



63rd Meeting of the Advisory Committee for Northern Ireland (ACNI)

Thursday, 22 June 2017

Minutes

Present:

Maureen Edmondson	ACNI
Brendan Mulgrew	ACNI
Paul Wilson	ACNI
Sharon O'Connor	ACNI
Fiona MacMillan	ACNI
Rick Hill	Communications Consumer Panel
Andrew Colman	Content Board / ACNI
Jonathan Rose	Ofcom
Sinéad Lee	Ofcom
James Stinson	Ofcom
Clive Carter	Ofcom

Apologies:

Fiona Boyle	ACNI
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1. Welcome, apologies, minutes from last meeting and matters arising

The Chair welcomed all to the meeting and noted apologies from Fiona Boyle.

The minutes of the last meeting were addressed and, subject to a minor amendment, were approved. Action points were discussed.

2. Director's Report: Jonathan Rose

Jonathan highlighted two points from the Director's Report:

- The mobile summit hosted by Ofcom in May, which included a video conference with representatives from the Scottish and Welsh governments on their respective Mobile Action Plans.
- The announcement in April by BBC NI of additional funding for local content online and on-screen.

There was a brief discussion on mobile phone roaming post-Brexit.

3. ACNI response to draft BBC operating licence and performance measures: Mary Elliott, Steven Ball, Jacquie Hughes

Rick Hill left the meeting.

The Committee discussed the draft response to the BBC consultation that had been prepared by the sub group and circulated.

They made the following general comments:

- ACNI is broadly supportive of the approach taken to holding the BBC to account as outlined in the consultation document.
- They note nations and regions as a cross-cutting theme throughout the whole of the operating licence and not restricted to fulfilling public purpose four.
- They would like Ofcom to be aware of the potential unintended consequence of the BBC having to hit quotas for network hours and spend, which could see more nations-produced content in off-peak. The Committee would like to see the BBC encouraged to continue its investment in high quality drama productions from Northern Ireland.
- They reemphasized the Committee's disappointment that the BBC's educational content onscreen is not ambitious enough nor does it address the curriculum in Northern Ireland.
- They emphasized the need for Ofcom to review the BBC's performance on a regular basis.
- ACNI also warned that the BBC may be reluctant to exceed quotas placed on it in fear that new higher quotas would follow.

There was also a discussion on the role for Ofcom in regulating online content from the BBC.

Action: Draft response to be updated to include comments and circulated among members for final sign off before the closing date of 17 July.

4. ACNI response to DCMS consultation on Channel 4: Kirsty Johnston

Rick Hill re-joined the meeting

ACNI discussed the DCMS consultation and made the following comments:

- ACNI believes that Channel 4 needs to broaden its outlook in terms of commissioning and output to reflect the Nations and Regions.
- The current quota for the nations is not stretching enough nor will it have adequate impact in Northern Ireland.
- There should be individual quotas for each nation and that these should be based on population size. ACNI would like to see a quota of 3% by volume and value for Northern Ireland.
- There is no evidence that a particular location will impact commissioning and in an age of digital communication it should make no difference as to where the business is located. Nevertheless, a change in attitude and behaviour is needed and if that requires relocation, so be it. Northern Ireland would want to be included were that to happen.
- ACNI did not agree that Channel 4 taking shareholdings in production companies in excess of 25% would be an appropriate and effective way to enhance Channel 4's sustainability and regional impact
- However, we recognise the benefits of C4C investing up to 25% in smaller indies, as per their remit to support and stimulate talent.

Action Response to be drafted and sent to members for approval before the closing date of 5 July

5. 700MHz Update: Graham Plumb

The ACNI noted the following on the clearance of the 700MHz spectrum band:

- This process was required to free up spectrum to provide mobile data services.
- Re-tuning of TV sets will be straightforward for most people.
- There was a pilot switchover in Scotland earlier in the year – this seemed to go smoothly with few adversely impacted.
- Measures are being put in place to try and ensure that people currently receiving services from the NI Mux will continue to do so. A small number of people may require replacement aerials.
- Ofcom is working with the UK and ROI governments and broadcasters to ensure that the clearance runs smoothly.

6. Content Board Update: Andrew Colman

Andrew provided an update from the April meeting of the Content Board which included:

- The BBC operating licence and consultation document
- Discussion on nations production quotas for BBC
- Publication of the Fairness and Privacy complaint about the ITV drama series ‘The Secret’.

7. CMR 2017: Emma Wenn, Anubhuti Belgaonkar

Emma briefed the Committee on headline findings from the 2017 Northern Ireland Communications Market Report.

The report will be published in August along with the UK, Wales, and Scotland reports. As well as printed versions of the report, Ofcom is also producing an interactive charting tool this year to allow people to produce their own analysis of the report’s market research data.

The Committee:

- Noted that contextual information on changes in pay-tv subscription figures would be provided in the upfront Market in Context chapter on Video-on-Demand viewing.
- Queried figures on 4G service take-up and “data service availability” for 4G Android users, from the Telecoms and Networks chapter and asked for clarification.

8. Government and Parliamentary Update: Mark Sweeney

Mark briefed the Committee on recent developments. This included the Digital Economy Act, which has received Royal Assent. The Act provides for the appointment of an Ofcom Board Member for Northern Ireland. ACNI noted that the timing of this would depend on political developments in Northern Ireland, where the Executive will have a role in the appointment.

9. BT Protocol in Northern Ireland

Clive Carter, Director of Strategy, joined the meeting.

Clive briefed the Committee on the Strategic Review of Digital Communications. He outlined the rationale behind the review and how it will play out in Great Britain and Northern Ireland in regards to Openreach and BT Northern Ireland Networks (BTNIN). He stressed that the benefits of the decision to make Openreach more independent in Great Britain would be felt in Northern Ireland.

He highlighted the new Governance Protocol that BT is putting in place for BTNIN to ensure similar outcomes are delivered in Northern Ireland both for consumers and wholesalers of services. He said it was consistent with arrangements in Britain.

ACNI made the following comments on the Governance Protocol for Northern Ireland:

- It is broadly reassured by the tone and content of the Protocol and welcomes the fact that it will be published forthwith.
- ACNI has concerns about the flow of information between the Senior Management Team (SMT) of BTNIN and SMT of the wider BT Group especially since there is no independent governance and information systems are shared.
- ACNI emphasised the need for complete independence by BTNIN of how it makes decisions to invest in the network.
- ACNI asks Ofcom and other compliance bodies to ensure that the protocols are applied rigorously and that they are effective in achieving the desired outcomes.
- The Committee wants BTNIN compliance reports / statements in Northern Ireland to replicate the form and timing of those published in Britain.
- ACNI stresses that Ofcom needs to ensure that the different arrangements in Northern Ireland are acknowledged adequately and reflected in upcoming statements on Openreach.
- ACNI welcomes the intent to remove BT branding from BTNIN vehicles and personnel.

A follow up submission will be made to Ofcom with the ACNI position now that the protocols are available.

10. CCP Update: Rick Hill

Rick Hill updated the Committee on the current work of the Consumer Communications Panel.

He highlighted:

- The Panel's consideration of the implications of Brexit for the communications industry
- The Panel's update on progress on nuisance calls, including new services and devices for combatting nuisance calls. It was noted there will be a presentation on the issue at the next meeting of the Advisory Committee in October.
- Ofcom's first 'Comparing Service Quality' report and new online tools that allow phone and broadband customers to compare the performance of the providers of these services regarding answering customer calls, handling complaints and reliability of their services.

Action: Ofcom report and link to online tools to be distributed to members.

11. External Presentation – BT Protocol in Northern Ireland: John Strutt, Mairead Meyer

John and Mairead presented BT's new draft protocol for its operations in Northern Ireland to the Committee. The protocol sets out detail around how this "virtually separate" entity will operate in terms of organisation, governance, duties, treatment of information; customer consultation, regulatory compliance, and authority.

Committee members commented on the source of BTNIN's funding, compared to Openreach. BT confirmed that, as is the case for Openreach, funding comes direct from BT Group.

The Committee asked for clarification on the practicalities of independence when some members of BTNIN's senior management sit on BT's Senior Management Team in Northern Ireland. The Committee were reassured that "guidance notes" that underpin the Protocol would guide employees how these are dealt with.

12. AOB

Sharon O'Connor and Fiona Boyle's terms on the Committee come to an end in August. The Chair thanked both for their contribution and wished them well. Andrew Colman's term as the Content Board member for Northern Ireland also comes to an end in August. The Chair thanked Andrew for his contribution to the Committee.

Date of next meeting: 5 October 2017