

**Minutes of the 75th meeting of
the Advisory Committee for England held via Teams
on 11 March 2021**

Present

Paula Carter	Chair
Aaqil Ahmed	Member
Emma Davison	Member
Matthew Littleford	Member
Alan Nunn	Member
Mark Smith	Member

In attendance

Tim Suter	Ofcom Board Member for England
Richard Spencer	Consumer Panel Member for England
David Edwards	Governance and Accountability Team
Peter Fitzsimons	Graduate, Public Policy
Robert McGruer	Chairman and Chief Executive's Office
Roshni Narayanan	Graduate, Governance and Accountability
Katie Pettifer	Public Policy Director
Colleagues from Channel 4	(minutes 25 – 27)
John McVay, Pact	(minutes 28 - 30)
Other Ofcom colleagues	

<p>Introduction</p> <p>1. The Chair welcomed Members and attendees to the 75th meeting of the Committee, all taking part remotely via Microsoft Teams. Emma McFadyen had moved to a role in the Chairman and Chief Executive's Office. Robert McGruer, also in the Chairman and Chief Executive's Office, would shortly replace Emma McFadyen as Ofcom Director for England. He was in attendance as an observer.</p>
<p>Declaration of Members' Interests – Oral</p> <p>2. No interests were declared by Members or attendees.</p>
<p>Minutes of the meeting held on 3 December 2020 and matters arising – Minutes 74(20)</p> <p>3. The minutes of the meeting held on 3 December 2020 were APPROVED as an accurate record, subject to minor amendment, and for signature by the Chair.</p>

4. The Toby Young/Free Speech Union judicial review judgement had been shared with the Committee. Members noted that the judgement was an unequivocal endorsement of Ofcom's position and the persistence of issues around misinformation.

5. Feedback from Ofcom on essential services and communications services had been circulated to Members. The Chair was reassured by the Communications Consumer Panel's focus on these issues.

6. Members had been provided with a note from Ofcom, giving feedback on discussions at the January 2021 DCMS-hosted six-monthly VoIP cross-Whitehall PSTN switch-off roundtable. Members felt that it was important to keep abreast of developments related to VoIP migration.

7. It was noted that Ofcom's Head of Consumer Contact and Change, had been invited to the June meeting to discuss consumer complaints.

8. Members had been provided with a 2021 agendas schedule and this had been discussed at a planning session, held in February, to map out Committee meeting themes and agendas over the year ahead.

9. Raised at the last meeting, Members had been copied a link to the first issue of Rerezentology, the Journal of Media and Diversity, published in December 2020.

Members' open session

10. Members discussed Ofcom's Small Screen: Big Debate (SS:BD) consultation on the future of public service media (PSM). A Member had drafted answers, in response to the consultation questions, which were generally endorsed by the Committee. It was noted that there would be further opportunities to contribute to SS:BD debates, including under an agenda item later in the meeting and in less formal engagement with the SS:BD team between Committee meetings.

11. The Chair emphasised the importance of both the principal of public service media and Ofcom's role in establishing a new regulatory framework. Issues discussed by Members included quotas in broadcasting and who should determine them; how well communities whose first language was not English were served by PSM and whether there should be a public service element to broadcasting in other languages; and the value of the latter, for vulnerable people and to stem misinformation. In relation to misinformation it was suggested that 'closed media', eg Facebook and WhatsApp groups, was a pressing issue. Members also discussed whether interventions being proposed or existing obligations on broadcasters were sufficient to allow them to challenge misinformation.

12. A Member raised the difficulties faced by independent commercial radio stations due to increased competition and collapsing advertising revenues due to the COVID-19 pandemic. The example of Sunrise Radio was noted, a Bradford-based Asian commercial service reported in a recent article in the Yorkshire Post calling for more support from Ofcom and the Government.

13. Stations like Sunrise were also under pressure from community radio stations and the BBC's local output. In discussion it was suggested work need to be done to consider the sustainability of commercial radio broadcasters targeting minority communities. The Committee would welcome further discussion with Ofcom about developments in this sector. [Note: a DCMS working group had been established as part its Digital Radio and Audio Review and was expected to report later in 2021.]

Ofcom Board/Content Board update

14. The Committee noted recent topics discussed by the Ofcom Board and the Content Board (minutes and notes of meetings being available on the Ofcom website).

15. In relation to the Ofcom Board, it had met twice since the last Committee meeting and its focus had included the *Wholesale Fixed Access Telecoms Market Review 2021-2026*, which could change the way Ofcom regulated the broadband market; the future online harms regime; and the work of the Digital Regulation Cooperation Forum, which comprised Ofcom, the CMA and the ICO.

16. With respect to the Content Board, it had met in January and had also discussed Ofcom's work on online harms, in addition to SS:BD and Ofcom's editorial standards work.

17. The Committee noted that in February Ofcom had revoked the licence of CGTN (China Global Television Network).

Consumer Panel update – ACE 1(21)

18. Members noted recent Consumer Panel activity and current priorities (minutes of Panel meetings being available on the Panel's website), including the quarterly meetings of the Panel-hosted UK Consumer Advocacy Hub (attended by organisations like Citizens Advice and Which? and due to meet the following week) and the Panel's four Nation Hubs.

19. Affordability and debt remained a particular concern for the Panel and was a focus at the recent round of Nation Hub meetings. It was the Panel's view that communications providers (CPs) should be doing more to promote/advertise the affordability support available to their customers (social tariffs being an example). It was noted that whilst some customers were able to haggle with CPs, some lacked the confidence to do so and could miss out on the best deals.

Public Policy update – ACE 2(21)

20. Members had been provided with a paper to update them on key public policy developments since the last meeting.

21. Issues discussed included the accessibility of public services, provided online whilst 13% of UK adults did not use the internet; Ofcom's 700 MHz and 3.6-3.38 GHz auction which was in progress; imminent publication of Ofcom's *Wholesale Fixed Telecoms Market Review 2021-26*; the Government's Gigabit Broadband Voucher Scheme; recent

high volumes of broadcast standards complaints; and Ofcom's preparations to take on duties to regulate online harms, including plans to locate a new office/tech hub in the north of England (Manchester) together with substantial staff recruitment.

Future of Digital Terrestrial Television – ACE 3(21)

22. Ofcom was considering publishing a discussion document on possible hypothetical scenarios for how DTT might evolve in the UK in the future, including among other possibilities a future transition from DTT to an IP-based service, and considering impacts that might then arise, in particular for consumers reliant on a DTT-only TV service (39% of homes in England), for older consumers and those from lower socio-economic backgrounds; broadband availability; and impact on industry, ie the business models of broadcasters and broadcast infrastructure providers.

23. Issues raised by members included a need to focus on low-income households and otherwise disadvantaged consumers, in particular any cost implications; in relation to industry, it could be useful to consider the commercial relationship between broadcasters and multiplex operators and market dynamics. Regarding England's DTT-only households, a Member suggested that analysis was needed to understand this, to show the underlying drivers and any barriers that future DTT scenarios might raise. Also of interest was the programming consumers accessed through DTT services, ie their TV, and the way devices had an impact on content consumed. Viewing video on a mobile, for example, could represent a shift in a consumer's consumption patterns.

Channel 4

24. Colleagues from Channel 4 joined the meeting and briefed Members on the broadcaster's activities in England over the previous year, including the impact of the COVID-19 pandemic.

25. Issues highlighted included progress in implementing the '4 All the UK' strategy (with Channel 4's new national base in Leeds and Creative Hubs located in Bristol and Glasgow) and a positive impact on independent producers and the creative industries in the English regions. During the pandemic there had been a fall in advertising revenues and a need to make savings but ringfenced funding for small, Nations and Regions and BAME-led indies had been maintained. A plus of the pandemic had been the way that the 'playing field' had been levelled, with online pitching from both regional and national indies. The drama series *Its A Sin*, produced by Manchester-based Red Production Company was mentioned as a particular success with audiences.

26. The Chair was heartened by the actions taken by Channel 4 over the last year and noted that its financial position was looking more positive towards the end of the year. She welcomed Channel 4's *4 All UK* ambitions and the greater impact it wished to make in the English regions. Issues discussed with Members included Channel 4's plans from an England perspective and how much of its regional spend had been on 'true regional indies', as opposed to the regional satellites of London companies. A Member raised diversity, suggesting that across the industry there were certain communities that continued to be under-represented, both on screen and behind the camera.

Pact

27. Members had a wide-ranging discussion with John McVay, Chief Executive of the Producers Alliance for Cinema and Television (Pact).

28. Issues raised included the impact of the COVID-19 pandemic on the indie sector, on protocols for safe working, implications for insurance, volume of high-end scripted productions, the financial burden and additional costs incurred by indies, reduced R&D investment, and the potential longer-term pandemic fall-out, such as an increased health and safety burden.

29. Other topics discussed included the dominance of domestic broadcasters, still accounting for circa 80% of independent commissions in the UK, Netflix and Amazon taking a smaller share and not commissioning primarily for the UK; the 'Terms of Trade' agreed with UK broadcasters; quotas and the relocation of London-based productions to the regions; returning series that provide opportunities for training and development; indie reliance on secondary sales as a revenue stream; and changes in the indie landscape, a decline in some regions, growth in others, and some concentrating on the US or international markets.

SS:BD update

30. Ofcom's *Small Screen: Big Debate Consultation The Future of Public Service Media* would close in the following week (as would Ofcom's *Public service broadcasters and the UK production sector call for evidence*). Members were updated on the progress of the review and noted that Ofcom had engaged with stakeholders, including both Pact, non-Pact indies and with the Public Service Broadcasters (PSBs).

31. There was discussion of issues including feedback from the PSBs in response to the review. None were advocating radical change and their priorities included the availability and prominence of programming. The Chair emphasised the importance of Ofcom's role in supporting PSB, diversity and ensuring that production was spread throughout England; and queried whether there needed to be a specific intervention to support PSBs in their role to counter misinformation. It was noted that Ofcom's role included providing support to PSBs, especially to ensure trusted and accurate delivery of news. It was agreed that the Committee would submit a formal response to the SS:BD consultation.

BBC Studios Review update – ACE 4(21)

32. The Committee was updated on Ofcom's review of the interaction between the BBC Public Service (Public Service) and BBC Studios, summary analysis so far and on stakeholder responses to a recent Call for Evidence and lines of business consultation. Ofcom was planning to publish its findings in the Summer.

33. Issues raised by Members included the direction of travel for the BBC, following the appointment of Tim Davie as the new Director General (from 1 September 2020) and whether this meant an expansion of commercial activities; concern about the sharing of information between different parts of the BBC; genuine separation of the Public Service and commercial arms of the BBC; and the importance of transparency.

<p>34. It was noted that there had been nine responses to the Call for Evidence and that the Executive planned further stakeholder engagement, including with production companies.</p>
<p>Information Items</p> <p>35. Telecoms, Broadcast & Postal Complaints (England) - ACE 5(21): The paper was noted.</p>
<p>Future agendas</p> <p>36. It was anticipated that the next meeting would be virtual, pending progress in relation to the pandemic.</p> <p>37. It was further anticipated that it would have shared consumer/ rural/ network themes, with items (TBC) on network security and resilience; Ofcom affordability research; a Post update; a consumer complaints item and external participants Fram Broadband and the NFU.</p>
<p>Any Other Business</p> <p>38. It was noted that the NextGenNED project (a joint Communications Consumer Panel/Ofcom initiative) was progressing well. Members of the UK Regulators Network were interested in participating. Launch of the initiative would be decided shortly and the project team had a meeting scheduled to discuss the finer details of the guidelines for the scheme, and decide which boards, panels and committees at each regulator would be suitable and willing to participate.</p>
<p>Date of the Next Meeting</p> <p>39. The next scheduled Committee meeting would be held on 24 June 2021.</p>