

## Written evidence submitted by MG Alba

### The Future of Public Service Broadcasting

MG ALBA welcomes the opportunity to make this contribution to the inquiry being held by the Digital, Culture, Media & Sport Committee into 'The future of public service broadcasting'.

The key points made in this submission from **MG ALBA** are:

- Prominence is essential for public service broadcasters, especially minority language broadcasters like BBC ALBA.
- The very existence of a PSB channel signals a status for the Gaelic language, which continues to be very much under threat.
- Additional investment in PSBs is required to allow essential multi-platform provision.
- MG ALBA does not support a subscription based funding model for PSBs.
- The potential dominance of SVoD needs to be addressed, in particular on nations and regions, where it will impact disproportionately.
- Representation is an essential element of PSB – we must reflect our audience diversity.
- Quota system delivers for representation, but broadcasters must be complied to adhere to the spirit.
- Universality is a fundamental principle of the PSB model and must be preserved.
- We must ensure that PSB content is available, especially to our young people, on the different platforms and is easy to find.
- Public service broadcasters face a significant challenge as to how they currently and will in the future adequately service those audiences who prefer to access content on non-linear platforms, and they should be supported in facing that challenge.

## **MG ALBA**

MG ALBA is short for Meadhanan Gàidhlig Alba (Gaelic Media Scotland) and is the operating name of Seirbheis nam Meadhanan Gàidhlig or the Gaelic Media Service.

MG ALBA's statutory purpose is set out in section 208, Communications Act 2003:

*“to secure that a wide and diverse range of high-quality programmes in Gaelic are broadcast or otherwise transmitted so as to be available to persons in Scotland”*

*“...and a reference to being available to persons in Scotland includes a reference to being available both to persons in Scotland and to others”*

Governance oversight of MG ALBA is exercised by Ofcom, who appoint members of the board of MG ALBA subject to the approval of Scottish Ministers.

MG ALBA is funded by the Scottish Government.

## **BBC ALBA**

MG ALBA funds and operates BBC ALBA (the Gaelic language television channel) in partnership with the BBC. BBC ALBA is the first partnership television service to operate under a BBC licence.

BBC ALBA fulfils the UK's obligations for Gaelic television **under Article 11 of the European Charter for Regional or Minority Languages** and is an important part of the Scottish broadcast ecology, commissioning a large proportion of all independently produced TV content in Scotland.

### **Regulation:**

**Are the current regulations and obligations placed on PSBs, in return for benefits such as prominence and public funding, proportionate?**

The obligations on public service broadcasters are appropriate and have proven successful in providing the UK with trusted, well-made content. MG ALBA endorse the important role of PSBs in delivering its key purposes and characteristics, as outlined by Ofcom.

## PSB purposes and characteristics \_ Ofcom

### Purposes:

- Informing our understanding of the world
- Stimulating knowledge and learning
- Reflecting the UK's cultural identity
- Representing diversity and alternative viewpoints

### Characteristics:

- High-quality
- Original
- Innovative
- Challenging
- Widely available
- Distinctive

Prominence is essential for Public Service Broadcasters.

PSB prominence in a multiplatform age is critical, especially for minority language broadcasters such as BBC ALBA. BBC ALBA is a success story, a channel that is maintaining reach with both the Scottish Gaelic and national audiences in a time of decline in linear viewership, as well as seeing an increase in its iPlayer reach. Part of that success is due to the channel's accessibility: without prominence on the Electronic Programme Guide, the channel, and therefore Gaelic and its associated culture, would not enjoy the improved status it currently does. That access is important in the context of the importance of future proofing the prominence of public service broadcasting, in particular Gaelic broadcasting.

The ongoing prominence of PSB in general, and especially Gaelic broadcasting, is very important in the context of connected TVs and increased On Demand viewing. This is because: (i) prominence is an inherent part of the 'compact' that underlies public service broadcasting; (ii) there is a particular value to minority language services such as BBC ALBA, because as well as being extraordinarily useful to Gaelic users, prominence affords both access and status: these are powerful tools in the quest to revitalise the language. For MG ALBA, there are significant risks that Scottish Gaelic content, which is of such appeal to audiences beyond the linguistic community, will simply not be discoverable unless mechanisms exist to provide prominence. We welcome the greater EPG prominence afforded to BBC ALBA on satellite and cable promised by the EPG code in 2019.

The financial means to "buy" prominence through home page presence on devices, for example, simply does not exist for us. It is important that PSB content, especially that of minority languages, is given similar prominence on non-linear platforms to the prominence bestowed by PSB status for television.

It is imperative that solutions are found, whether voluntary or through regulation, which will future-proof prominence of PSBs, including BBC ALBA.

### Funding models of PSBs

The Licence Fee is an effective way to raise revenue to maintain high quality linear PSB television services for the UK as well as the associated video-on-demand platform, the iPlayer. We must address the need for additional investment in PSB to allow for the multi-platform provision which is necessary to ensure that audiences for on demand viewing are able to access the same quality content as those on the traditional linear channels.

MG ALBA is clear that it does not support subscription as an option for PSB delivery. Subscription will not enable the BBC to deliver content that provides social benefit as opposed to commercial return.

Funding for public service autochthonous languages such as BBC ALBA should be protected, defined and settled, not least because the UK would otherwise risk being in contravention of its treaty obligations under the European Charter for Regional or Minority Languages (ECRML). As noted, BBC ALBA is the mechanism by which the UK Government implements its international obligations under Article 11 of the ECRML. We also contribute to delivering the Scottish Government's economic outcome as set out in the National Performance Framework 'Our economy is inclusive and focused on improving the lives of all our people'.

### **What (if any regulation) should be introduced for SVoDs and other streaming services?**

The SVoD approach and other streaming services are based on a model with a global perspective, where popularity drives the content model. They have increasing audience share, a subscription-based income and little incentive to focus on content which will be in the public service. They have access to algorithmically generated recommendation systems which are focused on popularity with limited scope, if any, for societal aspirations. It is not in their interests to reflect the culture of the UK, especially our minority languages. The ability of PSBs to compete in such a crowded market is impacted by the relative strength of those it is in perceived competition with. This impacts more on smaller channels, like BBC ALBA, who are already forced to fight for audience share, against the larger more resourced PSBs. The effect of this cannot be understated as there is not imperative to 'inform, educate and entertain' as the PSBs are compelled to do.

We take this opportunity to request that regulatory bodies support PSBs to further their prominence in a crowded market. It may also be of value to suggest that the non-linear platforms now available to view by UK audiences be monitored more appropriately given the

huge increase in demand and viewing to provide a fair but competitive market for all broadcasting channels to work with.

The investment capabilities of SVODs, and other streaming services, are affecting the production market with spend per hour increasing 36% since 2014 as well as an increase in the number of hours per production. Co-commissioning is increasing, with more collaboration with UK companies. Yet they are very genre limited, focusing primarily on drama and entertainment. The PSB providers are forced to compete at these levels as they will lose skilled production staff, with demand currently an issue. This is an ever more pressing issue for the nations and regions, where they must compete with the opportunities centralised around key hub points. Whilst progress has been made in moving the focus beyond the M25 more work needs to be done to ensure that this issue is addressed in the context of the increase in non-PSB UK production.

### **Representation:**

**How would representation be protected if changes were made to the PSB model?**

**How would the nations and regions be affected by changes to the PSB model?**

**Is the 'quota' system the most efficient way to maintain and improve representation in broadcasting?**

The PSB model is essential in ensuring diverse representations within UK broadcasting. It is vital that the importance of reflecting the cultural identity of the UK is preserved, and that there is a recognition that it is not a homogenous UK culture, but a multi-faceted compound made of many cultural groupings, including the Gaelic community. The communities of the UK need, and want, to see themselves reflected in the content they view. PSBs are a vital and valuable component of the media landscape which is trusted now more than ever. (Ofcom 2020) Their role in preserving our culture and heritage is paramount, especially in an age where unregulated commercial interest is driving content delivery models, and we must ensure that this is protected. It is simply not viable to introduce changes to the model which may alter or dilute the impact of PSBs in representing the diverse communities across the UK.

For producers of content the focus is now multiplatform, not simply for traditional television, in order to ensure content is available to the citizen when and where they want it. The importance of PSB provision in the digital era should not be underplayed. The concept of more choice as a benefit and is consumer driven fails to acknowledge the important role of PSBs to bring the nation together and promote social cohesion. In addition to this, digital platforms are now central to delivering the objectives we seek, as a minority language broadcaster, to promote and enhance our language community. Through visibility and reach on a multiplatform basis, we expand our reach beyond the traditional boundaries therefore allowing

a route into our community for those beyond our traditional audiences. This reach is essential if we are to continue to thrive in a very crowded digital sphere.

Whilst MG ALBA understand and share the frustrations that are expressed in relation to the quota system, we believe that no alternative system has been proposed which will deliver on the necessary functions of the system. Ofcom's research indicates that quotas are successful in ensuring that localised programmes, including regional news, can be seen across different areas of the UK. The quotas contribute significantly in ensuring that viewers have access to a wide and diverse range of programmes which reflects their lives and their communities.

We accept that the current system is open to interpretation and would look to Ofcom to ensure that public service broadcasters uphold the spirit of regional production quotas to aid the development of regional skills and production companies based in different nations and regions.

Spreading the production of programming across the nations and regions of the UK spreads the economic benefits and ensures that viewers can associate production with the output that is delivered on their screen. The regional economic development and employment in TV production across the nations and regions of the UK, sees that the success of UK's creative economy is widely spread and representative of the communities it seeks to serve. The localised connection fosters the sense of representation and an ability to equate the role of, and value to, the community in the delivery of the project. They are part of it, not simply bystanders. As a minority language broadcaster, it is essential that our communities feel a connection to the content which is being delivered, as that sense of ownership is a catalyst for continued engagement which will impact on future language development.

In terms of incentivising UK-produced content, tax incentives are a useful lever. Currently High-End TV tax relief is an effective incentive, this could be extended by reducing the spend requirement (currently £1m cph) and for example by a regional tax incentive (e.g. to film in economically fragile areas). An indigenous language tax incentive would also be useful and extend further the economic value of existing public funds going into indigenous language broadcasting.

### **Accessibility:**

**How would changes to the PSB model affect the accessibility of services?**

**How would a wholly internet-based service compare to the current PSB model?**

Universality, where access to content is free at the point of use, after payment of the licence fee, is a fundamental principle of the PSB model. Ensuring that everyone can access quality content which is relevant to their lives and 'educates, informs and entertains' is an essential element in ensuring equality of opportunity in our society. Ofcom highlighted that a significant

proportion of the UK population relies on being able to access PSB content via broadcast TV and radio. The communities we serve include remote locations where the move to digital is not occurring at the same pace as more urban areas, therefore we are concerned about the potential disenfranchisement of our audiences and communities if a move to an internet service is not managed in an inclusive and collaborative approach. This is also a concern for the vulnerable in society who may have difficulty in regularly accessing internet services. Until universal internet access is achieved it is essential that broadcast television and radio is available.

However, we know that as audience habits change, we must ensure that PSB content is available, especially to our young people, on the different platforms and is easy to find. There must be an understanding that PSB content must be prominent on these platforms, in addition to the traditional broadcast channels, to ensure it is easy to access as a public service to those who only engage with content through online platforms.

#### **Impact:**

#### **What value, if any, do PSBs bring to the UK in terms of economic (local and national), cultural and societal impact?**

The role of public service broadcasting is especially important for indigenous minority language broadcasting in the UK. The television channel BBC ALBA, which is funded and operated by MG ALBA in partnership with the BBC, is the fulfilment of the UK's commitment to Article 11 of the **European Charter for Regional or Minority Languages** in regard to Gaelic television, and in that respect its value for users of Scottish Gaelic in the UK is highly significant. Further, some 10% of the viewing audience in Scotland view BBC ALBA each week, demonstrating its value is for the whole of the nation beyond the linguistic community.

The importance to society that content which is not a silo developed from algorithms is available to them must not be underplayed. The essential service of delivering content which is for the public good has been exemplified at this current time. The national crisis of the pandemic has witnessed consumption of news on an almost unprecedented scale. The PSB model ensures that the information they are seeking is available, and BBC ALBA ensured that the Gaelic community were able to engage in their own language. At times of crisis it is essential that you recognise your voice and your community in the broadcasting you are being offered.

Public service broadcasting retains a strong and valuable place in today's ever-changing media world. As a media organisation representing one of the UK's autochthonous languages, the PSB model is a unique and highly valuable one, by which both popular programming and social benefit can be generated. That social benefit is immeasurable: PSB content on a national, free-to-air channel is pivotal to the revitalisation of Gaelic. The very existence of a PSB channel

signals a status for the language, which continues to be very much under threat. Its content seeks to both reflect the lives of speakers of Scottish Gaelic, young and old, and to normalise Gaelic for non-speakers.

In 2018-19 MG ALBA spent £9.3million directly with 25 different production companies on the creation of 412 hours of programmes. Of that, £8.8 million was spent with the production sector, much of it in tandem with a package of measures intended to foster the development of talent, skills and Gaelic language. This investment demonstrates the base economic value, combined with cultural ambition, to our production sector and local communities from PSB investment. This investment is used as an economic lever, with an internationalisation strategy which in the past year has raised £3.1m of inward value for an MG ALBA outlay of £635k.

### **Looking ahead:**

**What should a PSB look like in a digital age?**

**What services should they provide, and to whom?**

**In what way, and to whom, should they be accountable?**

**Is the term ‘public service broadcasting’ still relevant and, if not, what is a suitable alternative?**

Finding Gaelic content in increasingly competitive online and social media domains is a pressing challenge, particularly with algorithms and artificial intelligence now also driving online content viewing. It is essential that PSBs are front and foremost on the digital platforms to ensure the long-established and recognised purposes, as outlined by Ofcom. The principle of universality is key, they should ensure that there is content for all.

The PSBs should be accountable to the public through Ofcom which is accountable to government. In addition, they are accountable directly to those who fund it. There needs to be meaningful, accountable and transparent BBC engagement with licence fee payer.

PSBs provide a well-regulated and high-quality platform for media content. Public service broadcasters do face a significant challenge as to how they currently and will in the future adequately service those audiences who prefer to access content on non-linear platforms, and they should be supported in facing that challenge. Despite the strength of competition from video-on-demand services, they have a strong foundation on which to build given the information provided by Ofcom that “overall, almost eight in ten adults say they are satisfied with PSB”.