

telegraphmediagroup

Measurement framework for media plurality

Telegraph Media Group (TMG) welcomes this opportunity to respond to this consultation to which we intend to submit only a few short comments as we endorse the submission made by the News Media Association.

We are pleased that various reports have now agreed that the BBC cannot be excluded from any analysis of the UK's media market.

Newspapers play an important role in our democratic society, and TMG is proud to play its part in the most successful and robust news market in the world. Much of this success has been built by organisations that have, and continue to make, massive commercial investment in both quality journalism and technology.

TMG will limit our response to the issue of 'contextual factors' identified by this consultation.

We believe that misapplication of 'contextual factors' would afford the opportunity for some to be absolved from their true impact on media plurality. The most obvious example is the BBC.

Funding models

Last year the BBC received three billion, seven hundred and twenty two million pounds¹ from a compulsory fee.

Such a funding method allows that organisation to make massive market interventions without any financial risk. It creates market distortion.

Indeed, we are hopeful that Ofcom would also not fall into the trap – espoused by some academics and commentators – that public funding automatically affords an organisation a benign status in relation to the markets in which it operates. This is, of course, clearly not the case.

Governance structures

TMG are of the belief that the BBC's governance structures are not fit for purpose, particularly in the areas of its commercial activity.

Ofcom should be mindful of this debate. It should also not assume that because there are numerous regulators of the BBC that this is sufficient: it is a case of quantity not quality. It is also important to bear in mind the process of Charter renewal.

The existing regulation of the BBC's content and structure has not stopped numerous and significant compliance failures, or failures of public trust.

¹ http://www.bbc.co.uk/annualreport/2014/executive/finances/licence_fee.html

Internal plurality

TMG are extremely sceptical of the concept of internal plurality, particularly within the BBC. We view it as being advanced in order to mitigate the true impact of the BBC.

Indeed, far too much significance is applied to the concept. In any case, there have been structural changes at the BBC, particularly in relation to newsgathering, that further undermine this assertion.

Similarly, a multitude of outlets is no guarantee of internal plurality –demonstrated by the report by the European Scrutiny Committee published in March 2015² which highlighted significant shortcomings in coverage of news relating to the European Union. Indeed, the Newsnight/Jimmy Saville scandal further undermines the concept.

Lord Black of Brentwood

Executive Director, Telegraph Media Group
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² <http://www.publications.parliament.uk/pa/cm201415/cmselect/cmeuleg/918/91802.htm>