

Thesis
3498

**The Development of the UK Television News Industry
1982 - 1998**

Thesis submitted for the degree of Doctor of Philosophy

by

Alison Preston

Department of Film and Media Studies
University of Stirling

July 1999

09/00

Abstract

This thesis examines and assesses the development of the UK television news industry during the period 1982-1998. Its aim is to ascertain the degree to which a market for television news has developed, how such a market operates, and how it coexists with the 'public service' goals of news provision. A major purpose of the research is to investigate whether 'the market' and 'public service' requirements have to be the conceptual polarities they are commonly supposed to be in much media academic analysis of the television news genre.

It has conducted such an analysis through an examination of the development strategies of the major news organisations of the BBC, ITN and Sky News, and an assessment of the changes that have taken place to the structure of the news industry as a whole. It places these developments within the determining contexts of Government economic policy and broadcasting regulation. The research method employed was primarily that of the in-depth interview with television news management, politicians and regulators: in other words, those instrumental in directing the strategic development within the television news industry.

Its main findings are that there has indeed been a development of market activity within the television news industry, but that the amount of this activity has been limited by the particular economic attributes of the television news product. What makes the provision of television news a worthwhile venture for news organisations is the degree to which television news confers status and political legitimacy upon its provider. To this end, 'public service' programming goals continue to be present in commercial news outlets.

Acknowledgements

There are a number of people I would like to thank for their help and support.

The people I interviewed were without exception helpful and generous, giving up their time to address with thoughtfulness and care the issues I posed.

My initial interest in the study of television news was developed during my time as student and research assistant at the Institute for Communications Studies, University of Leeds, under the supervision of Brent MacGregor and David Morrison. Both have given much useful encouragement and advice since this time, and David Morrison's continuing support and friendship has been, simply, invaluable.

Moira Bovill, now at the LSE, provided stimulating conversation about the perceptions of audiences to television news at the outset of this research. The postgraduate communications seminar group at the LSE, comprising Sonia Livingstone, Richard Collins, Danielle Aaron and Gemma Penn among others, was a supportive and vigorous place for discussion, offering much constructive criticism.

The British Film Institute gave me many things of great value. Most importantly, it gave me the grant and the resources to conduct this thesis. Additionally, it provided a working environment which daily pitched academic and industry concerns together, and many good colleagues and friends. I am extremely grateful and appreciative of my time spent there.

The Department of Film and Media at the University of Stirling was also a wonderful place to get to know. All members of the department, staff and postgraduates, made me very welcome on my frequent visits, providing friendship and intellectual stimulation in equal measure. The resources of the Stirling Media Research Institute, aka J14, provided a serene working environment, and the hills of Sheriffmuir gave a wider picture when it was most necessary.

My new employers, Informed Sources, have been very supportive and understanding as I combined immersion in a challenging new job with the need to finish off this thesis.

Finally, my supervisors need many, many thanks. Richard Paterson at the BFI, Brian McNair, and last but not least Philip Schlesinger. Without the combination of their discussion of ideas, encouragement, and occasional (constructive) exasperation, this thesis would not have made it to the joy of the last full stop.

Contents

Abstract		
Acknowledgements		
Chapter One	Introduction	1
Chapter Two	The Theoretical Context: Public service broadcasting in the Market	10
	2.1 The key issues in debates about public service broadcasting	12
	2.2 The early development of public service broadcasting	15
	2.3 Recent debates about public service broadcasting	21
	2.4 Can public service broadcasting co-exist with the market? The case 'for'	31
	2.5 Can public service broadcasting co-exist with the market? The case 'against'	34
	2.6 Defining the market and the process of 'marketisation'	40
	2.7 Research issues	48
Chapter Three	Methodology	53
	3.1 The study of television news organisations	54
	3.2 Rationale for the methodological approach	63
	3.3 The research method	69
Chapter Four	The Marketisation of the UK Television News Industry	81
	4.1 The television news industry in 1982	82
	4.2 The catalysts for change	89
	4.3 The development of marketisation	98
	4.4 The limits of marketisation	113
Chapter Five	The Regulation of Television News	120
	5.1 The development of an impetus for regulatory change: the relationship between broadcasters and Government during the 1980s	121
	5.2 The 1988 White Paper	125
	5.3 The 1990 Broadcasting Act	128
	5.4 The 1996 Broadcasting Act	137
	5.5 Current regulatory provisions for television news	139
	5.6 The political importance of television news	148
	5.7 Concluding remarks	156
Chapter Six	The Development of BBC News	158
	6.1 BBC commercial policy in television	159
	6.2 Marketisation at BBC News	166
	6.3 The BBC World news channel	174
	6.4 Concluding remarks	194

Chapter Seven	The Development of ITN	196
	7.1 The relationship between ITV and ITN	199
	7.2 The expansion of ITN activities during the 1980s	200
	7.3 The increasing tension between ITN and the ITV companies	209
	7.4 The relationship between ITN and the Conservative Government	214
	7.5 The ownership of ITN	217
	7.6 The impact of the 1990 Broadcasting Act upon the ITN - shareholder relationship	221
	7.7 <u>Moving News at Ten</u>	227
	7.8 Conclusion	237
Chapter Eight	The Development of Sky News	242
	8.1 The genesis of BSkyB	243
	8.2 The development of the Sky News service	251
	8.3 The financing of Sky News	261
	8.4 Strategies for economic stability	263
	8.5 Conclusion	282
Chapter Nine	Conclusion	285
	9.1 Definitions of the market and public service	285
	9.2 The findings of the thesis	287
	9.3 The development of a market in the television news industry	288
	9.4 The constraints upon market development	290
Afterword		307
Appendix A	List of interviewees	312
Bibliography		314

Chapter One

Introduction

[At a Royal Television Society conference six years ago] Bob Phillis and I were the only two people in the room who believed that you could create a business out of television news. All the great minds of broadcasting ... stood up and said no, it's a crazy notion ...

It was thought to be distasteful to have news commercialised, but how else was quality news going to survive into the commercial era if it wasn't commercialised?

(Stewart Purvis, Chief Executive ITN, interviewed 17 February 1998)¹

This thesis documents the growth of the UK television news industry since the early 1980s, focusing upon how the 'business' of television news has developed during this period. In 1982 the only two television news providers were the BBC and ITN, whose output was broadcast on the two BBC channels and ITV respectively for a combined total of 15 hours, 50 minutes per week. By 1998, news output on terrestrial channels had doubled to over 30 hours per week².

Part of this increase was due to the fact that by 1998 there were two more channels broadcasting, and that broadcast hours had expanded to include breakfast news and overnight news services. Nonetheless, the overall number of news bulletins or summaries on any weekday had also increased significantly - on ITV there were 8 scheduled breaks for news in 1998, compared to 5 in 1982, on BBC1 there were 9 in 1998 compared to 5 sixteen years previously, and on BBC2 there were 4 in 1998 compared to 2 in the early 1980s. Additionally, by 1998 there were a number of

¹ All quotations are from interviews conducted by the author unless otherwise indicated. A full list of interviewees is contained in Appendix A.

² According to television schedules in the Radio Times during one week in February of each year.

news channels available for cable and satellite viewers to watch: Sky News, BBC News 24, CNN International, CNBC, Euronews, and Bloomberg Television.

Figure 1.1: Growth in the number of television news outlets in the UK 1982 - 1998

Year	Terrestrial	Cable and Satellite*
1982	Channel Four News bulletin	
1983	ITV Breakfast news bulletins BBC Breakfast News	
1984		
1985		CNN International channel
1986		ITN World News bulletins
1987	ITV and BBC summary bulletins	
1988	Channel Four Business Daily lunchtime magazine, no longer operational	European Business Channel, no longer operational
1989	Channel Four Daily (breakfast bulletin) - replaced in 1993 by Big Breakfast summaries	BSB news summaries - until 1990 Sky News channel
1990		
1991		BBC World Service Television News channel (renamed BBC World 1995)
1992		Euronews
1993		Channel One - until 1998
1994		
1995		European Business News channel (EBN), merged with CNBC 1997 Bloomberg Television channel
1996		
1997	Channel Five news bulletins	BBC News 24 channel
1998	BBC News 24 overnight on BBC1	

* Includes those channels uplinked from the UK, not necessarily all of which have UK reception - e.g. BBC World, and those which are targeted at a UK audience in some way - e.g. the English language version of Euronews

There are a number of ways that such growth can be examined, for 'television news' can be assessed according to a number of perspectives. It is simultaneously a content provider of information and/or entertainment, a profession, a political tool, an economic entity, an industry, and a political and cultural force. It is obviously impossible - or at least, beyond the scope of a single PhD thesis - to conduct empirically-based research which adequately examines *all* these features of the genre.

As Dahlgren has noted on the subject of television in general: 'Trying to get an analytic hold on television, an overview of its institutional features, its economic dynamics, its programming output ... is to risk perpetual frustration' (Dahlgren, 1995: 24). When academic research selects only one or two aspects from the range of options, it must be accepted that what is thus delineated is only ever a part of a larger whole, and that the project must be read and understood in conjunction with others' analysis of the subject area.

This caveat is important, as this research does not seek to claim that its approach gives a definitive statement about television news. Rather, it focuses upon one particular area that has hitherto not been examined in detail during this period: how the television news *industry* has developed. This subject area comprises a number of research strands. Firstly, the thesis examines the type of market activity that has occurred in the television news industry over the period of research enquiry, and describes the catalysts and brakes upon its development from political, technological and regulatory forces. Secondly, it examines whether this increased industrialisation or 'marketisation' of the television news industry has diminished the likelihood that 'public service' or 'quality' oriented news can be provided.³ Thirdly, the research assesses the extent to which the economic characteristics of other types of broadcasting product are present in television news product.

³ It should be noted at the outset that this research does not set out to measure in terms of output or production norms whether such 'quality' news exists; what the thesis is concerned to address is whether the structural conditions for such output are present (see Chapters Two and Three for further discussion of this point).

The research method employed was primarily that of the in-depth interview with television news management personnel, politicians, and regulators: in other words, those instrumental in directing the structural development within the television news industry. Further data came from trade and newspaper press articles, parliamentary legislation and debate, and conference proceedings (see Chapter Three for details).

Explanation for the research focus

There are a number of reasons behind the decision for the focus of enquiry. Firstly, the period under review marks the transition from a non-market-oriented, or 'public service'-focused television news industry to one where all television news organisations made far more use of market techniques and processes for the development and expansion of their product. It has been a period of often bitter battles between the proponents of new management techniques and organisational structures, and the journalists whose working practices have been greatly altered. This development has largely mirrored what has happened to other cultural industries, as market principles have spread throughout society. Before the market paradigm becomes completely ubiquitous, it was felt timely to assess this transitional phase from a contemporaneous vantage point, and examine the catalysts for the growth of a television news market, the degree to which it has taken hold, and the strengths and weaknesses of such an organisational system.

A further rationale for the study was the desire to provide a counterbalance to many academic studies of the television news sector which have characterised the rise in market orientation within the industry as unreservedly detrimental to the quality of

news output (see Chapter Two for more details). Such studies use an axis, be it explicit or implicit, of an ideal television news system, whose information informs all strata of society, whose rights of access to material is unchallenged, and whose production methods prioritise editorial care to the exclusion of any other imperative. Current television news output and its background industrial practice is plotted along this axis and unsurprisingly found to be wanting. The research which follows was partly conducted in order to move away from this normative straightjacket. If the television news sector of the last 17 years is reviewed without the backdrop of this phantom ideal, then degrees of synergy between market and public service factors emerge, providing a more complex picture. A major purpose of this thesis, then, is to investigate whether 'the market' and 'public service' requirements have to be the conceptual polarities they are commonly supposed to be in much media academic analysis of the genre.

The reason for the focus on management perspectives within the area of organisational development was again to document a different angle from the one often covered by media academic research. Much academic enquiry into television news has focused upon the voices of production and editorial staff within news organisations (see Chapter Three for details). These practitioners have largely been critical of the increasing impetus to generate a commercial return. This thesis has focused mainly upon the perspectives of television news management, in order to understand how industrial change has been characterised by them, and obtain their own assessment of the degree of tension and synergy between the goals and practices of 'public service' provision and economic return. The focus on management was

also a result of the research issues to be examined: this thesis is concerned with questions of strategic development and structural conditions for change, neither of which could be directly addressed through a study of journalist practice (see Chapter Three for more discussion).

Finally, there was a desire to assess the comparative strengths of regulation and economics within the industry. As will be traced throughout the thesis, the role of regulation in the television news environment has been instrumental in the maintenance of its 'public service' attributes. It is noteworthy that while the Conservative governments of the 1980s and 1990s moved increasingly towards liberalisation in terms of the economy as a whole, they retained a firm hold of broadcasting *content* legislation, and in the case of television news, of its organisational structure as well.

Thus, the research questions that this thesis addresses are as follows. Firstly, to what extent has the television news industry developed according to market principles? Secondly, what impact did broadcasting legislation have upon the development of the industry? Thirdly, and as an outcome of the evidence provided by the answers to the first two questions, how compatible are the goals and practices of public service and economic return in the case of the provision of television news?

Structure of the thesis

The thesis addresses these issues in the following way. Chapter Two develops the theoretical framework for the enquiry by examining how the relationship between the

market and public service imperatives has been characterised in selected media academic literature. The chapter positions these debates within recent academic literature about television news, and discusses the issue of 'news quality' which underpins such discussion. An appraisal of the different ways that 'the market' can be defined is given, and the particular definition of 'marketisation' used for the purpose of this thesis is set out. Finally, the research issues of the thesis are described.

The following methodology chapter firstly assesses the types of production and observation study of television news organisations that have been conducted by UK academics over the last 20 years, as these studies are closest in both methodological and conceptual terms to the scope of the thesis. The second half of the chapter provides an explanation for the methodology used for this research, and gives a detailed description of how it was carried out.

The next two chapters provide details firstly of the overall development of the television news industry, and secondly of the political-regulatory environment, which both act to frame the subsequent case study chapters. Thus, Chapter Four documents the overall development of the television news industry during the period in question, showing the extent of and limits to its 'marketisation'. It also assesses the catalysts to growth from Conservative government economic policies and from technological processes. Chapter Five examines the broadcasting regulatory policies of successive Conservative governments between 1982 and 1997, and argues that while the regulation of broadcasting as a whole moved increasingly towards an

emphasis on commodification and economic return, the regulation of news broadcasting remained largely protectionist and oriented to the imperatives of 'public service' provision.

The following three chapters are case studies of particular facets of the development of the BBC, ITN and Sky News respectively. The BBC chapter focuses on the development of the international news channel BBC World, highlighting the issue of how a public service broadcaster negotiates the commercial world. It describes the development of the relationship between the commercial and licence-fee funded sections of television news output; as the two moved closer together in terms of production, their finances were kept increasingly separate. The ITN chapter examines the growth strategies of the company, and the ways in which expansion of its news contracts brought conflict of interest problems between its clients and its shareholders. Its recent history exemplifies both the difficulties and necessities of employing economies of scope. The chapter also examines the changes made to ITN's ownership structure, and reveals how the legislation that altered its structure from cost centre to profit centre was a result of internal ITN lobbying rather than the liberalising ideology of the Conservative Government. The Sky News chapter details the way that its development has been dependent upon its funding relationship with its parent company BSkyB, and shows the extent to which its existence was predicated upon the need for BSkyB to produce programming which could be described as oriented to public service goals.

The Conclusion summarises the findings, and provides an assessment of the degree of compatibility between the goals of market and public service based upon a comparison of the economics of the television news product and other broadcast product genres. Finally, the Afterword speculates upon the future of television news broadcasting in the digital age, describing some of the most recent developments in the television news industry which occurred after the research-gathering period of the thesis had come to an end.

Chapter Two

The Theoretical Context: Public service broadcasting in the market

Although this thesis consists largely of empirical research, the choice of research area was the result of a desire to assess the validity of certain academic theories about public service broadcasting and the television news media - in particular those which examine the juxtaposition of market imperatives and public service goals. In other words, while the main body of the thesis is concerned with constructing an empirical documentation of the extent to which the television news industry has developed as a market, of the role of regulation, and of the degrees of tension and synergy between the two goals of public service and economic return, it is important to ground this investigation within the intellectual debates that exist around these issues. This chapter outlines these debates and sets out the research questions arising from them which this thesis investigates. While the overall focus of this thesis is on television news organisations, it is useful to provide a wider contextual framework within which to position the particularity of the television news case. Therefore, this chapter discusses public service broadcasting and the market in general terms in addition to the specific example of television news.

The chapter begins by signalling the key issues for examination, namely the range of ways that public service broadcasting can be described. Although the major concern of this chapter is the assessment of debates about the type of *structural conditions* necessary for public service content to exist - in short, whether public service programming can be provided by 'the market' (variously defined, as will be shown below) - these structural conditions are connected to other core principles of

public service broadcasting which need to be described. To this end, the chapter describes the early history of the BBC and of ITV, in order to show the original development of the concept of public service broadcasting. This historical section has two aims - to illustrate the core attributes of public service broadcasting, and also to draw attention to the historical contingency of debates about public service broadcasting. In other words, the history of the development of debates about public service broadcasting is anchored to the actual practice of broadcasting institutions, themselves operating in accordance with the dominant socio-political consensus of the time.

The chapter then moves on to an assessment of the contemporary debates about public service broadcasting which have occurred during the period of the research enquiry - that is, from the early 1980s to the late 1990s - focusing in particular upon the issue of the compatibility of public service and market goals. The use of television news as an exemplar for many of the attributes of public service broadcasting is discussed, and an analysis of the issue of news quality is set out. An appraisal of the different ways that 'the market' can be characterised is then given, in order to underpin the particular definition used for the purposes of this thesis. Finally, the chapter outlines the contribution that this thesis makes to the debate about how public service news programming can be provided.

2.1 The key issues in debates about public service broadcasting

Only a public service model - investing heavily in news and current affairs resources, seeking substance and not just spectacle in political conflicts, and resisting the temptation to tell only the tactical story - can aim to ... keep the torch burning for the role of reasoned argument in electoral choice.

(Blumler, 1993: 406)

The media should be for the public use and enjoyment of all citizens and not for the private gain or profit of either political rulers or businesses.

(Keane, 1989: 293)

The two statements above are resonant examples of common characterisations of public service broadcasting. The former focuses on conditions of content, the latter upon conditions of structure. There is a critical distinction between the two; and one of the main purposes of this thesis is to query whether *structural* conditions of public service - non-market, non-state - are necessary in order to provide the possibility of public service *programming* described above by Blumler.

It is also important to note the conceptual distinction between the ideals and the practice of public service broadcasting, even though - or indeed because - many media scholars make the one dependent on the other. As Golding and Murdock have argued, '[the] general idea of a communications system as a public cultural space that is open, diverse, and accessible, provides the basic yardstick against which critical political economy measures the performance of existing systems and formulates alternatives' (Golding and Murdock, 1996: 18). According to Barnett and Docherty (1989), while much of public service broadcasting remains ideal and conceptual, a number of its tenets are materially achievable, such as that of universal provision, and these materially-achievable principles then foster its more intangible aspects.

Burgelman argues that the entire debate about public service versus commercial broadcasting is predicated on the false assumption that public service broadcasting is a discrete, independent, abstraction, which can then be anchored in reality by a singular type of organisation structure (Burgelman, 1997: 129-30). As he points out, the dangers of this approach are that it ignores the readiness with which commercial and public broadcasters can copy each other's best or worst practices. He asserts that there is in fact no core type of institution which can ensure public service output, but rather that the ability to provide public service programming is dependent on a range of economic and political factors that are not specific to any one type of organisation.

As will be traced below, this view remains quite rare in media academic literature. Although there are an increasing number of scholars who acknowledge that there is very little likelihood that a wholly public-funded public service system will survive in the medium to long term, their perspective is one which registers concern over this development, rather than Burgelman's assertion that the divide between 'public service' and 'commercial' organisations is essentially spurious.

The central debate, then, is whether public service programming, and specifically television news programming, can exist without *public* funding for its production. In other words, for proponents of the view that public service content can only be provided by a non-market model, public service broadcasting is predicated upon its *funding structure*.

In addition to this way of defining public service broadcasting, there are a number of other key principles upon which public service broadcasting is based. The first is that public service programming needs to be *prescribed*. Public service broadcasting is often defined as that which the market will not provide because there is little visible sign of mass audience interest. This lack of market provision entails public service broadcasters taking on the responsibility of providing programming which is assumed to be of benefit to viewers rather than that which is measurably popular with them. Furthermore, the importance of broadcasting for government and for politicians means that there is an inherently normative, or proselytising, function to programme provision. As will be shown below, this 'needs-based' rather than 'wants-based' definition of public service programming is one which is particularly prevalent in the case of television news analysis.

The second public service principle is that of the *universality* of reach, which is tied to an emphasis upon serving *general interests* in terms of the types of programmes made. Again, this principle is partly predicated on the importance of broadcasting as a socio-political tool, in that broadcasting offers governments a way of controlling mass society, however indirectly (see below). Additionally, it is based upon harnessing the 'public good' attribute of free-to-air broadcasting, namely that it is non-rivalrous in its delivery - one person's viewing does not deprive others of their ability to view. In other words, the public service requisites of universality of reach and general interest programming emerged from the way that free-to-air broadcasting was, in structural terms, a public good. As is discussed later, making public service broadcasting synonymous with universality and general interest programming is under contemporary review.

These principles of public service broadcasting have their origins in the early histories of the BBC and of ITV, which will now be briefly¹ outlined. The historical conditions under which public service broadcasting began, and how it was initially defined, provide a context for the more recent debates, illustrating the abiding nature of some aspects of public service broadcasting as well as the gradual modification of other principles. The following section shows the way that definitions of public service broadcasting were initially based upon a paternalist or 'needs-based' view of broadcasting, which was modified by the arrival of ITV. It shows how the adoption of universal reach and generalist programming was politically engendered. It also illustrates the way that notwithstanding widespread political concern over the possibilities of broadcasting and the need for a regulated environment, the public service broadcasting systems which emerged were given significant degrees of regulatory autonomy from government. Finally, and most importantly, the setting up of ITV illustrates how public service programming was seen as able to be provided without the need for a public-funded organisation to be producing it (even if such a view was continually under critical scrutiny).

2.2 The early development of public service broadcasting

Public service broadcasting in the UK was initially shaped by the paternalist, nation-building vision of John Reith, the BBC's first Director-General. He was concerned to develop a national structure of broadcasting, available to all, which would provide programming that would cohere rather than divide the national community.

¹ For detailed accounts see Briggs, 1960; Burns, 1977; Curran and Seaton, 1997; McDonnell, 1991; Murdock, 1992; Scannell, 1996; Scannell and Cardiff, 1991; Sendall, 1982.

The socio-political situation of the late 1920s and early 1930s, the period in which the BBC's remit was being developed, was marked by a heightened political concern about the potential power of a newly enfranchised mass public, and the influence upon such a public firstly from Soviet communism and secondly from a weakened economy which had resulted in severe mass unemployment. These threats fostered a perceived need for an inclusive, prescribed-from-above system of broadcasting. The decision was made not to follow the example of the United States, where the medium of the wireless was used largely as a commercial tool.

As Scannell notes, the origins of public service broadcasting were thus based upon the need to develop an 'audience-as-nation', which was 'a radically new kind of public, one commensurate with the whole of society - all members of the newly-extended, now fully representative, nation-state' (Scannell, 1996: 26). And the purpose of developing an 'audience-as-nation' concept was in order to maintain social control. Humphreys describes how 'from its earliest days public service broadcasting has played an important role as an agent of national and societal integration and stabilisation. During the dangerous 1930s ... the BBC pursued a deliberate paternalistic mission to maintain public confidence in the values of the liberal British Establishment' (Humphreys, 1996: 122). In other words, the development of public service broadcasting was based upon its potential to form a unitary environment of social cohesion.

Decisions about the type of content that such a service should produce were made according to the principles of 'benevolent paternalism'. As Harvey points out, the British acceptance of interventionist government (in contradistinction to the US

case) meant that public administration was permitted to play an active part in defining norms for the rest of society. This was something which the BBC did assiduously: 'If British broadcasting in the 1920s reflected a world in which the servants remained silently "downstairs", and where working-class voices were not permitted to approach the microphone, it equally embodied a commitment to the principles of public trusteeship and to the creation of a cadre of (at least theoretically) neutral and expert civil servants acting in the national interest and for the common good' (Harvey, 1998: 543).

This original concept of public service broadcasting as fundamentally prescriptive began to be modified during the 1950s. When the ITV network was set up in 1955, a new definition of public service broadcasting started to position the wishes of the audience as being of more central concern. Viewers and listeners, and not solely the 'neutral and expert civil servants', were felt to be legitimate arbiters of the public interest; 'wants' as well as 'needs' were permissible guides to programme output.

ITV programming catalysed changes to the BBC's broadcast output. Scannell describes how, by the mid-1960s, 'the new techniques of scheduling primetime to win and keep a large audience share - first developed by ITV - were now practised by both sides. In all areas of production - from news to "serious" drama - new styles and techniques were implemented to make the "feel" of television output more professional, more friendly, and more for the viewers. Television became popular and has remained so. Commercial television - within a PSB remit - made it so and compelled the BBC to do so too' (Scannell, 1996: 28-9).

The impact of ITV was not solely that it resulted in changes to BBC output, however. Of key significance was the fact that it was created as a commercially-funded *yet* public service broadcaster.

The ITV network was set up as a response to increasing concern - stemming initially from influential Conservatives but widening to include 'the creative contributors to broadcasting' - over the BBC's monopoly of broadcasting (Sendall, 1982: 7). Although the Beveridge Report of 1951 rejected the prospect of opening up the BBC to competition, once the Conservatives came to power later that year, the requisite steps of legislating for a new channel were put into motion - a Green Paper in 1952, followed by the Bill in 1953 and the Television Act passed in 1954.

While the channel was to be financed from spot advertising, and to compete with the BBC for audiences, the legislation which brought it into being aimed as far as possible to ensure that such a channel would not result in any lowering of programme standards. It did this not through the setting of tight prescriptions for programme output² but by giving the Independent Television Authority (ITA) devolved powers to decide for itself what constituted sufficient proportions of programming.

Thus, ITV from the outset operated within a regulatory framework which permitted the organisation responsible for broadcasting - the ITA - freedom to draw up its own guidelines of programme output. There are two points to make about this decision. Firstly, that it was seen as possible by the Government of the time to impose public

service broadcasting requirements via regulation rather than through organisational structure, for example the BBC model of a publicly-funded institution. Secondly, that these regulations did not need to be explicitly laid out by statute. The devolution of regulatory power onto professional administrators or 'social doctors' (Beveridge's term, quoted in Curran and Seaton, 1997: 161) had already been tried and tested in broadcasting through the BBC, and explicit, highly-quantifiable requirements were seen as unnecessary. Rather, the ITA would be responsible for the translation of general requirements into the actual practices of the ITV companies.

Initially, it was believed that public service programmes could only be provided from public, or, in the case of ITV, state funds. The Conservative Government proposed a £750,000 'top-up' fund in order to help the programme companies broadcast 'public service' oriented programming. As the Conservative Minister responsible for the passage of the Television Bill described:

We are laying on this Authority certain definite obligations of impartiality in the presentation of religious matters, in the presentation of the news and in other directions. It is no use doing that if we are not prepared to give it the money to carry out these obligations. There are two objectives. The first is to maintain a proper balance in the programmes ... The second objective is to put on programmes with which we should not want advertising to be associated, such as state occasions and Royal events ... and maybe even the children's hour.

(David Gammons, quoted in Sendall, 1982: 43)

Public service broadcasting was thus initially equated with non-commercial funding, although such programming did not have to come from an organisation which was publicly-funded in its entirety. However, this top-up grant failed to materialise (see Sendall, 1982: 160-82 for details), and ITV contractors were made

² An amendment had been introduced during the Bill by the Labour Opposition to include a 'prescribed quota of named programme categories', but this was rejected (Sendall, 1982: 50).

