

## **INTRODUCTION**

Liberal Democrats are strong supporters of our Public Service Broadcasters as institutions. They, as described in ‘*Small Screen: Big Debate*’, bring huge benefits from combatting fake news to bringing people together through shared national experiences and from reflecting the UK’s diversity to underpinning the UK’s creative economy and much more.

Public Service Broadcasters were deliberately established institutions to provide this wide range of services to the nation.

We are concerned that ‘*Small Screen: Big Debate*’ appears to put PSB content as key rather than a PSB framework that is delivered through institutions with clear obligations to serve the public interest in return for regulatory privileges (prominence, inclusion and fair value) and, in the case of the BBC, public funding.

We believe we need such institutions to continue and thrive. They must be protected and maintained as independent, universally available and properly resourced institutions. We note that as PSB production costs are rising the value of regulatory benefits (and, in the case of the BBC, the value of public funding) is declining. In this regard, for example, we would like to see the current prominence regime strengthened, and an overhaul of regulations surrounding fair value.

We recognise the enormous changes that have taken place in recent years and note the successful way in which our Public Service Broadcasters have responded and adapted to these changes. And we acknowledge that “broadcasting” no longer reflects the full range of service delivery offered by PSBs and that “media” is more appropriate. However, our response is based on the belief that it is through institutions whose sole purpose is the delivery of “public service media” that the nation will continue to benefit in the ways described above. We would not wish to see – perhaps through a system of “contestable funding for PSM content” – a dilution of support for such institutions.

Below we have answered the questions 1, 3, 4, 5, 6 & 7, and deleted Q2, which we did not answer:

Question	Your response
<p><b>Question 1: Do you agree that a new regulatory framework for Public Service Media (PSM) delivery should support a more flexible ‘service neutral’ delivery approach that is more outcomes focused?</b></p> <p><b>AND</b></p> <p><b>Question 3: What do you think should be included in the PSM ‘offer’?</b></p>	<p>We are concerned about the very concept of PSM. What is its exact definition and how it is different from PSB?</p> <p>We see Public Service Broadcasting as a set of values translated into a policy framework, public service media is much less specific. The 2003 Communications Act purposefully distorted the broadcasting market in order to support the public interest and this will be more difficult to apply with a broader ‘media’ definition. PSBs have statutory duties enshrined in law; will PSMs be the same?</p> <p>While we acknowledge the need to update the regulatory regime as technology changes the ways that content is accessed and consumed, this should be done within the guidance of the public interest. The pandemic has demonstrated that audiences, including younger audiences, seek out PSB content across all platforms because this is the content in which they put their trust.</p>
<p><b>Question 4: What options do you think we should consider on the terms of PSM availability?</b></p>	<p>We welcome Ofcom’s support for Prominence for PSBs, and the recommendation on strengthening the prominence regime to cater for the advent of technology in broadcasting and streaming. We support the proposals on how to proceed with this, but this must also include PSB on demand and catch up services. We also believe that PSBs need to have control of their viewing data and that this should be part of the negotiations with the broadcasting ‘carriage’ platforms. Availability of data should be part of the ‘offer of must carry’.</p>
<p><b>Question 5: What are the options for future funding of PSM and are there lessons we can learn from other countries’ approaches?</b></p>	<p>The good work of the BBC is underpinned by its funding - the universality of the Licence Fee allows the BBC to inform, educate and entertain like no other provider can, and the</p>

	<p>licence fee continues to be the public's preferred way to fund the BBC.</p> <p>While we recognise that future funding may need to be different, we should only move from it if, <u>and only if</u>, a substitute alternative can be found which guarantees both its independence and adequate funding. Any new funding model must be based on core principles of ensuring the BBC remains a well-resourced, universally available institution of scope and scale at the heart of British cultural and democratic life. We therefore reject the subscription model because by definition it defeats the universality objective. Advertising is widely and rightly rejected as being too damaging to all other commercially funded broadcasters. There is also significant public support for a non-commercial public space.</p>
<p><b>Question 6: What do you think about the opportunities for collaboration we have referred to? Are there other opportunities or barriers we haven't identified?</b></p>	<p>We agree that the PSBs need to collaborate &amp; co-operate to survive and so should work more closely together in the face of the competition from the global streamers. PSBs should also be encouraged to pursue other partnerships, as long as their own independence and integrity are not compromised. The Local Democracy Reporting Service (LDRS) is a good example of a BBC partnership which – once it is widened to embrace new entrants and small publishers – enables the BBC to enhance the public interest at local level while retaining editorial and administrative control.</p>
<p><b>Question 7: What are your views on the opportunities for new providers of PSM?</b></p>	<p><i>“There are benefits to encouraging new providers, alongside existing public service broadcasters, to deliver public service media content in future.” (1.22)</i></p> <p>We do not agree and are concerned that:</p> <p>i). These new entrants will not be subject to the same duties as those already existing and will lead to laxer regulation. We believe in an approach that is institution-based, because institutions have values and</p>

practices that should be incentivised. That value should not be diluted but should be strengthened.

ii) These new entrants will inevitably lead to “contestable funding” to the detriment of the established PSBs. We oppose top slicing the licence fee for non BBC activity as well as contestable funding. This of course includes funding social causes like free licences for over 75s which is a matter for social policy budgets - not the licence fee.

Since our existing PSBs are commissioning an increasing amount of material from the independent sector, surely it is by this route that the benefits of “new providers” can come.

## **IN CONCLUSION**

It is no accident that broadcast news in Britain, and particularly the BBC, has consistently, and by a wide margin, enjoyed more public trust than that enjoyed by our newspapers. The pressure to dilute and deregulate responsibility for balance and accuracy comes mainly from those who see economic opportunity and financial gain from moving to the looser and wider concept of PSM. Down that road lies the coarsening of political discourse and polarisation of political debate so damaging to the functioning of a liberal democracy”.