

airing the issues



Introduction

We have the ability to raise awareness, influence opinion and to shape discussions. However, we recognise that with this great influence comes great responsibility.

ITV is an integral part of our national media and therefore has an immense impact on the society in which we live. We are visible every day to millions of households. Watching television is the UK's number one leisure activity, and ITV1 is the most popular channel in peak time. The reach of ITV means we are uniquely placed to support important social campaigns. The success of ITV's Britain On The Move campaign highlights how television can champion a cause and reach into the public consciousness. ITV donated 93 hours of airtime to the campaign which raised £1.3 million for charity as well as encouraging millions of people to get fitter and become more active in their community.

Airtime is often the most valuable community donation we can make. By profiling community causes and campaigns on screen we can encourage widespread public participation across the UK. ITV's total community investments topped the Guardian Giving List in 2005. We are also a member of the Business in the Community PerCent Club.

Through our programming we have the ability to raise awareness, influence opinion and to shape discussions. However, we recognise that with this great influence comes great responsibility.

Our 50 years of broadcasting experience has given us the self-confidence that comes with maturity. We are able to withstand external influences and make editorial decisions across all of our programming on the basis of our knowledge, our skills and our independence. We produce unbiased, informative and entertaining programmes, but we do so with integrity. We think long and hard about how our output impacts people's lives both here in the UK and elsewhere. This is not a philosophy that we limit to the news room or our current affairs programming; it is a view that underpins all of our channels and programming.

We produce some of the most popular soaps on British TV. These portray real and current social issues to a mass audience. We do not glamorise life's difficulties; but nor do we shirk from representing them. During 2005 our storylines in Coronation Street and Emmerdale alone tackled some of the most deep-seated and controversial issues in our society today. These included under-age sex, diet and health, volunteering, alcoholism, smoking, fathers denied access to their kids, teenage pregnancy, non-Hodgkin's lymphoma in pregnancy, child abuse, single motherhood and homophobia. In addition we routinely provide support information for viewers who may be affected by these problems. ITV soaps bring these issues to the attention of more than 10 million people. That, we believe strongly, is a social function.

But we are not just concerned with raising awareness of issues. There are messages and principles of wider importance that we can and do give as part of our corporate culture. In the field of diversity, ITV has been actively promoting greater social cohesion by ensuring a balanced representation in all of our programming for all parts of our community. This year we have on-screen diversity figures to report and have set targets for the future. We are also promoting the same diversity in ITV's workforce with several initiatives to recruit from minority groups at every level of ITV. We continue to chair the Cultural Diversity Network, the television industry group promoting diversity on air and behind the screens.

Our news and documentary programmes are a key part of our corporate responsibility. We serve the communities across the UK with their own news and more regional programming than any other UK broadcaster. ITV News, together with Regional News and GMTV bulletins had an average weekly reach of nearly 31 million viewers last year. To put that into context, more people see our news programmes than all the national newspapers combined, and we do it with a strict adherence to balance and impartiality, not just because it's required by the Broadcasting Code, but because it is ingrained in decades of journalistic excellence at ITV and ITN.

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Cover image:

In 2005 Coronation Street tackled the complexities of teen contraception in the relationship between Rosie Webster and her mother, Sally.

One of ITV's distinctive characteristics is to make our programmes attractive to the widest possible audience.

Our flagship current affairs programme, Tonight with Trevor McDonald, reached nearly 4 million viewers with features including an expose of the rise of the "happy slapping" mobile phone craze, and a year-long undercover investigation of "Fathers4Justice", council tax protests, binge-drinking in Britain, children's nutrition and post-natal depression.

We make serious issues popular and popular programmes serious.

ITV has a direct and quantifiable impact on the UK economy, in particular the creative sectors. ITV spends around £1 billion per year on programmes, more than any other European commercial broadcaster. We are a major employer, not only of actors, producers and directors, but also of technicians, journalists, editors and the many others needed to make high quality television.

There is much more in this report than I can touch on here, but I sincerely hope that you find it interesting.



Charles Allen
Chief Executive, ITV plc



Responsibility in the programme lifecycle

I'm A Celebrity...Get Me Out Of Here! (GMOOH) is a hugely popular ITV hit. 9.5 million watched the latest series where 10 celebrities were thrust into a jungle camp for two weeks to contend with the wild habitat, exotic trials and each other's egos. It is a great example of the many responsibility issues involved in making and broadcasting a television programme.

Creative Investment

GMOOH is a huge production with a six to eight month lifespan. It represents a significant investment in the UK's creative economy with 80 producers, writers, designers, editors and technical supervisors employed to work on the programme at its peak.

Risk assessment

The H&S team do comprehensive risk assessments for all activities and contractors involved in the show's production, such as fire risk, tree filming, bungee jumps and overall series risk assessment.

The survival "Bible" We issue a "bible" to all staff explaining the do's and don'ts of working in the jungle including: keeping hydrated, snake bites, sun screen, avoiding fatigue when driving, medical attention, and procedures for reporting accidents.

Contestant welfare Prior to selection, each of the celebrities undergoes a full medical and psychiatric evaluation. Doctors inform us whether they consider them fit and able for the challenges and living conditions. Some celebrities are excluded from certain trials.

Commission



Production



On-screen diversity

Producers try to cast the widest range of age, gender and racial diversity. Each series has featured at least one minority contestant and the gender split has been almost even. The logistics of the jungle terrain makes it difficult to represent disabled people in this programme.

Employment

About 80 creative and technical staff are flown out from the UK. The remaining crew of 350 are Australian freelancers employed under terms equal to or better than Australian film and TV union stipulations. ITV is responsible for their well-being on location. We are an equal opportunity employer.

Health & Safety

A UK-based H&S manager works on the series from pre-production to end of production. In Australia, we have a team of three full-time H&S officers and there is one on-site 24-hours a day. There is also a Medic on-site 24-hours a day when the site is active for the full day. All staff complete a medical background form, which includes details of allergies and pre-existing conditions.

Bush Tucker Trials

From eating bugs to swimming with crocodiles, each trial is meticulously designed, planned and fully tested for safety. The Bush Tucker Trial supervising producer, Chris Lore, talks through the rules and dangers of each trial in great detail with the celebrity before they attempt it. Chris, Medical and H&S officers are all in attendance as the celebrity attempts a trial and any one of them can call a stop to it if they feel there is a need to. Contestants are free to refuse the trial or stop it at any time.



Animal welfare Animal welfare is a prime GMOOH consideration. Specialist animal handlers are involved throughout, and the production team takes detailed expert advice in protecting animal well-being. The RSPCA is notified of all Bush Tucker trials involving mammals or reptiles, and its inspectors have an open invitation to visit the location and monitor the trials at any time.

All the animals and insects we use are indigenous and are sourced through vetted animal breeders. Larger animals such as kangaroos are “rented” from breeders. Qualified handlers are employed to source and tend to animals, liaising regularly with animal welfare organisations. Insects are sometimes eaten but this is a traditional practice consistent with Aboriginal life.

Privacy

Celebrities are made aware that they can be filmed at any time once they enter the jungle. Some may ask for contractual stipulations regarding specific issues. The producers strive to follow the Ofcom Broadcasting Code.

Taste and decency

To meet a tight schedule, all editing of footage is done on site in Australia. Footage is shown either live or in the 24 hours following recording. The Executive Producers and other members of the production team liaise with the ITV Compliance Unit in arriving at final judgements on taste and decency, and can call on a compliance specialist or programme lawyer around the clock. All scripts are sent to the ITV Compliance Unit before transmission.

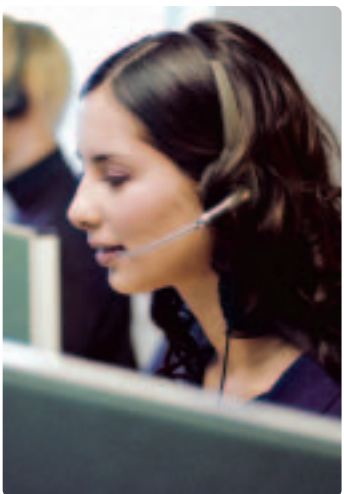
Complaints

Viewers of ITV programmes can complain at any time directly to ITV or to Ofcom. Calls are logged by ITV Duty Officers and complaints above a certain number must be referred to Ofcom. Ofcom received five complaints for GMOOH Series 5, none of which were upheld.

→

Broadcast

→ **Post Broadcast**



Environment

GMOOH has a duty to protect the jungle from cast and crew and all the equipment. In 2002 a pre-production survey of all flora and fauna was carried out. It flagged larger trees (canopy eucalypts) and eroding stream banks for special care. In 2005, a post-production survey found that ITV had demonstrated proper care of both plant and animal life. The site is also subject to a Cultural Heritage Assessment protecting Aboriginal land and artefacts.

Live feeds

Live feeds have a 15 minute “delay” and a rota of monitors constantly watching to assess the suitability of footage. Where necessary, audio is muted or cutaways made to neutral objects when a contestant is disclosing information which might infringe another person’s privacy. The team has been specifically trained by the ITV Compliance Unit and programme lawyers and works hourly shifts, interspersed with breaks, to ensure they remain fully alert.

Scheduling

To meet audience expectation, GMOOH is usually scheduled to run immediately after the 9.00pm watershed. Where transmission is scheduled before 9.00pm appropriate care is taken to ensure that content is suitable for a younger age group.

Voting donations

When voting to keep or evict their favourite celebrities, viewers pay a premium rate telephone call charge allocated for charitable donations. Series 5 of GMOOH raised £430,000 which was split between a number of different charities.

Corporate responsibility management

ITV's principal CR issues relate to the programmes we make and broadcast.

Questions of responsibility are embedded in the television industry. Commissioning, making and broadcasting television programmes is a highly visible activity with tangible impacts on the public. If we make a mistake feedback is swift.

Recognising the significant role of television in society, the industry and its regulators have developed detailed rules and regulations that are today administered by Ofcom. The experience gained over 50 years of broadcasting has enabled ITV to establish a strong culture of responsible programming supported by the skills, precedents and procedures needed to make good judgements about programme making.

The consequence is that many people working in ITV practice CR as a matter of course in programme making and editorial decisions without ever encountering the term "corporate responsibility". In designing our approach to CR we have been conscious not to reinvent wheels and duplicate existing systems. ITV's statement of values (see page 6) provides the foundation for its CR work.

ITV's material CR issues

ITV's diverse CR issues divide into two main categories: those to do with what we broadcast and those to do with how we operate.

Our main CR issues relate to the programmes we make and broadcast. The "On air" section of this report therefore covers programme standards, our role as a provider of news and current affairs programmes, social and community issues in other programmes and advertising standards.

Other issues are covered in the "Behind the scenes" section of this report. These are our role in fostering creative talent, employment issues, regional partnerships, health and safety and the environment.

ITV's approach to CR Management

The challenge for ITV is to make the CR agenda relevant to a television company and the people who work in television. In 2004, ITV plc's first year of existence, we established a new structure for managing CR issues. A CR Operational Group has been appointed, reporting to the CR and Operational Risk Steering Group chaired by the Company Secretary. The Group has broad representation from all the main company functions.

The Responsibility section on The Watercooler, ITV's employee intranet





The main role of the CR Operational Group is to co-ordinate management of issues already well established within operational functions such as programme standards, advertising standards and human resources. The focus on CR is also intended to identify any areas in need of closer scrutiny or a new approach.

In 2005, the CR Operational Group initiated a viewer survey of ITV's CR issues and performance. An annual CR review was undertaken by independent consultants who prepared a report for management. The focus of the Group's meetings was on improving the measurement of ITV's CR performance in different spheres and establishing targets and objectives where possible. The Group is also in the process of a review of ITV's CR policy.

ITV has launched an intranet site on CR topics. This is part of the well used Watercooler intranet, one of the prime ways ITV communicates with employees.

Stakeholder engagement

ITV's most important stakeholders are investors, viewers, employees, the regulator and advertisers. We have regular dialogue with each of these groups and also conduct research to establish how ITV is perceived. Engagement with our employees is described on page 27.

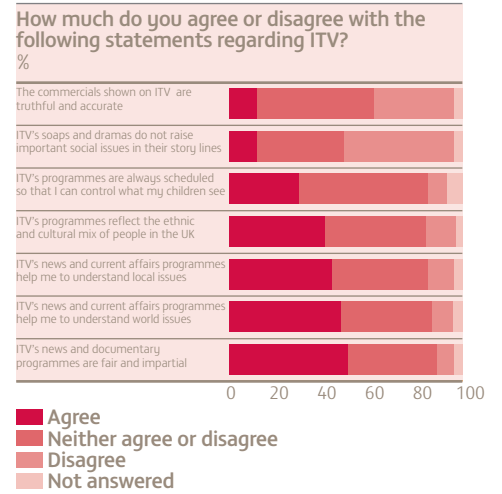
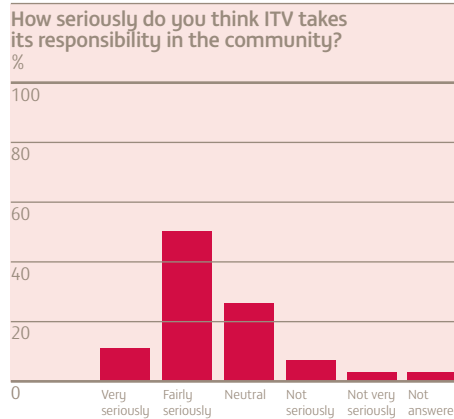
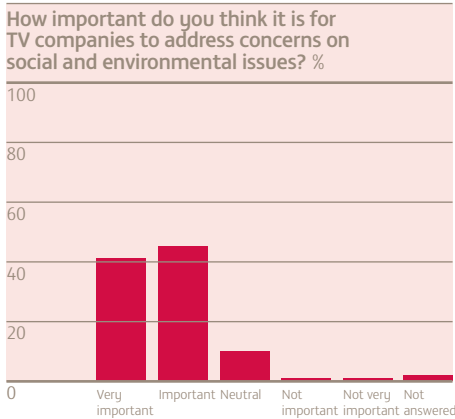
Investors

In common with other FTSE100 companies, ITV receives regular enquiries from institutional investors about CR. We respond constructively to all such requests and ITV is included in both the Dow Jones Sustainability Index (where we are rated as the sector leader) and the FTSE4Good index.

A number of meetings were held during 2005 with socially responsible investors. The questions and issues raised in these meetings fall into two broad categories: standards and ethics in our broadcast programmes and management of behind the scenes issues, particularly employment. In many cases, investors wanted information about the mechanisms for making editorial decisions and for viewers to make complaints. We answered these and have included the relevant information in this report.

In addition to individual meetings we make information available to shareholders through our Annual General Meeting, interim and annual reports. This is supported by webcasts and roadshows covering interim and preliminary results. Information is also available on the Company website www.itvplc.com.

Survey of 4,000 adult viewers



Viewers

ITV is working hard to understand viewers' views. To do this we commission an independent research company to recruit and survey a panel of 4,000 adults in the UK. The panel, selected to be representative of the UK population in age, sex and social class, is regularly asked about programmes and the feedback helps us make programmes that maximise ITV's audience share. During November 2005 we asked the panel about CR issues in broadcasting. Some key findings are shown above.

Overall the survey confirmed ITV is well regarded as a company and valued as a source of international, national and local news and current affairs programmes. The main issues raised are scheduling of programmes to help parents control children's viewing and the accuracy of commercials we broadcast for advertisers. We will assess how ITV can respond to these concerns and continue tracking viewer opinion.

Engaging with external CR organisations helps us to keep abreast of emerging issues and learn from others. ITV participates in the following CR forums:

Media CSR Forum (www.mediacsforum.org)

Broadcasters and Creative Industry Disability Network (www.employers-forum.co.uk/guests/bdn/index.htm)

Employers Forum on Disability (www.employers-forum.co.uk)

Cultural Diversity Network (www.cdnetwork.org.uk)

Opportunity Now (BiTC Programme) (www.opportunitynow.org.uk)

The regulator (Ofcom)

ITV has regular dialogue with Ofcom and the government on broadcasting subjects. During 2005 the main topics on which we expressed a view were the reduction in ITV's Licence Fees, the potential ban on food products advertising in children's airtime, BBC Charter renewal, the BBC Licence Fee and the BBC relocation to the North of England.

ITV's values

Our essence: TV to talk about. We bring people together through the media.

Our purpose: To connect people; to back creativity; to act responsibly.

Our values:

- Customer-centred – we understand our customers and take risks to exceed their expectations.
- Inclusive – everyone acts as one to reach a shared goal.
- Bold – we encourage radical improvement through creativity and innovation.
- Respectful – we're open to everyone's views and contributions and make sure they're in the best interests of ITV.
- Excellent – we want our channel to be the best – achieving the very highest standards.
- Committed – we take pride in what we do and want to make ITV the best.

ITV's objectives

In a highly regulated industry such as ours, ITV's own objectives are framed to complement the standards set by Ofcom.

ITV/Ofcom commitments and additional ITV objectives for 2006	
CR Management	Adopt a CR Policy
Programming	<p>Provide a popular and varied schedule compliant with the Broadcasting Code on issues such as offence, privacy and decency.</p> <p>All production teams to monitor on-screen diversity portrayal with the aim of reflecting the UK population.</p> <p>Programming obligations contained in our licences:</p> <ul style="list-style-type: none"> - 365 hours of national and international news and weather, with 125 hours in peak time - 78 hours of current affairs - 5.5 hours of regional news per week - 1.5 hours of regional non-news per week <p>Accessibility services for ITV1 (these differ for other ITV channels):</p> <ul style="list-style-type: none"> - 85% of transmission time subtitling - 4% of transmission time signed - 8% of transmission time audio described
Creative Economy	<p>Maintain a high level of original UK production from a diverse production base.</p> <p>Continue a fund totalling £9 million over three years to support new to network regional production.</p> <ul style="list-style-type: none"> - 50% of programme hours and 50% of spend on original network programme production in the regions - 25% of transmission time from independent production - 85% original programming in peak time - 65% original all time production - 50% European production
Advertising	<ul style="list-style-type: none"> - Comply with Ofcom and ASA regulations on amount, scheduling, distribution and standards on advertising - Provide pre-clearance for all broadcast advertisements
Community	<p>A minimum of 25 hours of regional campaign programming on initiatives supporting:</p> <ul style="list-style-type: none"> - The Russell Commission - The Big Clean Up - The People's Millions
Employment	<p>Maintain a diverse workforce in which equal opportunities are respected.</p> <ul style="list-style-type: none"> - All business areas to develop diversity action plans covering on-screen portrayal and employment - ITV News Group will set regional diversity targets - Offer 10 bursaries and 16 traineeships to diverse news journalists - Offer 60 places on our Foundation Placement Scheme for people from ethnic minorities to receive a year's training and experience in London, Leeds or Manchester - Make and review arrangements for promoting equality of opportunity - Publish (at least annually) observations on the current operation and effectiveness of the arrangements for promoting equal opportunity
EH&S	<p>Work to minimise ITV's environmental impact by:</p> <ul style="list-style-type: none"> - Review ITV's Environment, Health and Safety management systems based on the ISO 14001 and OHSAS 18001 standards - Updating and standardising our existing regional codes of practice to a single UK-wide standard set of policies, procedures and work instructions - Harmonising and simplifying our UK EH&S training programme - Implementing a rolling programme of formal safety and health audits - Assessing the carbon footprint of one large production and one regional production facility in detail

■ ITV Objectives ■ Ofcom Commitments

4,000

ITV is working hard to understand viewers' views. To do this we commission an independent research company to recruit and survey a panel of 4,000 adults in the UK

On air

Responsible programming

Eighty percent of us watch at least one ITV1 programme every week. Thirty two million will tune in to at least one of the ITV channels – ITV1, ITV2, ITV3, ITV4 and Men & Motors – every day. ITV provides the most popular family of channels in the UK, and spends around £1 billion a year on programming – the biggest spend of any European commercial broadcaster.

In seeking to understand and match the expectations of its audience, ITV needs always to track shifts in wider public tastes and standards and weigh them alongside creative ambition to try to deliver programming which is both entertaining and challenging. We strive for strong editorial and creative values as well as high programme standards. The result, we hope, is television that is responsible but not staid; dynamic but not careless; commercially successful but not commercially distorted and neither offensive, harmful, misleading nor unfair.

In 50 years, ITV has developed a robust editorial culture, distinctive production values and an understanding of broadcasting which provide a framework for these decisions and ambitions. This is underpinned by a framework of broadcast licences and regulation which is among the most rigorous in the world. That regulation offers significant protection for the community as a whole, for minority groups within it and for individuals. Compliance is mandatory. As a condition of its licences, ITV is required to act responsibly, fairly and decently, and show due impartiality – requirements which go far beyond any expectation on any other sector of the media. As a major commercial public service broadcaster, ITV is expected to meet the very highest of standards.

In 2005, ITV expanded its family of free-to-air channels at an unprecedented rate, with the launch of ITV3 and ITV4 and the migration of Men & Motors to Freeview. Further channel launches are planned. This inevitably raises new questions about context, audience expectation and the suitability of specific content to particular channels.

Impact of the new Broadcasting Code

In 2005, content regulation underwent its biggest overhaul in the half century of commercial broadcasting in Britain. Ofcom (the Office of Communications, the regulator established by the 2003 Communications Act) implemented a new Broadcasting Code (the Code) that governs every aspect of programming and presentation in all licensed services for television and radio. The Code is available on Ofcom's website at www.ofcom.org.uk/tv/ifi/codes/.

32 million

32 million viewers will tune in to at least one of the ITV channels every day

£1 billion

ITV provides the most popular family of channels in the UK and spends around £1 billion on programming annually



Along with other major broadcasters, ITV was heavily involved in Ofcom's consultation and drafting of the new Code and welcomed the result. The Code recognises the impact of rapidly changing technology, the expansion of choice, changing patterns in use of the media and developments in social attitudes. All the above make for ever-changing audience expectations.

While founded in law – principally the Communications Act, the European Television Without Frontiers Directive and the European Convention on Human Rights – the new Code makes the context in which particular programming is broadcast the prime focus for content and standards regulation. It seeks to enable the broadcast of challenging and creative content, while still aiming to protect the vulnerable – especially children – from unsuitable material. Within the Code, context includes which channel a programme is transmitted on; what time it is scheduled at and what information is given to viewers beforehand so that they can judge its acceptability to their individual tastes.

Children

We make every effort to ensure that children are not exposed to images, language and ideas that might be harmful to them. We schedule our programmes so that material that is unsuitable for children is not transmitted before the watershed (9.00pm). The number of children watching television declines progressively up till 9.00pm, from which point it is assumed that the audience is predominantly adult.

Soap operas have been widely recognised as playing a valuable role in public service broadcasting, especially stimulating focus and dialogue between young people, their parents, carers and other adults on a range of social issues. Some of those issues might be too embarrassing or difficult even to raise within the family without the trigger of the soap story-line. Dealing with such issues, before the watershed and in programmes which include many young people in the audience, demands skilful judgement and creativity. It courts controversy, but with a creative, editorial and social purpose.

As an illustration, a recent episode of *Emmerdale* featured a gay kiss in the tentative relationship between Paul, who is openly gay, and Ivan, who is not. The issue explored Ivan's concern about the reaction of other villagers.

Ofcom received complaints from 126 viewers. Many felt the scenes to be too explicit pre-watershed when children were among the audience. Ofcom did not uphold the complaints. The regulator pointed out some viewers and parents were uncomfortable with any representation of homosexual behaviour when children may be viewing, but the question was whether relationships were portrayed in an appropriate manner. On this occasion it was: the behaviour was no more explicit than previously exhibited by other characters. The scenes were acceptable.

Informing viewers

We believe it is important that our viewers can be confident that they know in advance whether programmes will be suitable for them or their family. Viewers are more likely to be offended by the content of a particular programme if it takes them by surprise. To minimise the risk of offence, we give pre transmission on-air announcements where appropriate, alerting viewers to issues such as strong language, violence or sexual themes. We also give viewers advance information about our programmes, in on-screen promotions and off-screen publicity and listings.

Impartiality

ITV is required to show due impartiality in all programming which deals with controversial issues and current public policy. The law also requires that our news coverage, whatever the subject, is presented with due accuracy and impartiality.

As a major source of news and opinion, ITV's journalists, editors and producers must exercise judgement, and debate and weigh up the evidence in every programme they deliver to ensure it is presented accurately and impartially. See page 12 for more on News and editorial standards.

We make every effort to ensure that children are not exposed to images, language and ideas that might be harmful to them.

Privacy

When television portrays real life, whether filming in secret for documentaries, reporting on individuals in the news or broadcasting reality TV shows, it must have proper regard for the privacy of individuals. ITV strives to balance the public interest with respect for an individual's reasonable expectation of privacy, as required by the Code.

The ITV Compliance Unit

ITV remains committed to high programme and broadcast standards, not only to protect its reputation and position as a responsible broadcaster but also to maintain the confidence of viewers, commentators, regulators and politicians, and the support of its advertisers. To maintain those standards across the channels, ITV's Compliance Unit was expanded in 2005 to a total of 27 specialists who guide programme makers and broadcasters.

ITV's compliance specialists cover every aspect of broadcast output, apart from advertising and network news. This involves anything from portrayal of violence in Emmerdale to the content of sponsor credits around I'm A Celebrity...Get Me Out Of Here!; from the ethics of using a hidden camera in Tonight with Trevor McDonald to fairness and transparency in This Morning premium rate telephone viewer competitions; from ensuring appropriate on-screen information to avoid viewers being offended by a programme's content, to the acceptability of new cross-promotion and interactive opportunities of digital media.

There will be occasions when we get it wrong and broadcast something that breaches the Code – either by a misjudgement or error. Significant sanctions can be applied to broadcasters in the event of grave breaches and ITV is wholly accountable for any potential breach. Anyone can complain about aspects of our output – either to their local ITV station, to ITV itself or directly to the regulator. We have an open line to our viewers (see back page). Duty officers – individuals, not a voicemail system – handle every complaint to ITV, covering extended hours, alerting programme teams to particular issues, and ensuring that a viewer gets a proper response when required. Any viewer dissatisfied with ITV's response can complain to the regulator. If a programme produces a significant volume of complaints Ofcom has to be alerted.

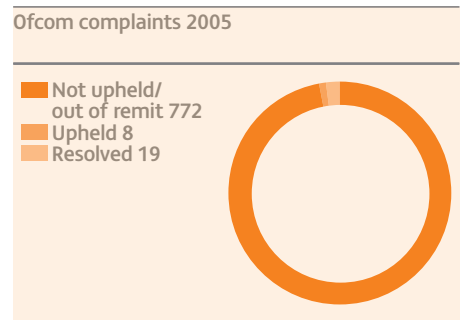
Any issue which Ofcom takes up with ITV is taken seriously and is handled at the most senior levels of the Compliance Unit. Liaising with production teams or other relevant colleagues, they pursue three objectives:

- establish what has actually happened and how;
- assess whether the broadcast has actually been in breach or otherwise fallen short of expectations and respond accordingly;
- consider what can be done to try to avoid repetition.

Complaints

In 2005, Ofcom dealt with complaints about 799 ITV programmes. Of these, 772 were not upheld. Complaints about 19 programmes were resolved to Ofcom's satisfaction. Complaints about eight programmes were upheld (compared with 17 in 2004). Ofcom publishes details of its rulings on its website at www.ofcom.org.uk/tv/obb/.

The ITV programme that attracted most complaints in 2005 was a broadcast of the San Marino F1 Grand Prix. 126 viewers complained that the placement and length of the final advertising break deprived them of live coverage of a crucial part of the race. ITV accepted that the break was taken at an inappropriate time. In its defence, it claimed that the race was exceptional in having such an extended, tightly fought ending. Ofcom, taking our good faith into consideration, still found ITV in breach of the Rules on Amount and Scheduling of Advertising.



Note: Ofcom data refers to decisions published in 2005 and not necessarily programmes broadcast exclusively during 2005.

85%

85% of peak time production was originated specifically for ITV

89%

89% of total ITV1 output was available with subtitling in 2005

Commitments in our licences

ITV1 is a commercial public service broadcaster – that is, a channel licensed by the regulator, Ofcom; broadcast on analogue terrestrial spectrum as well as digital platforms; and subject to a range of obligations in terms of its programming.

ITV1 is required to broadcast an average of an hour per day of quality network news and around 1.5 hours per week of network current affairs. Both news and current affairs must also be broadcast across the schedule including in peak viewing hours. Most ITV1 regions are required to broadcast 5.5 hours per week of regional news plus 1.5 hours per week of other regional programming including current affairs. In addition, ITV1 maintains a programme schedule that includes public service programming such as children's, religion, arts, documentaries and education programmes. 65% of the ITV1 schedule must be originally produced, rising to 85% in peak viewing time. 25% of qualifying ITV1 programmes are required to be independently produced and, from 2006, 50% produced outside London. ITV1 is also required to provide specified levels of access services for deaf and blind people. In 2005, ITV1 met or exceeded all its applicable licence requirements.

ITV2 and the other ITV channels are subject to a narrower range of licence obligations and all met their requirements in 2005.

Access services

ITV provides substantial levels of access services – subtitling, signing and audio description – enabling hearing and visually impaired viewers to engage with and enjoy ITV programmes. 89% of total ITV1 output was subtitled in 2005 exceeding our target of 85%. We met or exceeded our targets for the provision of signing (delivered 3.5%) and audio description (delivered 8%). We also met our access service targets for the ITV digital channels.

Signing was provided in easily identifiable blocks of programming and included Today with Des and Mel and Entertainment Now. Programmes with audio description included soaps, 49 Up and Heartbeat, as well many feature films. ITV's subtitling and audio description were provided by the ITFC, a leading provider of access services for sensory-impaired audiences, which is 91.5% owned by ITV. Signing services were provided by our own award-winning in-house facility, SignPost.

We also advertise in targeted media to ensure that visually impaired and hearing impaired viewers are aware of our access services.

Public service broadcasting 2005		
Genre	Commitment	Delivered
News	365 hours	471 hours
Current affairs	78 hours	97 hours
Access services:		
Subtitling	84%	89%
Audio description	6%	8%
Signing	3%	3.5%
Production:		
Independent production	25%	33%
Original all-time production	65%	83%
Original peak-time production	85%	95%
European production	50%	87%

ITV's Compliance Unit was expanded in 2005 to 27 specialists who guide programme makers and broadcasters.

Violence is one of a variety of issues covered by our Compliance Unit



Our award-winning signing facility, SignPost



Independent reporting

ITV makes news accessible and relevant to a wide audience. We are a significant guide to world and national events for many people and help inform public opinion.



News and current affairs are key facets of ITV's public service function and role in society. Part of ITV's corporate responsibility is to produce balanced, informative, impartial news and documentaries. These qualities are also requirements of the Ofcom Broadcasting Code.

ITV makes news accessible and relevant to a wide audience. We are a significant guide to world and national events for many people and help inform public opinion. ITV News, together with ITV Regional News and GMTV bulletins, had an average weekly reach of 30.8 million viewers. This means that 55% of the UK population saw the ITV News each week in 2005. (Source: BARB/TNS All Individuals. Consolidated Data) ITV News (National News only) reached an average 27.9 million viewers every week, equating to 50% of the UK population. This compares with the national daily newspapers which have an average weekly reach of 48% of all adults in the UK. (Source: NRS)

ITV News

ITV has a budget of £100 million for production of national and regional news programmes. Its global reach is aided by offices in London, Bangkok, Brussels, Jerusalem, Johannesburg, Moscow, Washington and a new bureau in Beijing.

ITV broadcasts three main news bulletins a day: the ITV Lunchtime News, ITV Evening News and the ITV News at 10.30pm. We interrupt the schedule with important stories and can react to breaking news 24-hours a day. Under its Ofcom licence, ITV is required to broadcast 365 hours of news programming a year (125 hours in peak time). In 2005, we actually broadcast 471 hours.

At the end of 2005, we decided to discontinue our 24-hour News digital channel since viewers increasingly want news on demand rather than live 24 hour channels. As part of a new strategic approach we are investing a further £2 million in news programming which includes the Beijing bureau as well as a "super-bureau" in Manchester.

ITV demonstrated its commitment to serious independent reporting by being regularly at the forefront of the biggest news stories of the year: the Asian Tsunami, the General Election, the 7/7 terrorist bombings in London; Hurricane Katrina and the Pakistan earthquake.

After our widely praised Tsunami coverage, the General Election provided a very different kind of challenge. Television's role as a facilitator of democracy has become of great importance in Britain – it is where many voters educate themselves on their choices. To this end, ITV News set out to contribute significantly to the engagement of the public in the 2005 election, mounting its biggest ever logistics operation to survey floating voters. The Ballot Box Jury, as it was known, took ITV News out onto the road and into the living rooms of undecided voters in marginal constituencies. A cross-section of them were given the chance to meet and question the three main party leaders. On election night itself, ITV National News, supported by the ITV regions, fielded 40 outside broadcast operations at key constituencies.

Mark Austin reporting from the Pakistan earthquake



ITV News coverage of the 2005 General Election



27.9 million

ITV National News reached an average of 27.9 million viewers, equating to 50% of the population

£40 million

The amount of ITV's continuing investment in digital technology for the regions which included 15 digital news-gathering satellite trucks

The mammoth election day programme began at 10.00pm with the results of our specially commissioned Exit Poll and went through until 9.30am the following morning. By that time, Tony Blair had won an historic third term but with a much reduced majority – just as our Exit Poll had predicted.

The close relationship between the national and regional news studios was again put to good use in our reporting on the devastating earthquake that hit Pakistan and Kashmir. To our audience this was both an international event on the largest scale and a disaster of special concern to many Asian communities. One in five in the area affected have relatives in the UK. ITV produced both national and regional reports with top journalist Mark Austin despatched to anchor our reports live from Pakistan and regional news teams providing reports to their communities.

ITV News has delivered major exclusives, from the pictures of the suspected suicide bombers being arrested at a London flat through to exclusive interviews with British cruisers whose liner was attacked by pirates.

A fine line

In the course of 2005, these two separate news broadcasts were referred to Ofcom revealing the fine nature of the editorial decisions made in the ITV newsroom on a daily basis.

ITV Evening News 7/7/2005

ITV was one of three major channels (BBC and Channel 4 were the others) that broadcast footage of a London bomb victim being stretchered from an ambulance into hospital. The man was clearly in a critical condition and was pictured while receiving heart massage from a medic.

After Ofcom received separate complaints about all three channel's usage of the footage, it found that ITV had used the images in context and without breaching the code. We were judged to have run an introductory warning about the "graphic images," created a clear narrative context and had written our report with sensitivity to the pictures. Ofcom deemed this "an appropriate treatment of the event".

ITV Evening News 29/10/2005

A story about civilian deaths in the Iraq war used footage filmed from a US fighter plane showing a group of people being bombed and killed. Two people complained to Ofcom that the images were too violent for broadcast so early in the evening when children could be watching. ITV argued that this was an important story but agreed on reflection that the images were more suitable for a later bulletin and that a warning should have been given in the introduction.

Ofcom found that while the images were indistinct and filmed from long-distance, the fatal outcome was not in doubt. Ofcom welcomed ITV's acknowledgement that a warning should have been given. The issue was considered "Resolved" without ITV being found in breach of the Broadcasting Code.

Editorial judgement

News items, by their nature, can contain distressing images. When selecting and editing footage, our editors take into account the age range of the audience viewing a particular bulletin. We also tailor stories to be relevant to the changing demographics of the audience at different times.

A horrific and fast breaking story of national importance such as the 7/7 suicide bombings in London poses serious challenges to ITV News' journalists and editors in terms of what kinds of imagery to broadcast. These decisions are taken very quickly under pressure.

Regional news

Ofcom's 2005 broadcasting review emphasised the importance of ITV's regional news programming to regional audiences. In 2005, we broadcast 3,532 hours of regional news which reached an average 23.7 million viewers (equivalent to 42% of the UK population).

During 2005 the ITV News Group continued a £40 million investment programme in digital technology in the English regions. New digital production technology was introduced in Birmingham, Nottingham, Manchester, Leeds, Gateshead and Norwich. A network of 15 digital news gathering satellite trucks was also rolled out across the regions. Some regional news services are now able to go live from villages and towns in their areas for the first time.

The network of ITV regional newsrooms joined forces on a number of social action projects throughout the year to cover issues such as personal debt, homelessness and binge drinking. Issues were examined region by region and in some cases a compilation of the regional coverage was aired on national news.

Following the 7/7 attacks, regional news teams worked closely with network news teams to provide strong, co-ordinated coverage. A number of regional reporters joined the Network coverage operation and six regional satellite dishes were redeployed to London to cover the developing news story in the 72 hours after the attacks. Across the country regional news teams produced distinctive coverage of the impact on their areas.

Awards

ITV News' journalism was recognised with a series of awards in 2005:

- Broadcast award for Best News Programme for coverage of the Beslan school siege;
- RTS award for best international coverage for reporting of the Beslan school siege;
- RTS Journalism awards for Presenter of the Year for Alastair Stewart and the Judges' award for Sir Trevor McDonald.
- RTS Journalism 2005 awards: News Event award for coverage of the Pakistan earthquake; Judges' award for David Mannion, Editor in Chief, ITV News; and News Programme of the Year award for ITV Evening News.

Training and diversity in the Newsroom

The ITV News Group introduced a new trainee scheme in 2005 aimed at attracting a diverse selection of individuals. Ten individuals with varying backgrounds and experience were carefully selected for the 2005/6 scheme and joined in October.

Each trainee has a 12-month contract, based in one of the ITV regional newsrooms. They are assigned a mentor and follow a structured programme including two weeks at ITN and two weeks at GMTV to further enhance their knowledge of the wider ITV output. In May and June, the trainees swap regions for a further two months for contrast.

The ITV News Group Bursary Scheme is a pre-entry level scheme for ten broadcast journalism students. The bursary funds their course fees and basic subsistence for the duration of their course up to nine months. They are placed in a newsroom and given a mentor. On successful completion of their course, they receive a six-month contract in the same newsroom. In 2005, 60% of the successful candidates were from ethnic minorities.

Current affairs

ITV's current affairs programming is more than an extension of its news broadcasting services. It combines special investigations with in-depth coverage of topical issues for a mass audience.

Our flagship current affairs strand, *Tonight With Trevor McDonald*, increased its ratings, averaging 3.3 million viewers and a 15% share across 2005, as well as provoking much debate. Special editions covered the collapse of Rover, the only British TV interview with President Bush, an expose of the rise of the mobile phone craze "happy slapping", and a year long undercover investigation of "Fathers 4 Justice". There were also programmes on council tax protests, binge-drinking, children's nutrition, stalking, fly-tipping, supermarket rip-offs and post-natal depression.

In the run-up to the General Election, Jonathan Dimbleby conducted in-depth interviews with the leaders of the main political parties. We held a high-profile G8 debate before the summit, bringing together Gordon Brown, Kofi Annan, Benjamin Mkapa (the President of Tanzania) and Chris Martin of Coldplay. We also hosted a debate between Tory leadership rivals, David Cameron and David Davis. In addition, ITV provides more than 200 hours of regional current affairs programming, examining some of the issues of importance to the individual areas of the country.

3,532

In 2005, we broadcast 3,532 hours of regional news which reached an average of 23.7 million viewers (equivalent to 42% of the UK population)

"Fathers 4 Justice" on *Tonight with Trevor McDonald*



ITV's high-profile G8 debate



Reflecting society

On-screen diversity is a crucial strand of ITV's commitment to equal opportunities and reflecting modern society – and one that has a wide-ranging social impact.



Portrayal of social issues is not confined to news and current affairs. ITV has a long tradition of making drama and entertainment programmes that engage society in the important issues of the day. This is not simply out of a sense of social responsibility but because the more relevant our programmes are to our audience, the more popular they will be.

Ofcom recognised the social value of this function in its 2005 review. Two of the purposes of public service broadcasting identified by Ofcom are: to reflect and strengthen our cultural identity through original programming at national and regional level and to make us aware of different cultures and alternative viewpoints through programmes that reflect the lives of other people and other communities.

Cultural diversity

At the most direct level, television reflects society simply by the diversity of the people that appear on it. On-screen diversity is a crucial strand of ITV's commitment to equal opportunities and reflecting modern society – and one that has a wide ranging social impact.

Diverse casting

ITV soaps have continued to feature prominent characters and storylines that reflect the cultural communities and ethnic minority groups in the UK. The Bill, Footballer's Wives and Coronation Street all feature an ethnically diverse cast, including leading roles. The Bill and Coronation Street were recognised at the Race in the Media awards 2005.

The English Harem was a humorous story based on a novel about an English woman marrying into a Muslim family. Angell's Hell was a comedy drama featuring Sanjeev Bhaskar and several other principal characters from a minority ethnic background. William & Mary had a high percentage of ethnic minority portrayal as well as featuring two blind actresses.

2005 saw Britain's first and longest serving black newscaster and the face of ITV News, Trevor McDonald, retire. However, Nina Hossain continues at ITV1. Regionally, ethnic diversity is represented by Lisa Aziz at ITV West, Joyce Ohajah at ITV London, Tony Morris at ITV Granada and Sameena Ali-Khan at ITV Central.

On-screen diversity monitoring

In 2005, ITV made important strides in monitoring our on-screen portrayal of diverse gender, ethnicity, disability and age. Bringing together separate, pre-merger methods of portrayal monitoring, we established an automated system for recording on-screen diversity across the production, news and broadcasting areas of the business.

Data from every programme produced is collected and monitored. This information is collated into quarterly portrayal reports (see table on page 16). We also carry out a "snapshot" audit over two weeks in the autumn to ensure that the ethnicity mix has been extended to the whole of ITV1's output. The project aims to reveal how representative our programming is and adds depth by measuring main, secondary and background characters in national and regional programmes.

On-screen Diversity 2005

	2005 %
White	86.4
Black	4.9
Asian	5.9
Chinese	0.4
Mixed race	0.6
Other	1.8
Total non-white	13.6
Disability	0.5
Gender Women	39.0
Age Over 55	13.7

11.7%

On-screen portrayal data can be broken down by genre – for instance, the average 2005 representation of ethnic minorities in News, Sport and Current Affairs was 11.7%

175,000

In November 2005, This Morning's website received 175,000 hits

Importantly, regional productions in particular have been able to react quickly to the objectives we have set ourselves. In 2006, we will embed the portrayal monitoring data into our process for internal programme reviews, performance reviews for producers and making new programmes. Portrayal monitoring training has also been designed to ensure the consistency of our approach to measuring positive and negative on-screen portrayal. ITV's success in capturing on-screen portrayal information depends on production teams valuing their performance in this area and is an issue about which we constantly communicate.

The Cultural Diversity Network (CDN)

The CDN is an industry group composed of all the major British broadcasters whose aim is to increase the diversity of the television industry both on-air and behind the scenes. ITV took the chair in 2005 through Simon Shaps, Director of Television. In November 2005, the CDN held an annual conference on the topic of the business case for diversity with speakers from MTV and BP among others. The CDN commissioned the first ever comparable research into on-screen portrayal conducted across the member broadcasters in July 2005. This research has delivered measurable impact on the work being done across production to improve representation.

Soaps

A significant part of ITV's engagement with the British public takes place through the soaps. They are the most widely watched programmes on ITV's schedule. More than simply reflecting the lives of ordinary people, our soaps present characters and storylines that challenge social attitudes and encourage debate in homes around the country.

Coronation Street won the award for the Best Portrayal of the Lives and Viewpoints of Disabled People at the Royal Association for Disability and Rehabilitation (RADAR) People of the Year Awards 2005. The award was for the storyline involving the arrival in Weatherfield of Freda, Emily Bishop's niece. Through this funny, nosy, smart character who just happened to be hearing-impaired, a range of reactions to disability were explored. Ali Briggs, the actress who played Freda, appeared on This Morning to talk about the popular storyline, and See Hear featured a behind the scenes report.

Over the year as a whole, Emmerdale and Coronation Street managed to deal with an incredible range of topical social issues. These included teenage pregnancy, alcoholism, smoking, diet and health, fathers denied access to kids, child abuse, single mothers and homophobia.

Dramas

Among ITV1's output of one-off dramas in 2005, many broached topics of social interest. Footprints in the Snow was the moving story of a woman's battle with paralysis. Life Begins had a storyline based on Alzheimer's, Dirty Filthy Love featured obsessive compulsive disorder while Walk Away and I Stumble featured a main character with a brain tumour. An episode of The Brief II featured a lead character with Asperger's Syndrome; strong contacts were built with specialists in the autistic community and a web address given at the end of the programme.

Emmerdale tackled teen pregnancy



Footprints in the Snow: a woman's battle with paralysis



Daytime, factual and religion

Investigative, informative, independent and sometimes provocative documentaries are one of the staples of ITV's programming. In 2005, we exceeded our Public Service commitment to documentary broadcasting with 200 hours of socially-aware television for a mass audience.

Our documentary series, Real Life, continued its tradition of dealing sensitively with people coping with difficult conditions such as facial deformity, obsessive compulsive disorder and Tourette's Syndrome. This Morning plays an important role in our educational output, providing information and advice in an informal and accessible way. Health issues covered by the programme included coping with blindness, eating disorders, Alzheimers and obsessive compulsive disorder. Charlie's Story followed Charlie Walduck as he lost 22 stone through a programme of diet and exercise. The programme also featured the first-ever live smear test on television.

49Up and 21Up USSR were new instalments of popular documentary series that featured revealing accounts of social history. Elsewhere, our factual programming contained a strong element of inspiration and transformation with Teenage Tourette Camp and Bad Lad's Army.

In 2005, ITV focused on making its religious output more accessible, topical and relevant. Rageh Omaar's Tsunami Journey was a moving visit to the Tsunami hit countries in South East Asia to talk to people about how the disaster affected their faith. Mosque was a topical and reactive series on Islam which incorporated reaction to the Pakistan earthquake. It included full coverage in Arabic of the celebration of Eid, the only time ITV has covered a full Muslim act of worship. ITV1 provided live coverage of the Pope's funeral and also broadcast an in depth interview with the Archbishop of Canterbury.

Children's TV

ITV1 broadcast around ten hours of children's programmes a week covering the range from pre-school to drama and factual programmes, the majority of which was originally commissioned. In the face of intense competition from digital channels, our originally produced pre-school, Pocoyo, launched on ITV1, creating a niche with high quality, innovative animation. Our new factual entertainment show, Prove It!, launched successfully alongside our regular factual series, How 2 and Art Attack.

Children's ITV (CiTV) was nominated for a record number of BAFTAs and won two in 2005 for My Life as a Popat (about a young Asian boy) and The Little Reindeer. Children's programmes on ITV have the highest levels of on-screen diversity portrayal on any channel, with principal characters and presenters in programmes including Ministry of Mayhem and Jungle Run.

ITV is also a 20% shareholder in Teacher's TV, a channel broadcast on digital satellite, cable and Freeview. It is the first digital channel in Europe to focus on the education profession with many programmes tailored to the National Curriculum as well as good practice, news and resources. Editorially independent, the channel is backed by a four-year £60 million budget from the Department for Education and Skills.

Helplines

When we expect a programme to generate significant public interest we help viewers affected by the issues raised to find sources of advice and support. This often means broadcasting the number of a helpline run by a relevant support group or providing information on Teletext or the ITV website. We also publish bespoke material.

This Morning generated a significant amount of support material and factsheets and helplines also accompanied many of our factual programmes including Deep Jungle, Driving Mum and Dad Mad, Bad Lad's Army and Love Child. Love Child alone generated 6,500 viewer calls to the information and support line.

In November 2005, This Morning's website received 175,000 hits. An episode of Real Life called Beating Breast Cancer attracted over 7,500 enquiries while 429 people requested an obsessive compulsive disorder information pack after a show called Real Families: The Man Who Loved the Number 12.

Pocoyo: originally produced pre-school animation



The BAFTA-winning My Life as a Popat



Supporting communities

ITV's social investment is made in two different ways: as airtime donated to good causes; and as cash donations to charities and social and environmental projects.

Television has a unique ability to highlight a cause and reach into the public consciousness. ITV can add to that a regional infrastructure with close ties to its viewing communities. For this reason, airtime is often the most valuable gift we can give and it makes up the bulk of our donations.

In 2005, ITV came first in the Guardian's Giving List, a ranking of FTSE 100 companies by the percentage of profits donated to community investment, based on donations in 2004. Our donations in 2005 were worth £19.27 million, equivalent to 6.2% of our pre-tax profits. Of the total, £1.49 million was given as cash and £17.78 million as gifts in kind (predominantly airtime).

	Total	Cash	In kind	% of pre-tax profit
2004 Charitable donations	22.37	2.86	19.18	10.8
2005 Charitable donations	19.27	1.49	17.78	6.2

1.2 million

Over 1.2 million people took part in ITV's National Walking Day

£19.27 million

ITV's 2005 donations were worth £19.27 million

Campaigns

In 2004, ITV experienced significant success and acclaim with the national health and fitness campaign, ITV's Britain on the Move which encouraged an increasingly sedentary British public to exercise and fight obesity by walking 10,000 steps a day. The campaign was a great success and the British Heart Foundation encouraged ITV to repeat the campaign because of its significant effects on the awareness of the relationship between health and heart disease.

In 2005 the campaign returned with an added dimension and working in partnership with The Year of the Volunteer aimed to encourage people to get active in their communities as well as getting active themselves.

The campaign launched in all 11 ITV Regions with the search for ITV Local Heroes, a competition which asked viewers across the UK to nominate unsung heroes who give their time to good causes within their communities. Each ITV region featured a series of profiles of Local Heroes within their news programmes. Celebrity judges and viewers chose 11 winners who won cash for their causes and were feted at a Buckingham Palace reception by Her Majesty the Queen.

Over 35 hours of programming across regional news, bespoke half hour programmes, GMTV and This Morning supported the campaign in 2005. Even the characters of Coronation Street volunteered to clean the famous "Red Rec" for the local kids in a major storyline. Over the year, the campaign also profiled a Great Walk across England and Wales with long distance walker, Karen Churches, on a charity marathon that culminated in the second ITV National Walking Day in September.

Over two years, ITV's Britain on the Move has:

- received more than 600,000 calls to a special information line;
- received 21 million hits to the ITV Britain on the Move website;
- devoted 93 hours of airtime to the campaign;
- raised £1.3 million for charities including The British Heart Foundation;
- encouraged more than 70,000 people to sign up for information about volunteering;
- encouraged over 1.2 million people to take part in ITV's National Walking Day.

The campaign won the National Chartered Institute of Public Relations Excellence Award for Corporate Social Responsibility.

Volunteering

Concurrent with our national televised campaign, we encouraged and supported our own staff to volunteer. Firstly, we ran an employee competition called ITV Local Hero 2005 via our intranet. Each ITV region voted for a member of staff on the basis of their voluntary charitable or community activity. The winner went on to the national final, attracting more intranet voting activity than for any other competition.

Secondly, ITV awarded a day's paid time for staff to go out and volunteer. One team from ITV Manchester used the opportunity to decorate a café, while in London another team built a sensory garden at a school in Plumstead.

ITV Local Hero Awards



ITV's stand at Skillcity giving young people the chance to experience how TV works



Business in the Community % 2005

CIPR EXCELLENCE AWARDS 2005 WINNER

A vote for charity

Some network programmes such as I'm A Celebrity...Get Me Out Of Here! raise money for charity through telephone voting. Every viewer that votes pays a small donation to charity. The fifth series which ran in 2005 raised £430,000. Celebrity Love Island collected £135,000 which was donated to the DEC Niger Crisis Appeal on our behalf by the Charities Aid Foundation while money raised by Ant & Dec's Gameshow Marathon went to charities as diverse as the Belfast Opera House and the Cleft Lip and Palate Association.

The Community Channel and the Media Trust

ITV is a corporate member of the Media Trust, supporting many charities across the ITV regions with communications training, video and website production, PR, marketing and mentoring. The Media Trust partnered ITV's Britain on the Move campaign and the ITV Year Of Volunteer, hosting events to inspire the media industry to back the campaign. Community Channel's interactive "red button" service sat behind Coronation Street's volunteering storyline, enabling viewers to find volunteering opportunities near where they live.

The People's Millions

ITV and the Big Lottery Fund launched a three year partnership called The People's Millions through regional news programmes. Over three years, £66.5 million of lottery money will be distributed to community projects chosen by viewers of ITV regional news. The first £2.5 million was distributed in 2005 to 50 projects.

Campaign 2006

ITV has agreed to be a Founding Partner of The Russell Commission which aims to achieve a step change in youth volunteering. Our campaign plans for 2006 will focus on this through our news and regional programming.

Local community action

Each ITV company is active in its local community. As well as on-air support for our national campaigns, ITV Regional News programmes also encouraged viewers to clean up local communities with The Big Clean Up. Our business also gave on and off air support to many charities and community initiatives. These are a few examples:

ITV Anglia

Sponsored and supported the inaugural Norfolk Creative Awards by hosting the judging panel, editing the showreels and supplying award presenters.

ITV Border

ITV Border is associated with the Excellence in Cumbria Awards, a Learning and Skills Council event and is again involved for 2006.

ITV Central

Supported a Birmingham Royal Ballet project aimed at attracting young people from culturally diverse backgrounds into dance training.

ITV Granada

Launched The £1 Million Challenge in partnership with Sport England North West to give grants to businesses to encourage their workers to get fitter as part of ITV's Britain on the Move Campaign.

ITV London

Featured a weekly appeal for missing people – Missing – as part of a 12 year partnership with the National Missing Person's Helpline.

ITV Meridian

Joined forces with the charities Operation Christmas Child and Samaritan's Purse to run a pan-regional Shoebox Appeal, collecting gifts for children in third-world countries.

ITV Tyne Tees

Supported Adult Learners, including televising the regional awards ceremony for students who had overcome disability, unemployment and health problems.

ITV Wales

Encouraged creativity by supporting the Celtic Film and TV Festival, BAFTA Cymru, Black Welsh Film Festival and the Welsh Heritage Schools Initiative.

ITV West

Created a bursary for Martin Elson, a deaf film maker, to produce and direct a freelance project about deaf child dancers.

ITV Westcountry

Supported over 50 charities including the British Red Cross, the Devon Community Foundation, the Children's Hospice South West, and the NSPCC.

ITV Yorkshire

Hosted the Yorkshire Young Achievers Awards and made six short films about the award winners that were shown on the night.



The success of ITV's Britain on the Move showcased television's unique ability to reach into the public consciousness.

Responsible advertising

The sale of airtime is ITV's main source of revenue. Maintaining public confidence in advertising in commercial breaks is therefore central to ITV's business. The content, frequency and scheduling of commercial breaks require careful management to ensure that viewers understand and trust how advertising and sponsorship works. Like all commercial broadcasters, ITV is subject to detailed regulations concerning advertising.

ITV's role is to provide the resources and expertise to ensure the rules are applied diligently and intelligently and that we are responsible to our viewers and responsive to advertisers' needs.

Context

Social norms change over time. What was acceptable in the past may not be today and vice versa. For example, cigarette advertising was permitted on television until 1967 but is not allowed now. Sometimes the regulations are relaxed to reflect changing attitudes and needs. Condom advertising, for example, was first allowed in 1987 in response to the Government health education campaign on AIDS.

During 2005, the broadcasting and marketing industries have discussed a number of topical issues involving advertising with the regulator, Ofcom. Advertising of alcoholic drinks has long been subject to detailed rules and guidelines. In response to the Government's Alcohol Harm Reduction Strategy these were tightened further in October 2005. The focus of the new rules is to avoid advertisements that might attract teenagers to alcohol.

Rising levels of obesity, particularly among children, is also on the agenda. Ofcom is currently reviewing the advertising of food to children. ITV takes children's health seriously and we will be working with other broadcasters to ensure that the regulation of advertising to children is balanced so that we are able to continue to fund high quality children's programmes, whilst taking care to ensure that the messages communicated to children are appropriate.

New technology also creates new challenges. The proliferation of cable and satellite channels means that ITV1 operates in a more fragmented and competitive market. Additionally there is the possibility that with the arrival of personal video recording technology, viewers will fast forward commercial breaks. Product placement (the paid-for featuring of products in programmes), is currently not allowed in the UK but discussions are taking place about liberalisation of the rules. ITV is following the issue closely and exploring new revenue opportunities to grow and maintain programme investment into the digital age. We would welcome product placement as long as it is appropriately identified to viewers and does not interfere with programme editorial integrity and viewer enjoyment.

How TV advertising is regulated

ITV complies with regulations designed to ensure that the content and scheduling of advertising is appropriate and will not mislead or cause harm to our viewers. The main regulations are the BCAP Television Advertising Standards Code (the TAS Code) and Rules on the Scheduling of Television Advertisements, regulated by the Advertising Standards Authority (ASA), the Ofcom Broadcasting Code and Ofcom rules on the amount and distribution of advertising. The TAS Code is available on the ASA's website www.asa.org.uk.



During 2005, BACC reviewed almost 30,000 scripts for commercials and nearly 50,000 tapes.



Regulation of advertising content

It is in ITV's interest to ensure viewers accept commercial breaks and trust the advertisements they see on ITV.

All advertisements shown on ITV (and nationally on all UK commercial channels) are vetted to ensure that they meet the requirements of the TAS Code and will not cause offence to viewers. This is done by a team of 28 specialists in the Broadcast Advertising Clearance Centre (BACC). BACC reviews scripts and storyboards for TV advertisements before they are filmed and provides pre-transmission clearance of finished advertisements. The advertiser or advertising agency is alerted to any potential infringements of the Code and asked to substantiate any claims made about products or services. Every commercial you see on ITV has been examined and cleared by BACC.

Particular attention is given to sensitive categories such as advertising likely to be seen by children, advertising of alcohol, food and medical products. Advertisements must not cause serious or widespread offence against generally accepted moral, social or cultural standards, or offend against public feeling.

The amount and distribution of advertising

The amount and frequency of advertising is regulated by Ofcom. Ofcom licences limit the amount of advertising ITV can broadcast to seven minutes-per-hour averaged over a day. In any particular hour the precise amount may vary and during peak viewing times (6.00pm to 11.00pm) the maximum in an hour is eight minutes. The length of commercial breaks within programmes is also limited to be shorter than the breaks between programmes.

Programme independence

Broadcasters are also required to ensure that there is sufficient separation between editorial and advertising material. The Broadcasting Code requires broadcasters to ensure that they maintain the independence of editorial control over programme content and that the advertising and programme elements of a service are kept separate.

Programmes may have some or all of their costs met by a sponsor who receives a credit on screen. A sponsor may not influence the content or scheduling of a programme and the sponsorship must be transparent to the viewer. Furthermore, news and current affairs programmes cannot be sponsored.

To minimise risk of confusion between advertisements and programmes, advertisements featuring a well-known personality or performer, or a person who takes a leading role in or whose appearance is central to a programme, must not be scheduled in breaks in or adjacent to that programme.

Undue prominence of products in programmes is not permitted. This includes the presence of or references to a product or brand where there is no editorial justification. Product placement is also currently restricted in the UK.

Cinema advertising

ITV's cinema screen advertising business in the UK and the Republic of Ireland, Carlton Screen Advertising, is the market leader and accounts for 63% of all UK cinema admissions. Cinema advertisements are subject to the Code of Advertising Practice for non-broadcast media (also administered by the ASA) that has similar rules to the TAS Code.

Progress in 2005

Compliance with the Television Advertising Standards Code

	2004	2005
Number of complaints	9,860	13,059
Number of advertisements causing complaint	3,414	2,284
Number of advertisements ruled by the ASA to breach the Code	155	165

During 2005 BACC reviewed almost 30,000 scripts for commercials. A very small proportion of advertisements broadcast cause complaint. Complaints from individual viewers, from organisations or from competitor companies are investigated by the ASA. In 2005 the ASA assumed full responsibility for this role that in 2004 had been undertaken by Ofcom.

One measure of success of the clearance system is how well advertisements passed for broadcast stand up to scrutiny. The table shows the total number of complaints, the number of advertisements causing complaint and the number of advertisements judged to have breached the TAS Code. This data shows that the majority of complaints are not upheld and reflects the increasing total number of advertisements being passed by BACC. The very low percentage of advertisements being found in breach of the TAS Code is evidence that the system functions well.

Even with BACC's experience it can be difficult to anticipate when an advertisement will cause complaint. An advertisement in 2005 for a fried chicken chain received over 1,700 complaints, the largest number ever received about a single advertisement. The complainants objected to a scene in the advertisement in which call centre operators were seen speaking with their mouths full which they felt was bad manners and set a poor example to children. These complaints were not upheld by the ASA but a lesson has been learnt that manners are still regarded as being of importance in today's society.

Party Political Broadcasts

2005 was a General Election year and, as required by Ofcom's Broadcasting Code, ITV broadcast Party Political Broadcasts (PPBs) for the major political parties. Smaller parties may also qualify for a PPB if they are contesting one-sixth or more of the seats up for election. ITV is also required to carry local party political broadcasts in regions where local elections are taking place.

In this way, ITV, and other broadcasters play an important role in the democratic process, and the controls are necessarily rigid. Each political party has editorial control of its PPBs but ITV has a duty to ensure that PPBs do not infringe the Broadcasting Code rules on offence, taste and decency.

Behind the scenes

Creative economy

ITV is a leading investor in the creative economy, providing employment for a large proportion of the UK's actors, editors, directors, writers, producers, cameramen and other artists and technicians.

ITV spent around £1 billion on programming and production in 2005 and will spend even more in 2006 with our expanded roster of digital channels. Close to 50% of our programmes are made outside London and 33% were independent productions in 2005. This makes us one of the most significant investors in the UK's creative economy, providing employment for a large proportion of the UK's actors, presenters, writers, cameramen, producers, editors and other artists and technicians. ITV also helps young people acquire the skills they need to pursue a career in broadcasting and sponsors a range of awards to encourage creativity.

Production

ITV Productions is a leading driver of the UK creative economy, second only to the BBC in impact. For example, every year we spend over £15 million on drama scripts working with over 200 writers all over the UK. Our two northern soaps in particular ensure that we give opportunities to writers and actors that live outside the South East. Once a script is commissioned, the number of people involved in its route to screen multiplies exponentially. We spend around £70 million on actors each year from unknown extras through to established celebrities like David Jason. The whole range of creative skills from producing to lighting benefit from the extensive drama as well as entertainment and factual programmes we commission.

Regional Production

ITV Productions operates three major production centres in Leeds, Manchester and London and satellite operations in Bristol and Norwich.

The Ofcom broadcasting review was published in 2005 and signalled a shift toward increased regional production for ITV. This was laid down in new Ofcom quotas requiring network production outside London to reach 50% of total originated hours and 50% of spend from 1 January 2006. Regional production already exceeded 33% of the total, driven by Coronation Street and Emmerdale and the regional news. Ofcom estimates that the changes will result in more than £40 million of production moving outside London in 2006 – a major boost for the creative economy of regional Britain.

ITV Granada – a case study

ITV Granada's impact on the regional economy was assessed in a 2005 report. In producing around 1,000 hours of programmes for ITV and other broadcasters in 2004, the report found Granada was directly and indirectly responsible for generating regional income of between £113 million and £127 million and supporting 4,500 jobs in the region. The report found that ITV's continuing presence in the North-West has made it the hub of a growing creative industry.

Independent Production

In 2005, ITV commissioned over 30 different independents making in the region of 2,400 hours of everything from high-end drama to cheaper daytime programming. Some key independents have made their name and reputation with ITV programming. Shed Productions with *Footballers Wives* and *Bad Girls* is a prime example. ITV is particularly keen to encourage independents in the regions.

Regional Production Fund

To ensure that ITV meets its new regional production quotas and at the same time continues to sponsor emerging talent, we have created a ring-fenced fund for production outside London. The Regional Production Fund is worth £3 million a year. The money can only be awarded to new-to-network producers and can be used to commission programmes, provide development funding or long-term investment in independent production companies.





Training

ITV is involved with organising and supporting a wealth of initiatives to improve skills and training in our industry.

Writers Schemes

In association with Screen Yorkshire, Arts Council Yorkshire, Northern Film and Media, New Writing North and North West Vision, ITV runs a New Television Writers Initiative (2003–2005). In the autumn of 2003, we selected six promising writers who were new to television. Their training has run over two years and included the opportunity to gain experience on *Emmerdale* or *Coronation Street*, work with the storyliners and write a trial script. Three of their original projects are in development. ITV Yorkshire also has informal “mentoring” of writers.

Director Schemes

For a second year, ITV offered a Director Development Scheme. In 2005, application to the scheme was restricted to internal candidates but in 2006, two external candidates will be offered seven weeks shadowing an *Emmerdale* director and the opportunity to direct their own episode at the end of the training. Competition for places is fierce, and all trainees have gone on to direct blocks on the soaps.

£600,000

ITV provided funding worth around £600,000 to support industry training schemes and organisations in 2005

The South Bank Show featuring Ian McEwan



ITV Junior Workshop

Now in its 22nd year, the ITV Junior Television Workshop continues to provide training opportunities for young people to pursue a career in broadcasting. The 200 strong membership, aged from 7–21, is drawn from the Midlands and has a diverse cultural and social mix. Over the years, thousands of youngsters have benefited from time spent with the workshop. These include twice Oscar-nominated actress Sam Morton (*Minority Report*, *Sweet and Lowdown*), multi-award winning writer/director Julian Kemp (*Roger and the Rottentrolls*, *Wise Up*) and *Teletubbies* and *Cbeebies* presenter Pui Fan Lee.

In 2005, the ITV Junior Television Workshop received BAFTA's British Academy Children's Film and Television Special Award in recognition of the outstanding development of young talent for film and television.

Funding training

We provided funding for many industry training organisations during 2005. Our close relationship with Skillset, the Sector Skills Council for the audiovisual industry, includes over £230,000 in funding and strategic consultation for an industry-wide action plan. In May, Skillset inaugurated National Skills Day to focus on learning new skills in the audiovisual industry. Skillset is chaired by Clive Jones, CEO of ITV News and Regions.

£3 million

ITV's Regional Production Fund is worth £3 million per year to new-to-network independent producers outside London

Agatha Christie's Marple being filmed on location



We also provided funding worth around £600,000 to support industry training schemes and organisations in 2005. These included the Freelance Training Fund, the National Film and Television School, The Actors Centre and broadcasting courses at Ravensbourne College.

The arts

ITV has a longstanding tradition of supporting arts in the UK. This year the South Bank Show featured subjects ranging from Alan Bennett to Eric Sykes while shows like *Pop Idol* and the *X-Factor* are playing their part in creating a new generation of performers. ITV won The Arts Council's decibel award recognising work that contributes to the development and promotion of ethnic diversity in the arts. We continue to sponsor many cultural bodies and events including the Black Filmmaker's Festival and Women in Film.

Our people

ITV employs 5,952 people worldwide. The majority, 5,857, are in the UK with the other 95 divided between Australia, Germany and the US. Due to the nature of television programme-making and broadcasting we also work with a large body of freelancers made up of writers, performers and camera crews.

ITV is committed to harnessing the talents of bold and driven individuals who can make a significant contribution to ITV. We ensure that we are in the best position to attract and develop such individuals through our knowledge of the industry and investment in the development and reward of our people. We aim to treat our employees fairly and with respect and have systems in place to provide a safe working environment for all.

A year of embedding change

2005 has been a year of considerable change as the 2010 brand strategy and subsequent restructuring have been embedded internally through a strengthening of our values and formalising our system for the personal development of employees.

We have obtained feedback from a large percentage of ITV employees through culture workshops, an employee census and employee opinion survey. In total, 73% of our people have benefited from training during 2005. In our first full year since the merger we have consolidated the HR practices of the former companies and optimised our employment policies. The year has seen the introduction of an all staff bonus scheme and continuing improvements in our approach to work-life balance.

Diversity

ITV's responsibility to reflect the UK population is as important off-screen as on. Beyond the ethical case, we see convincing business and creative reasons for employing a diverse workforce. The increase from 4.2% ethnic minority representation in 2004 to 6.4% in 2005 allows us to better reflect and serve Britain's minority population.

ITV's Diversity Strategy is set at Board level. To make sure diversity is embedded throughout ITV, responsibility for ITV's Diversity Policy is not owned by one department but is spread across ITV's business areas. In 2005, 25 diversity champions were elected from management teams across the business.

These champions have been instrumental in creating diversity action plans to deliver measurable diversity objectives in 2006. Targets to improve employee data collection and on-screen portrayal data collection were set for senior managers.

Each ITV business site also has its own diversity action group and initiatives. For instance, the Foundation Placement Scheme operates in Leeds, Manchester and London. This 12-month entry level scheme gives individuals from ethnic minorities the opportunity to gain a year's experience and skills training within ITV. In 2004, 75% of the placements gained employment either within ITV or the industry. In 2005, this figure currently stands at 72% with the placement year not yet complete.

To broaden awareness of ITV's focus on diversity we launched "DITVersity" in 2005. This website is part of The Watercooler, and explains the issues around diversity as well as offering support and opportunities to get involved. There are a number of diversity training courses available including "Introduction to British Sign Language" and "Cross Cultural Communication". 2005 also saw the launch of the ITV Values and Behaviours which will form part of all diversity training in 2006.

6.4%

Our percentage of ethnic minority representation increased to 6.4% in 2005, allowing us to better represent multicultural Britain

5,952

ITV employs 5,952 people worldwide

Foundation Placement Scheme trainees at a Cultural Diversity Network event



Workplace profile (UK only and excl. GMTV)	2004	2005
Number of women employees	2,842	2,647
Number of women employees (%)	46.6%	47.6%
Number of ethnic minority employees	240	291
Number of ethnic minority employees (%)	4.2%	6.4%
Number of employees with disability	72	93
Number of employees with disability (%)	1.2%	2%
Number of employees over 50	na	932
Number of employees over 50 (%)	na	17%
Total number employees	6,269	5,556

ITV took the chair of the Cultural Diversity Network (CDN) with Simon Shaps, Director of Television, representing the Company. In 2005, the CDN organised the "Colour of Television" season of events – including seminars such as "Is the News All White?" and "Diversity – Making it Pay". A northern branch of CDN has also been formed in Manchester where ITV Granada played host to an event called "Move On Up North". It was a day where black and ethnic minority applicants could meet with production and commissioning executives to pitch ideas and get valuable advice. We also work with other NGOs including Broadcast and Creative Industry Disability Network and Opportunity Now.

The employee census and opinion survey (see page 27) have improved the accuracy of our employment data. We currently monitor gender, age, race and disability. In 2005, female employees represented 42.4% of the management community and 47.6% of the total workforce. Figures on disability have not risen significantly. This may in part be due to a reluctance to self-report disabilities and we will be trying to reduce this by explaining the support available to disabled employees.

Diversity on-screen is covered on page 15.

In 2005 the percentage of female employees rose to 47.6% of the total workforce.



Benefits and incentives

ITV aims to offer a comprehensive remuneration, benefits and incentive package to help us recruit and retain the best talent in the market. We regularly review these schemes to ensure they remain competitive. The range of benefits we offer includes long service retirement awards, a contributory pension scheme, childcare support and life assurance. Details are contained in the ITV Benefits booklet provided to all staff.

Our incentive programmes are structured to give our employees a stake in the future success of ITV. In 2005, we introduced an annual bonus scheme which allows all employees to receive a bonus when ITV is financially successful. ITV employees can also participate in our Sharesave Scheme and Prime Mover, our innovative bonus scheme that encourages our employees to develop great programme format ideas. Through Prime Mover, employees who develop successful new programme formats are rewarded with a share in the profits. A significant part of senior managers' remuneration is performance-related. Their incentives are based on achieving corporate financial targets and individual targets that include diversity and people development goals.

Freelancers and creative talent

We are committed to fairness in our dealings with freelancers and creative talent. Of 1,704 contract/freelance staff, 73% received training. Work has begun to provide ITV with a comprehensive database to record performance and skills information for the freelance community.

Contracts with performers are usually negotiated through agents or lawyers under collective agreements with trade unions including Equity, the Musicians Union and the Writers Guild of Great Britain.

Some ITV programmes use child performers. We comply with child employment law and guidance from the Producers Rights Agency on child performers. In addition we have developed our own guidelines for use by our casting departments working with child performers.

Work-life balance

ITV recognises that supporting a flexible workplace is an important factor in attracting and retaining talent. Our Flexible Working Policy introduced in 2003 was launched to coincide with changes in legislation and sets out to support employees in achieving a better work-life balance.

Our Policy ensures that any employee who cares for children under six years old, having been employed for six months, may apply for a flexible working option. In 2005, we received 61 applications for flexible working and were able to deliver flexible working options for 55 of those people.

Grievances

At ITV we understand that one of our employees may, at some time, have problems or concerns about their work. While some grievances can be resolved informally, the Grievance Policy provides an opportunity for any ITV employee to communicate such concerns in a more formal way.

Redundancy

During 2005 ITV made both voluntary and compulsory redundancies that were managed in line with ITV's Redundancy Policy. The Policy establishes a period of consultation during which support is provided to assist the employee in securing suitable alternative employment. Where this is not possible, the employee receives a redundancy payment in line with their entitlement.

Training and development

A new team was assembled in 2005 to co-ordinate our training strategy across the business, improving all skill levels and emphasising leadership development throughout the organisation.

Every permanent employee receives an annual career development review focusing on progress during the year and identifying development needs. Managers and employees can use the Development Guide on the Watercooler, our employee intranet. The Development Guide is a one-stop interactive source for information about all the training available to employees. It was completely overhauled last year resulting in a higher uptake of training opportunities.

A new team was assembled in 2005 to co-ordinate our training strategy across the business, improving all skill levels and emphasising leadership development throughout the organisation.

Training at ITV includes both off-the-job courses, such as technical and programme courses in camera operations, presentation skills for journalists, script writing and copyright law; and on-the-job training such as coaching and mentoring. Our overall expenditure on off-the-job training in 2005 was £5.9 million. This represents 0.27% of our total revenue and 1.93% of payroll. 11,778 training days were delivered in 2005 with 1,588 staff receiving technical training. Our internal training courses include Researching for TV, ITV Production and DV Camera Training.

In 2005, we launched the "Creating Strong Leaders Programme", a development programme for all leaders across ITV. In total, 385 managers have attended one of the three management development programmes. The aim is for all managers to undergo this training within three years.

Television's reliance on ever-changing technology requires that we keep our employees well-trained. For instance five regional newsrooms completed the move to digital technology in 2005 and a crucial part of the switchover was the continuous support given to all staff by individuals trained to "super-user" level.

Internal communications

Good two-way communication keeps employees up to date on company news and enables them to give feedback. The Watercooler continues to go from strength to strength with high levels of employee participation in competitions such as ITV Local Heroes (see page 18) and new sites dedicated to diversity and corporate responsibility. In 2005 we created a new post, Head of Internal Communications, to ensure continued focus on communication.

We have employee policies for Whistleblowing, Drugs and Alcohol, Stress, HIV/Aids and Equal Opportunities, and are currently working on a Home-working policy.

Employee survey

Our annual employee survey was carried out by MORI, an independent research company in July 2005. 54% of the workforce replied to questions covering life at ITV including working conditions, career opportunities and leadership.

On the whole, our employees expressed satisfaction in working for the Company with 65% saying they felt proud to work for ITV and 69% enjoying a strong sense of teamwork. 54% felt that ITV takes its social and environmental responsibilities fairly or very seriously. However, 58% did not feel there are opportunities to move careers into other areas of ITV and just 51% expressed satisfaction with their overall work/life balance. We are already addressing these issues with the new online Development Guide and Career Development Review processes outlined above. In terms of employee diversity, 30% said that the workforce does not reflect the diverse nature of our audiences and this too is being addressed by new efforts towards increasing both on and off-screen diversity (see above and page 15).

65%

of employees proud to work for ITV

54%

felt that ITV takes its social and environmental responsibilities fairly or very seriously

£5.9 million

Our overall expenditure on off-the-job training in 2005 was £5.9 million

Health and safety

Health and safety

Health and safety (H&S) is an employer's fundamental responsibility.

Although ITV is not a heavy industry, there are H&S risks associated with our business. For example, programme making typically involves large numbers of freelancers who may not be familiar with our H&S systems. TV studios contain electrical equipment that is frequently erected and disassembled for the requirements of a specific programme. Outdoor sets may require special safety measures to manage the risks connected with a specific environment such as traffic or working with heights. H&S is also relevant in our offices where there may be ergonomic issues.

We operate H&S management systems to reduce these risks and ensure that we provide a safe work environment. Our systems exceed legal requirements and are tailored to the needs of programme production.

H&S management

Our H&S Policy is based on guidance issued by the UK Health and Safety Executive (HSE). We have also developed ITV Codes of Practice for programme production and other areas not covered by HSE guidance.

Every employee has a responsibility to help maintain a safe workplace. In addition managers have specific responsibilities for health and safety.

During programme production responsibility for H&S is allocated to specific members of each production team. The producer has overall responsibility and is responsible for communicating H&S issues to cast and crew. Production risk assessments are carried out before each production where necessary. Our system was used by the HSE to develop their guidance document, Health and Safety in Audio-visual Production, Your Legal Duties, which applies to the whole industry.

ITV participates in several initiatives to improve H&S standards across the broadcasting industry. We are a member of the Broadcasting Joint Advisory Committee (BJAC), chaired by the HSE, and the Broadcasting Industry Safety Group. We also participate on HSE working groups to develop industry-wide standards.

Since February 2004, we have committed to only using freelance employees and contractors that have been assessed as H&S competent. Our Headhunter database is used to track freelancers' H&S assessments and help us meet this commitment.

There is a medical centre at each major ITV site, run by our occupational health department, to provide health screening and a referral service for employees. In addition, all ITV sites have Safety Committees and Communication Groups through which we consult with employees and trade union representatives on H&S issues.

H&S training

Training is an important element of our H&S management system. All employees receive some H&S training to ensure they understand our policy and take responsibility for reducing H&S risks in their workplace. Employees with specific H&S responsibilities receive more detailed training.

During 2005, we ran 220 H&S training courses which were attended by 1,177 employees and 299 freelancers.

Performance in 2005

We report work-related accidents, diseases and dangerous occurrences as required by the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 1995.

There were no work-related fatalities during 2005 and no H&S related fines or prosecutions. We are pleased that the number of major accidents has reduced to one in 2005. However the number and rate of accidents requiring more than three days off work has increased. We are assessing the underlying causes and will take steps to reverse this trend.

Health and safety

	2004		2005	
	Number	Rate per 10,000 employees	Number	Rate per 10,000 employees
Accidents requiring more than three days off work	18	26	23	41
Major accidents	7		1	
Fatal accidents	0		0	



Protecting the environment

ITV's main impacts on the environment are the energy and water we use at our sites and on location, and the waste we produce. We aim to manage and reduce these impacts. Following the Merger we are reviewing and updating our environmental policy, procedures, objectives and targets. During 2006 we will be trialling a new environmental management system at one of our major production sites.

We collect data on energy use, water consumption and waste. Data trends are affected by changes in the level of business activity, so to enable us to compare our performance over time we normalise our data in three ways – by production hours (hours spent on programme making), by floor area, and by employee numbers.

The data in this section is for 2004 and was verified by our environmental auditors during 2005. We are exploring ways to improve the efficiency of our data collection system and verification process following the Merger so we can bring our environmental reporting period into line with the rest of our CR report.

Energy and climate change

ITV's main energy sources are gas and electricity. Carbon dioxide (CO₂), emitted when energy from these sources is used is a greenhouse gas that contributes to climate change. We use energy in our offices, studios and warehouses for lighting, heating, cooling and running computer equipment. Business travel is another significant source of energy use.

During 2004, 550 tonnes of waste were recycled, a 35% increase on 2003.



Protecting the environment continued

We track consumption of electricity, gas and oil (used for heating and stand-by generators) at our sites. Our production sites in London and Manchester are served by combined heat and power generating units which help reduce our CO₂ footprint.

In 2004, our total energy use was 123,402 MWh, resulting in emissions of 38,000 tonnes of CO₂. Both our energy use and CO₂ emissions reduced by approximately 6% compared with 2003.

The trend in our three energy efficiency measures is approximately stable. Greater productivity in people and better space utilisation can lead to an increase in these parameters. More complex programme productions may also lead to higher energy use per hour.

During 2006 we are planning to assess the carbon footprint of one large production and one regional production facility in detail. This will enable us to better understand the opportunities within ITV to strengthen carbon measurement and carbon management practices.

Thinking global. Acting local

ITV Granada has taken a strong stance on global warming by signing up to two major campaigns. "Manchester is My Planet" is a climate change pledge to reduce the City's greenhouse gas emissions by 20% before 2010 to help the UK meet its international commitment. The aim is to enlist as many of Greater Manchester's three million workers as possible. Granada has also signed up to the Sustainability Northwest Climate Change Charter which commits companies to putting climate change at the heart of their internal decision-making processes.



Water and effluent

The studio floors of our programme sets need to be repainted frequently. We use water in floor paint scrubbers to wash off old paint before repainting. We also use water at our sites in toilets, kitchens and for cleaning.

Paint washings contain residues and are collected by contractors for safe disposal. We use water-based floor paints which have much less impact on the environment than solvent-based paints when applied and if a spill accidentally enters a drain.

We have introduced a number of simple water-saving devices to reduce consumption. These include taps that automatically turn off when not in use and water hippos that reduce the volume of water used in toilet cisterns.

In 2004, we used 109,459 cubic metres of water, a 4% reduction on 2003.

Waste and recycling

We generate a variety of wastes at our offices and studios including paper, videotapes, wood used in scenery and printer cartridges. We aim to reduce waste and recycle where possible.

Waste disposed to landfill in 2004 was 1,100 tonnes, a 42% reduction from 2003. This was due in part to a higher level of recycling. During 2004, 550 tonnes of waste were recycled, a 35% increase on 2003.

We therefore easily achieved our target to reduce wastage of raw materials by 10% on 2000 levels by 2005, actually achieving a 60% reduction.

42%

In 2004, our disposal of waste to landfill was reduced by 42% compared with 2003

6%

In 2004, we reduced our CO₂ emissions by approximately 6% compared with 2003

Studio floors need to be repainted frequently



Other impacts

Ozone-depleting substances

We use small amounts of ozone depleting gases to top up our air-conditioning systems. These are being phased out.

We have a register for air conditioning systems at our main sites that list the quantities of ozone-depleting substances contained in these units.

Local communities

Local communities can be affected by noise from our sites or when we are filming on location. Noise is a particular concern if we need to move scenery or carry out refurbishment work at night.

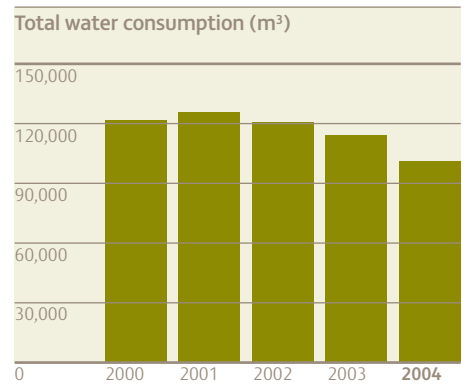
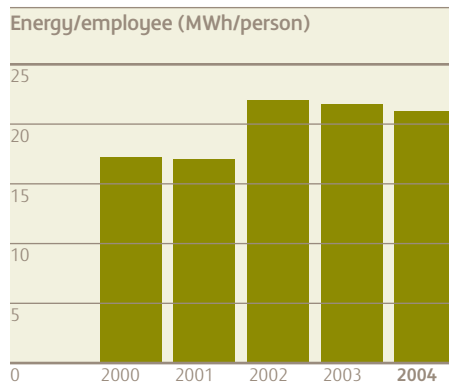
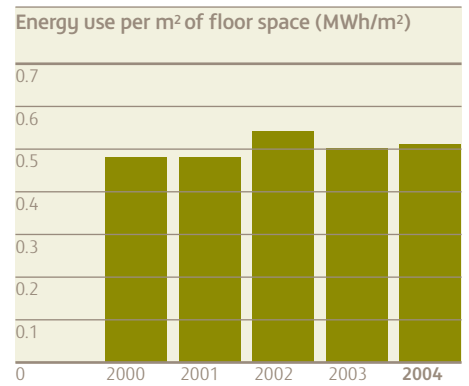
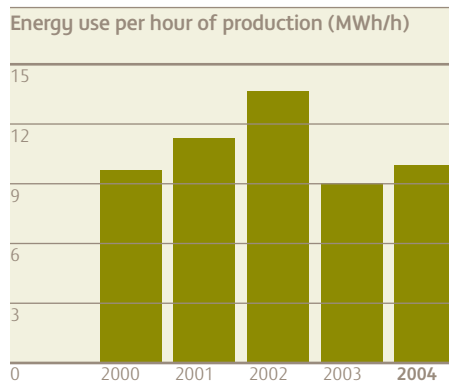
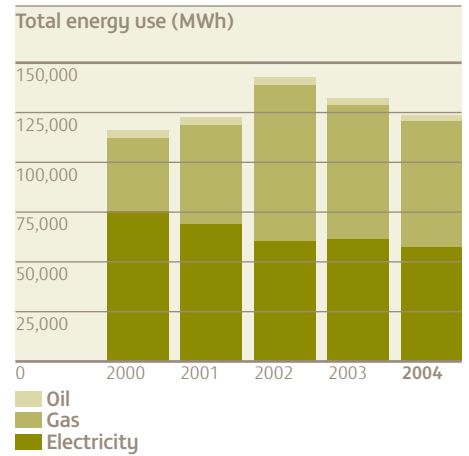
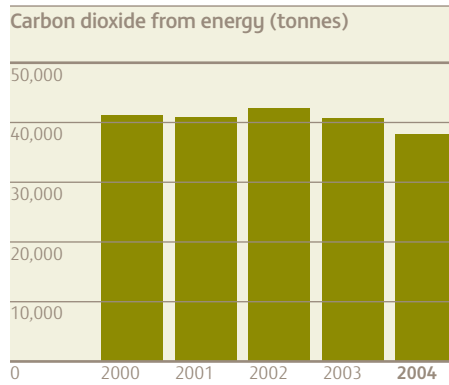
We make every effort to reduce noise from our sites during filming. There were no noise-related complaints or enforcement actions during 2004 or 2005.

Contaminated land

Land may become contaminated when hazardous substances such as oil or chemicals leak or are accidentally spilled. There are no known instances of contaminated land at any of our sites.

Compliance

There were no breaches of environmental legislation, pollution incidents, enforcement actions or prosecutions against ITV in 2004 or 2005.



Some 2003 data has been restated due to internal reporting inaccuracies. ITV has since improved its data collection system.

About ITV

ITV plc is a leading UK media company, owning all of the regional Channel 3 licences in England and Wales, which together account for over 90% of ITV1 advertising revenues. ITV owns ITV2, ITV3, ITV4 and Men & Motors, the fast growing free-to-air digital channels.

ITV's production arm (ITV Productions) comprises the largest commercial television production company in the UK and is one of Europe's largest programme distributors.

Scope of report

This report covers ITV's core activities during the calendar year 2005. Environment data are for 2004.

ITV at a glance:

Turnover	£2,177 million
Operating profit	£329 million
Profit before tax	£311 million
Earnings per share	5.4 pence
Number of employees	5,952
ITV1 annual average audience	6.4 million
ITV1 daily audience reach	26 million
Investment in ITV programme making	£1,044 million

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Further information

Please visit the Responsibility section of the company website at www.itvplc.com.

ITV Regions

Anglia: www.itvregions.com/anglia
Border: www.itvregions.com/border
Central: www.itvregions.com/central
Granada: www.itvregions.com/granada
London: www.itvregions.com/london
Meridian: www.itvregions.com/meridian
Tyne Tees: www.itvregions.com/tyne_tees
Wales: www.itvregions.com/wales
West: www.itvregions.com/west
Westcountry: www.itvregions.com/westcountry
Yorkshire: www.itvregions.com/yorkshire

We welcome comments and feedback on our CR activities. Please email or write to us at:

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Consultancy Context

Design and production Radley Yeldar

Print St Ives Westerham Press, environmentally accredited printers ISO 14001, using vegetable based inks.

Paper Hello silk, made from virgin wood fibre from sawmill residues, forest thinnings and sustainable forests in Europe. It is fully biodegradable and recyclable and produced in mills which hold ISO 9002 and ISO 14001 accreditation.

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