



The Central Council of Physical Recreation

Francis House, Francis Street, London SW1P 1DE Telephone 0171 828 3163 Fax 0171 630 8820

PATRON: Her Majesty The Queen PRESIDENT: HRH The Prince Philip, Duke of Edinburgh KG KT

4 September 1997

NH/mj/3934

The Rt Hon Chris Smith MP
Secretary of State
Department of Culture, Media and Sport
2-4 Cockspur Street
LONDON
SW1Y 5DH

Dear Secretary of State

CONSULTATION ON EVENTS LISTED UNDER PART IV OF THE BROADCASTING ACT 1996

The members of the CCPR Major Spectator Sports Division (MSSD) are pleased to have the opportunity to respond to the Government's review. The MSSD was much involved with this issue during the passage of the Broadcasting Bill last year and the new provisions regarding 'Listed Events' in Part IV.

The CCPR is in sympathy with the Government's aims of trying to ensure that everyone as far as possible has reasonable access to sporting events which play a major role in our national life. This will encourage greater participation in these sports and the opportunity of staging important international events. However, we do not believe that a statutory list of events is the best way to achieve this objective and could result in a reduction of income to sports development at all levels.

Your letter seeks comments on the principles which should be applied in deciding the events to be listed in order to make the process more transparent and robust. Whilst the sports represented on this Working Party (see attached list) are all in favour of a review taking place at regular intervals they would not find it productive to comment on the reasons provided for listing specific events, for not listing others or de-listing others.

As you say excessive reliance on broad criteria can be problematic and no set of criteria is likely to remove the need for the exercise of judgement by an outside individual. It is precisely for these reasons that we believe that the Voluntary Code of Conduct drawn up by MSSD and regulated by the Sports Broadcasting Monitoring Committee would be the better

vehicle/...

**CONSULTATION ON EVENTS LISTED
UNDER PART IV
OF THE BROADCASTING ACT 1996**



RESPONSE
SEPTEMBER 1997

*The Central Council of Physical Recreation
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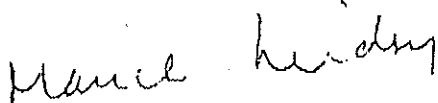
vehicle for achieving your objectives. As the introduction to the Voluntary Code makes clear the individual governing bodies of sport believe that they are in a position to strike an appropriate balance between best commercial advantage and the wider long-term interests of their sports and the sporting public. The Sports Broadcasting Monitoring Committee, chaired by Lord Alexander of Weedon QC, is now up and running as is the panel of technical advisers which includes Michael Grade, the Hon Michael Beloff QC, Sebastian Coe and David Glencross.

The voluntary regulation of contracts covering the broadcasting of popular sporting events set up under these procedures is, we firmly believe, the fairest way to proceed and the recent agreements which have been completed by signatories of the Code, since the passage of the Broadcasting Act demonstrate the effectiveness of the Code of Conduct.

I have pleasure in enclosing the submission prepared by the members of the Major Spectator Sports Division Working Party on Broadcasting which we hope will be of interest to you. It may be helpful at some stage to meet with yourself in order to explain in detail the rationale behind our thinking which we believe fully complements the objectives set out in the Labour Party Sports Manifesto and more recently the debate on 'Sport For All' held in the House of Commons on 28 June 1997.

Kind regards

Yours sincerely



MAURICE LINDSAY
Chairman
The Major Spectator Sports Division

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THE CENTRAL COUNCIL OF PHYSICAL RECREATION

CONSULTATION OF EVENTS LISTED UNDER PART IV OF THE BROADCASTING ACT 1996

1. INTRODUCTION

The Major Spectator Sports Division Working Party on 'listed' events is pleased to respond to the Government's Consultation Paper. The Labour Party Sports Manifesto 'Labour's Sporting Nation' acknowledges the importance of ensuring that the television and radio broadcasts for sporting events are accessible to fans across the country. The national governing bodies of sport are in sympathy with the Government's aims since they recognise the value from television coverage which encourages interest and further participation in these sports. The increased revenue from television provides an opportunity to fund sport at all levels of the game and to promote the awareness of British sport world-wide.

The accumulated expertise of the British national governing bodies of sport in hosting many of the world famous sporting events has enhanced the reputation of Britain in the staging of such national events as the Wimbledon Tennis Championships and the recent Euro'96 competition as well as the British Open Golf Championships.

However, we do not believe that the current statutory list of events is the best way to encourage the development of sport in Britain or the staging of major international events. The development of the 'Voluntary Code of Conduct for Sports Events' produced by the Major Spectator Sports would be the better vehicle for achieving the Government's objectives. This Code makes clear that individual governing bodies are in the best position to strike an appropriate balance between best commercial advantage and the wider long-term interests of their sport and the sporting public. The voluntary system of regulation will be overseen by the Sports Broadcasting Monitoring Committee Chaired by Lord Alexander of Weedon QC and aided by the Technical Committee to be Chaired by Michael Grade. It will monitor the negotiation of TV sports broadcast rights and complaints referred to them as well as reviewing their procedures during the next three years as agreed in Paragraph 15 of the Voluntary Code.

2. BROADCASTING OF SPORT ON TELEVISION

It is the view of the sports represented on this working party that Part IV of the Broadcasting Act 1996 does not, and will never satisfactorily, find a solution to the problems of television broadcasting because of the following reasons:

- a) The new broadcasting environment has created opportunities both for the broadcasters and the sports governing bodies who have greater possibilities for televised broadcasts because of increased dedicated hours to sport. The future technology for broadcasting will continue to advance and provide additional choice for the public - be it sport or films or dedicated channels - on a twenty four hour basis. Increased competition will mean a greater flexibility for programming and more innovative ideas that will challenge the established patterns of sports coverage. Therefore the concept of listed events will become out-of-date.
- b) Public interest in some sports events is ephemeral and will vary according to a variety of factors. Such short term instant interest will have a bearing upon

sports bodies' ability to seek televised or radio coverage of their event. A British success during the Wimbledon fortnight or the events of the 1995 Ryder Cup have proven how a sudden upsurge of interest can be generated. Popularity can also wane comparatively fast as interest in the Boat Race in the 1980's demonstrated. The development of a 'winning formulae' by the sports bodies leading to 'durability of public interest' should not result in the successful planning being penalised by 'listing' on TV.

- c) An analysis of 1996 viewing figures for the Top 50 terrestrial televised sports events demonstrates that the majority of 'listed' events do not attract large viewing audiences and therefore there appears to be no public interest reason for them being 'listed'.
- d) The interest in some 'listed' events with a regional bias can inhibit the governing bodies from transmitting televised pictures nationwide throughout the United Kingdom. The Scottish FA Cup Final is obliged to sell its rights to BBC Scotland thus denying viewers in England, Wales and Northern Ireland from seeing the match 'live' on another channel. Moreover the depressed financial market in Scotland with a reduced budget for BBC Scotland restricts the Scottish Football Association in its ability to negotiate a 'fair price' for the event on the open market. Such a restriction also prevents the governing body from a potential of a wider viewing audience through other TV channels that have a nationwide coverage. This case study is well illustrated on the attached memorandum submitted by the Scottish Football Association.

3. THE INFLUENCE AND EFFECTIVENESS OF THE VOLUNTARY CODE

There are a number of recent agreements which reflect the influence of the Voluntary Code since it was signed by the ten signatories in March 1997:

- **1997 Ryder Cup**
The 1997 Ryder Cup to be held in Spain will have full coverage of all matches on B Sky B. BBC Sport will have same-day highlights at peak viewing time for all three days of the event. Radio 5 has also been given 'free' radio access for coverage during the tournament.
- **Le Tournoi de France**
The six international football matches from the 1996 Tournoi de France were shown exclusively live from France on B Sky B with highlights sublicensed to the ITV network and the radio rights made available to all UK radio stations free of charge.
- **Rugby Football Union**
Last year B Sky B bought the exclusive live rights to all international, representative and club matches in England. The agreement also requires same-day delayed coverage of the international matches on terrestrial TV, currently ITV. The Scottish, Welsh and Irish Rugby Unions have agreed to keep their home broadcasts with BBC TV.
- **Test Match Cricket**
England and Wales Cricket Board's current agreements with BBC and B Sky B doubled the hours of summer cricket coverage, maintained a high terrestrial profile mainly via live Test Matches and ensured a sensible mix of live and highlights programmes on both channels. This agreement was concluded in 1994 prior to the 1996 Broadcasting Act and

the setting up of the Voluntary Code. It is the intention of the England and Wales Cricket Board to make available the 1999 World Cup Cricket Competition to the widest viewing audience in line with the Voluntary Code whilst seeking to maximise its revenue in order to fund the development of the game throughout the country.

4. INVESTMENT IN 'SPORT FOR ALL'

The Voluntary Code guarantees no less than 5% of reinvestment into sport from the sale of broadcast rights (Para 21) and the signatories to the Code supported by other governing bodies are pleased to show how in practice during 1996 this figure has been exceeded.

NAME OF SIGNATORIES TO THE CODE	INVESTMENT FIGURES	SPORT FOR ALL PROJECTS
1996 Lawn Tennis Association	£6.00 million	Grass-roots development
1996 England and Wales Cricket Board	£2.30 million	Youth development
1996 Royal & Ancient Golf Club of St Andrews	£2.50 million	World-wide
1996 Rugby Football Union	£3.30 million	Youth development
1996 Scottish Rugby Union	£3.69 million	Youth development
1996 The Rugby Football League	£2.40 million	Youth development
1996 Scottish Football Association	£1.99 million	Youth development
1997 Ryder Cup		(see Case Study)
1996 Football Association	£8.79 million	Grass-roots development

The Football Association received £16,663,379 in relation to television income in the year ended 31 December 1996. After payments to participating clubs, staging venues and other associations, the net television income was £5,225,960. This compares with grants by The Football Association to the grass roots of the game of £2,798,673, to the Football Trust of £4 million and to miscellaneous other football trusts of £2 million in the same period.

Historically there has been limited financial support for the development of sport in Britain and the income from TV rights is crucial for 'Sport for All' development. The requirement placed upon governing bodies through the Taylor Report to fund improvements for the safety of Sports Grounds and improving facilities for the spectators, including the disabled, is an issue of public interest.

In short, the sports represented on this committee are of the opinion that the objectives sought by the Secretary of State are already being pursued by both broadcasters and governing bodies; everyone is now getting reasonable access to those events which play a major role in our national life and revenue from broadcasting is helping substantially to develop wider participation and higher performance standards.

The Consultation Paper mentions some other factors affecting the potential income of the sport which should be taken into account when considering whether to list an event. The possible reduction in income for the sports and the consequences of that reduction for its investment in grass roots facilities and creating better public facilities is of greatest concern to those sports currently on the list and an enormous threat to any which may be considered in future. These factors provide the overriding reasons why a statutory framework setting out to ensure widespread availability of national events to the viewing public can never operate in a free market place without placing some of the most popular sports at an enormous disadvantage.

5. CONCLUSION

The governing bodies of sport welcome the review of the list which is taking place but do not believe that there can be satisfactory criteria to inform the listing process. We therefore have no comments on the criteria and particular characteristics of an event which the document spells out. The suggestion that if only one of the first four points should apply this could render a sport eligible for consideration and would in our opinion immediately threaten a number of other events not so far mentioned in connection with the list. Moreover these considerations would seem to lend themselves to a variety of other entertainment and audio-visual attractions in the national calendar which are not similarly penalised but have consistently higher 'ratings' than the listed events.

At the very least we would hope that no more sporting events will be added to the statutory list for a considerable period, until such time as a proper evaluation can be made of the economic and other consequences of the new legislation. We would recommend that there should be no further extension to the list for a three year period affording time for the Voluntary Code of Conduct to be reviewed and the self-regulatory procedures to be assessed.

Finally the major spectator sports of the CCPR are also strongly of the opinion that the Government should give careful consideration to the case which is now being made to the Secretary of State for some events to be removed from the list and that sports should be able to appeal to the Secretary of State if their events are included.

**CCPR MAJOR SPECTATOR SPORTS DIVISION
WORKING PARTY**

4 September 1997

THE CENTRAL COUNCIL OF PHYSICAL RECREATION

REPRESENTATIVES OF THE MAJOR SPECTATOR
SPORTS DIVISIONAL WORKING PARTY

- The Rugby Football League
- The England and Wales Cricket Board
- The Lawn Tennis Association
- The PGA European Tour
- The Racecourse Association
- The Royal and Ancient Golf Club of St Andrews
- The Rugby Football Union
- The Scottish Rugby Union
- The Football Association
- The Scottish Football Association
- The All England Lawn Tennis Club
- The British Athletic Federation

5 September 1997