

# STV will not use BBC funds for local TV in Edinburgh & Glasgow

THE operation of local TV channels for Edinburgh and Glasgow is to take place without the support of money from the TV licence fee, despite it being available.

Last week, it was announced that STV had won the race to operate local TV channels in each of the cities – each channel to involve input from a local university: Edinburgh Napier in one and Glasgow Caledonian in the other – as part of an UK-wide initiative to set up 21 local TV channels.

But STV has elected to reject the option of receiving funding from the initiative, which would have involved a reported £150,000 for the first year at each of the channels, tapering to £60,000 in year two and £20,000 in year three.

The money would have come in the form of the BBC purchasing content from the UK-wide local TV network, to the tune of £5million per annum for three years.

By electing not to take money from the BBC, STV therefore frees itself from having to provide the BBC access to its content, which it hopes will be able to attract its own revenue.

On Saturday, STV's director of channels, Bobby Hain, was quoted on the Media Scotland business website, Business7, as saying: "STV has chosen not to take that money in respect of the two licences we have won and as a result we will not be obliged to give the BBC our stories."

And he re-iterated the point in today's Scotsman, in response to an article yesterday by Scots media academic, Robert

Beveridge, formerly of Edinburgh Napier University.

Writes Hain: "A key feature of the successful licence bids is that both will be commercially viable from the outset and will not access the funding provided through the BBC licence fee that is available to all the successful applicants who will deliver these services.

"As a result, the content of both these new local channels will be exclusive, enabling GTV [Glasgow TV] and ETV [Edinburgh TV] to be established from the outset as fully commercial business models."