INDEPENDENT PRODUCTION

This is an excellent memorandum: it proposes in quite unambiguous terms that the 25% target for independent producers should have statutory backing and that the 25% target should apply to transmissions and not productions. Both of these are very important.

The Home Secretary also proposes that the OFT should have the necessary powers to ensure that the 25% target is properly monitored. The note by officials proposes that the OFT should produce an annual report to the Secretary of State on progress by both the BBC and ITV companies in meeting the 25% target but leaves open the decision as to whether or not to publish. It is very difficult to envisage much risk from publishing such a report - but one can envisage great benefits. It might, therefore, be worthwhile suggesting the report be published.

The Home Secretary does not propose changing the total of programmes to which the 25% target applies for two major reasons:

- (i) this would be to change the goalposts;
- (ii) even in the US such programmes on news and certain current affairs are typically excluded because they, more than any other, define the character of the channel.

Both of these are reasonable points. Nevertheless, under the new regime, the temptation exists for any television company to redefine programmes so as to draw them into the area of "news and current affairs", so that they are then excluded from the

25% rule. In your reply to the Home Secretary it might be worth emphasising the point that you do not expect this category of programme to grow for this reason.

Recommendations

- 1 Accept that the Bill should contain statutory provisions as proposed.
- 2 Suggest that the OFT annual report on progress be published.
- 3 Accept target for the BBC should be 25% of transmissions from 1 January 1994.
- 4 Accept that the categories of programmes covered by the quota should remain as at present, but suggest to the Home Secretary to make clear that this is not a loophole through which companies can avoid the 25% target.

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