McCartney:

Were your discussions on the reduction in current affairs programmes about the cost of such programmes versus diminishing need?

The Minister of Culture, Arts and Leisure:

My opinion is that the need is undiminished. We benefit from good current affairs programmes, and all those matters are largely driven by financial reasons.

Mr McCartney:

There was a similar argument about UTV doing away with the 'Insight' programme and replacing it with 'UTV Live Tonight', which allocates 10-minute slots to various current affairs issues. Journalists say that it is cost-driven and news producers talk along similar lines.

The Minister of Culture, Arts and Leisure:

Ofcom made the point that there is a different relationship with news in Northern Ireland. We get far more of it, and people are precious about the regional aspect of news.

The Chairperson:

If there are no further questions on the matter, we will move on. I thank the Minister and Anne for attending.