

Consultation: Designation of Public Service Broadcaster Internet Programme Services

The methods Ofcom will apply when making our designation decisions

Consultation

Published 11 February 2025

Closing date for responses: 25 March 2025

Contents

	lack	lacksquare	1		
~	┖	G	LI	u	ш

1.	Overview	3
2.	Background	5
3.	PSB Internet Programme Services	7
4.	Proposed framework for IPS designation	11
5.	Proposed processes for applying for and revoking IPS designation	20
An	nnex	
A1.	Draft statement of methods for designation of IPS	24
A2.	Legal framework	30
A3.	Impact assessments	38
A4.	Responding to this consultation	40
A5.	Ofcom's consultation principles	42
A6.	Consultation coversheet	43
A7.	Consultation questions	44

1. Overview

- 1.1 Public service broadcasters (PSBs) hold a unique place in UK society. They provide trusted and accurate news, and a diverse range of high-quality content by, for, and about people in the UK, which brings audiences together. Our research has consistently shown that people across the country continue to value this content and turn to it, whether for day-to-day news and entertainment or significant national and international events. It is therefore critical that viewers can easily find and discover public service content.
- 1.2 The regulatory framework specified in the Communications Act 2003 (the Act) has ensured that the PSBs' linear television channels (namely, all of the BBC's public broadcast television services, each Channel 3 service, Channel 4, Channel 5 and S4C) have been widely available and easy to find in electronic programme guides for decades. However, until the passing of the Media Act 2024 (Media Act), there were no rules to secure the prominence of public service content in online media environments.
- 1.3 The Media Act has introduced a new online availability and prominence regime focused on connected TV platforms that enable people to select and access TV apps and programmes provided via those apps. This new regime will require certain connected TV platforms to ensure that BBC iPlayer and other PSB TV apps, as well as their public service content, are available, prominent, and easily accessible. In return for these new benefits, PSBs must ensure that their TV apps make a significant contribution to the fulfilment of their individual public service remits (individual remit), and that audiences are able to find and watch public service content on them.
- 1.4 The connected TV platforms that may fall in scope of these new rules are referred to in the legislation as 'television selection services' (TSS). The decision as to which TSS are designated lies with the Secretary of State, who must have first received a report with recommendations from Ofcom. In December 2024, we published a <u>consultation</u> about the principles and methods we will apply when producing that report.
- 1.5 However, it is Ofcom's role to decide which PSB TV apps formally known as 'internet programme services' (IPS) satisfy the conditions set out in legislation to benefit from the new availability and prominence regime. This consultation sets out our proposed methods for assessing which IPS should be designated.
- 1.6 This consultation is structured as follows:
 - Section 2 explains the background and our plan for implementing the new availability and prominence regime.
 - **Section 3** explains the definition of an IPS. It also provides related context on the performance of the PSBs' IPS, and the PSBs' plans to develop these services further.
 - **Section 4** explains our proposed framework and the methods we intend to apply when deciding whether to designate an IPS.
 - **Section 5** explains our proposed processes for IPS providers to follow when applying for designation of an IPS, and for Ofcom to revoke designation of an IPS.
 - Annex 1 contains our draft Statement of Methods.
 - Annex 2 sets out the legal framework.

¹ Ofcom, Review of Public Service Media (2019-23), p. 10.

- Annex 3 sets out the impact assessments.
- Annexes 4-6 provide details on how to respond to the consultation.
- 1.7 We welcome responses to this consultation by **25 March 2025**. Once we have considered responses, we will publish a finalised Statement of Methods as soon as possible thereafter.

What we are proposing - in brief

We propose applying the following approach in making our decisions whether to designate IPSs provided by Channel 3 licensees, C4C, Channel 5 or S4C.² This approach takes account of conditions specified in the Media Act in addition to factors we must consider when deciding whether a designation would be appropriate:

- Condition 1: Does the IPS make, or is it capable of making, a significant contribution to the PSB's individual remit? We will take account of each PSB's individual remit when we assess significance, and expect that IPS should generally include all of the content that the PSB, in its statement of programme policy (SoPP), has stated is intended to fulfil its individual remit.³
- Condition 2: Is the public service remit content included readily discoverable and promoted by the IPS? The high traffic areas of the homepage and other high traffic areas⁴ and features of the IPS should predominantly consist of "public service remit content" (PSR content).⁵ We will consider information provided by IPS providers explaining how this will be achieved and how their approach to curation⁶ will help to promote and ensure the ready discoverability of PSR content. In particular, IPS providers must promote and make readily discoverable both news and current affairs and a diverse range of informative, educational and entertaining content in their IPS's high traffic areas.
- Is it appropriate for Ofcom to designate the IPS? We will take into account a PSB's proposals in its SoPP about the contribution the IPS will make to its individual remit, how the IPS will be used to satisfy the needs and interests of as many different audiences as possible and the PSB's approach to performance monitoring.

The overview section in this document is a simplified high-level summary only. The proposals we are consulting on, and our reasoning, are set out in sections 4 and 5 below.

² A TV app provided by the BBC will be designated automatically by the Act (Section 362AA(1)(a) of the Act. This provision has not yet been brought into force.

³ Licensed PSBs and S4C are able to use 'relevant audiovisual services' – as defined in section 264(11) of the Act – alongside their main TV channel to contribute to the fulfilment of their individual remits. In order to fulfil their individual remits, the licensed PSBs and S4C must also make an "adequate contribution" to the collective obligation on all the PSBs to fulfil the public service remit for UK television set out in section 264(4) of the Act.

⁴ A 'high traffic area' refers to an area of the IPS which is viewed and/or accessed by a significant volume of people when they use the IPS.

⁵ Public service remit content is defined in the Act as material included in the IPS that contributes to the fulfilment of the licensed PSB's or S4C's individual remit (Section 362AA(12) of the Act).

⁶ 'Curation' means the selection, organisation and presentation of content within the IPS.

2. Background

The Media Act introduces new rules to ensure public service content is available and prominent online

- 2.1 The past decade has seen radical change in the way we access news, information, and entertainment. Although live broadcast TV and radio services continue to be widely used and valued, the expanded level of choice enabled by technological change and embraced by audiences has gone hand in hand with declines in linear viewing and listening.
- 2.2 After several decades where their services were structured around linear distribution, broadcasters have been adapting to audience expectations. The UK's PSBs have each developed players offering original content, as well as some exclusive and licensed programming, which can be accessed on a wide range of connected devices. However, until now, these players have not formed part of the framework for public service media.⁷
- 2.3 The new regime introduced by Part 2 of the Media Act which inserted Part 3A into the Act reflects recommendations we made to the UK Government in 2021 and builds on the prominence rules which apply to linear television. The core objective of this new approach is for PSB services and content to continue to be "available to the overwhelming majority of the population."
- To achieve this, the new regime will bring into scope connected TV platforms¹⁰ that Ofcom has not previously regulated. It is focussed on what the Act calls 'television selection services' (TSS) and requires designated television selection services (referred to as 'regulated TSS' or 'RTSS')¹¹ to ensure that designated IPS (DIPS)¹² are available and prominent on them.¹³ RTSS providers must also ensure that content included in the DIPS that contributes to the delivery of PSBs' individual remits¹⁴ is prominently located on their services¹⁵ and that RTSS are accessible to people with disabilities.¹⁶

5

⁷ Although some PSBs do have existing duties in relation to these players, see paragraphs 3.11 to 3.13 below.

⁸ Ofcom, <u>Small Screen: Big Debate – Recommendations to Government on the future of public service media,</u> p. 3.

⁹ DCMS, Media Bill 2024: Explanatory Notes, p. 5.

¹⁰ Ofcom, The connected TV platforms market. An update on our work, p. 3.

¹¹ Section 362AF(1) of the Act.

¹² As defined in Section 362AA(1) of the Act.

¹³ Sections 362AK and 362AO(1) of the Act.

¹⁴ Each PSB has a public service remit that they are required to fulfil. Further information on these remits is set out at annex 2.

¹⁵ The reference to a DIPS being given an appropriate degree of prominence within a RTSS includes a reference to "an appropriate degree of prominence" being given to "public service remit content" and "any listed channel included in that DIPS, so far as the prominence of that content or channel is capable of being affected by the operation of the RTSS" (Section 362AO(3) of the Act).

¹⁶ Section 362AO(4) of the Act.

Implementation of the new regime

- 2.5 The first phase of our implementation work is focussed on designating the TSS and IPS which are to be subject to the rules. While it is for the Secretary of State to designate TSS,¹⁷ it is Ofcom's responsibility to decide whether the IPS of the licensed PSBs and S4C meet the conditions for designation specified in the Act.¹⁸ Ofcom must publish a statement about the methods it will apply when determining whether the designation conditions for an IPS are met and whether a designated IPS is no longer meeting the designation conditions.¹⁹
- 2.6 This document explains the rationale for our proposed approach to this Statement of Methods, a draft of which is at annex 1. Annex 2 contains a summary of our relevant statutory duties, including a description of the legal framework for designating IPS and the obligations to which DIPS providers will be subject.²⁰ Annex 3 sets out the impact assessments.
- 2.7 We aim to publish the finalised Statement of Methods in summer 2025. The next step will be for providers of relevant IPS to submit designation applications to Ofcom (the proposed process for doing so is discussed in section 5), and we will decide whether their IPS meet the criteria for designation specified in the legislation. Before designating an IPS, we will consult PSBs and other interested parties.²¹
- 2.8 The second phase of implementation will focus on preparing the Codes of Practice, which will set out how RTSS providers can comply with their prominence and accessibility duties.²² We will also prepare our Guidance on how RTSS providers and PSBs can act consistently with the objectives that must be met when they are negotiating carriage arrangements.²³ We plan to consult on these documents towards the end of 2025.

¹⁷ In December 2024, we published a <u>consultation</u> on the proposed principles and methods we will apply in making our recommendations to the Secretary of State on the designation of TSS.

¹⁸ Section 362AA(2) of the Act.

¹⁹ Section 362AC(1) of the Act.

²⁰ This legal framework will also be annexed to our Statement of Principles and Methods when the final version is published.

²¹ Section 362AA(9) of the Act.

²² Section 362AP of the Act.

²³ Sections 362AL and 362AM of the Act.

PSB Internet Programme Services

3.1 In this section we set out how the Act defines internet programme services, explain the increasing importance of the PSBs' IPS as a way for people to access and watch content and describe the strategies that the PSBs have in place to develop their IPS.

Definition of an IPS

- 3.2 Under the Act, an IPS is a service, accessed via the internet, whose "principal purpose" is to provide programmes to users. An IPS can consist of one or more on-demand programme services, as well as other services such as linear television services. All the latest versions of the PSBs' IPS, that is BBC iPlayer, ITVX, Channel 4 Streaming, My5, STV Player and S4C's Clic, provide access to a mix of both on-demand and linear programming.
- 3.3 Currently all of the PSBs have one IPS. Under the Act, there is no limit on the number of IPS that a PSB may seek designation for, provided that each IPS meets the necessary criteria for designation.

IPS viewing is a growing proportion of total viewing of the PSBs' content

3.4 The last decade has seen significant changes in the UK broadcasting sector. With the emergence of streaming and on-demand services, the choice of programmes and services available to viewers has expanded while viewing of live broadcast television has been in long-term steady decline. This trend is particularly apparent among the youngest audiences; since 2013, daily broadcast TV viewing by 16-24s has fallen by 78%, from 2 hours

29 minutes to 33 minutes in 2023.

400 Change from 2022 to 2023 350 +1% 300 -65-74 -5% -7% ---55-64 250 231 -45-54 -10% 200 -6% Individuals 4+ 150 -11% ----35-44 -12% 25-34 100 -16% ---16-24 50 --Children 4-15 -6% 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022 2023

Figure 1: Average daily minutes of broadcast TV viewing, by age: 2018-2023

Source: Barb 28-day consolidated, TV sets only.

- 3.5 As with TV viewing in general, audiences are increasingly choosing to watch PSB content ondemand. Viewing of the PSB broadcaster video-on-demand (BVoD) services, such as BBC iPlayer or ITVX, grew by 29% between 2022 and 2023, although this was not enough to fully compensate for the declines in viewing of their linear channels, as shown by Figure 2 below.
- 3.6 The proportion of viewing of BVoD versus linear varies by broadcaster. Viewing of the BBC and Channel 4 skews more towards their BVoD services (accounting for 18% and 16% of total viewing respectively), whereas Channel 5 remains predominantly linear-based, with 95% of its viewing going to its broadcast linear channels and 5% to its BVoD service, My5. Notably, for each of the BBC, ITV and Channel 4, the BVoD share of their total viewing increased by four percentage points year on year, although ITV's growth was proportionally the highest, given its lower base in 2022.

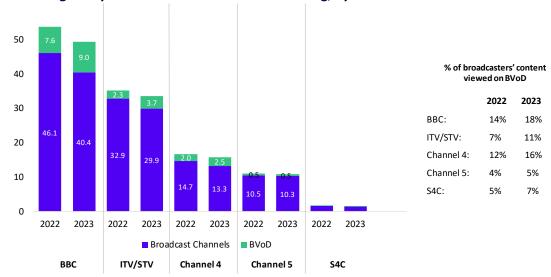


Figure 2: Average daily minutes of linear and BVoD viewing, by broadcaster: 2022-2023

Source: Barb as-viewed on TV sets and other devices using the home's WiFi network, individuals 4+. 'Linear' refers to viewing across all the broadcast channels owned by each broadcaster (whether watched live or on catch-up). BVoD includes all content watched via the on-demand services owned by each broadcaster including non-linear programming.

PSBs are developing their strategies for their IPS

- 3.7 In response to changing audience habits, PSBs are developing and investing heavily in their IPS. For example, in December 2022, ITV relaunched its IPS as ITVX, which has enhanced technical capabilities compared to its predecessor, ITV Hub, and has led to a significant increase in the amount of content on the service.²⁴ In January 2024, Channel 4 unveiled a new five-year strategy, Fast Forward, through which the broadcaster aims to become a 'digital-first public service streamer' by 2030.25 Furthermore, Channel 5's parent company Paramount has said that it will relaunch My5 as '5' later in 2025, with the re-booted service featuring more content, including from across the wider Paramount catalogue.²⁶
- The PSBs have taken advantage of the flexibility which IPS technology offers to expand their 3.8 IPS content catalogues, experiment with 'windows' (regarding when a series, and how

²⁴ Webpage: ITV announces launch of new streaming service ITVX

²⁵ Webpage: Fast Forward strategy.

²⁶ Webpage: Channel 5 & Streamer My5 To Become 5

- much of it, becomes available on-demand), and enhance the user experience and functionality of their IPS (for example, with personalisation and data-driven advertising).
- 3.9 The amount of content available on the PSBs' IPS has increased significantly in recent years. Figure 3 shows that the cumulative catalogue hours available across BBC iPlayer, ITVX, Channel 4 Streaming and My5 was up by 47% in May 2024 compared to May 2022. The hours added have mainly been in the drama and entertainment/reality genres. For ITVX, these genres together accounted for two-thirds of additions. Growth in BBC iPlayer catalogue hours over the past two years has also been significant and like ITVX has been driven by an expansion of drama and entertainment/reality programming.

Children's ■ Entertainment, reality Films ■ Other Comedv Drama Factual 23,455 1.345 18,715 5,233 17,175 15,832 15.276 13,695 2,262 915 965 .833 12,815 5,081 1,082 2,149 735 2,136 4,744 7,921 7,025 5.634 5,411 466 5,067 2.406 3,057 2,554 3,381 2,560

May-20 May-22 May-24

Channel 4 streaming / All 4

May-20 May-22 May-24

My5

Figure 3: PSB BVoD services' content hours, by genre: 2020-2024

Source: Ampere Analysis. ITVX catalogue hours are free-to-view only.

May-20 May-22 May-24

ITVX / ITV Hub

May-20 May-22 May-24

BBC iPlayer

- 3.10 One of the drivers for PSB content investment online has been the significant competition PSBs increasingly face for audiences and for advertising revenue from global players. As we noted in our latest Review of Public Service Media, the PSBs are increasingly focusing investment in high value productions in order to attract audiences to their IPS. For example, ITV has stated its content strategy had "evolved significantly" with a focus on "fireworks" or content in the "hero genres" of drama, reality, sport and entertainment, alongside "bonfires" such as boxsets and films that provide a "long tail of viewing". Similarly, Channel 4's digital first commissioning strategy explicitly focuses on the "types of programming that drive streaming growth and remit delivery" with an emphasis on "fewer, stronger new titles to generate more scale and impact". Page 18.1.
- 3.11 To date, most of the changes the PSBs have made to expand delivery through their IPS have been their own strategic choices, rather than resulting from the regulatory framework. Both the BBC and Channel 4, however, already have duties in relation to these services.
- 3.12 In 2023 Ofcom published our <u>statement</u> on the BBC's new Operating Licence which now comprehensively regulates the BBC's online services, including both BBC iPlayer and BBC Sounds. This included requiring the BBC to make important content, including content for

²⁷ Ofcom, Review of Public Service Media (2019-23), p. 55.

²⁸ Webpage: ITVX's content strategy: Hero genres, higher volume and catching the long tail.

²⁹ Webpage: <u>Fast Forward strategy</u>.

the nations and regions and "at-risk" programming, ³⁰ available for online audiences, and to make that content easily discoverable.

3.13 Channel 4 meanwhile has for some years had a range of statutory media content duties³¹ which it can deliver across any broadcast or online services, including Channel 4 Streaming.

³⁰ The <u>BBC Agreement</u> lists genres that provide a particular contribution to the Mission and Public Purposes and are underprovided or in decline across PSBs (music, arts, religion and other specialist factual content, comedy and children's programming), which we refer to as 'at-risk.'

 $^{^{31}}$ The media content duties are set out in section 198A of the Act.

4. Proposed framework for IPS designation

4.1 Ofcom can designate the IPS of a licensed PSB – that is, Channel 3 licensees, C4C and Channel 5 – or S4C.³² The Act puts in place criteria regarding who can control an IPS, the contribution the IPS must make (or be capable of making) to the PSB's individual remit and the content that should be included in order for it to be designated. This section summarises the regulatory framework and explains the methods we propose using to take decisions on IPS designation and, if necessary, revocation of designation.

IPS Designation Framework

- 4.2 Before we take any decisions on designating an IPS, Ofcom must first be satisfied that the provider of the IPS is a licensed PSB, S4C or a person associated with them, within the terms set by the Act.
- 4.3 Further, Ofcom may only designate an IPS if the service satisfies certain conditions:
 - a) The IPS makes, or is capable of making, a significant contribution to the PSB's individual public service remit (Condition 1); and
 - b) Programmes included in the IPS that contribute towards the PSB's remit³³ are readily discoverable and are promoted by the service³⁴ (Condition 2).
- 4.4 In addition, Ofcom must consider that it is appropriate to designate the IPS. 35
- 4.5 In the paragraphs below, we set out how we propose to determine if these criteria are met.

Who is the provider of the IPS?

4.6 For an IPS to be eligible for designation, a PSB or associated person must demonstrate they have 'general control' of the IPS. The meaning of 'general control' which applies differs depending on the type of IPS involved and is explained in more detail in the draft Statement of Methods (see paragraphs A1.14 to 1.16 of the Statement of Methods in annex 1).

Condition 1: Would the IPS make a significant contribution to the PSB's individual remit?

4.7 The Media Act updates the regulatory framework to give PSBs greater flexibility in how they meet their obligations. Part of this flexibility is that PSBs may now fulfil their remits on any relevant services that they themselves provide, or which are provided by a third party

³² Section 362AA of the Act. IPS provided by the BBC are automatically designated under section 362AA(1)(a) the Act (which has not yet been brought into force).

³³ Programmes that contribute towards a PSB's remit are referred to in the Act as "public service remit content" (PSR content).

³⁴ Sections 362AA(3) and (4) of the Act.

³⁵ Section 362AA(2)(b) of the Act.

- under arrangements between the PSB and that third party,³⁶ and which are accessible free of charge.³⁷
- 4.8 Condition 1 is designed to ensure that a designated IPS makes a significant contribution to the individual remit of the relevant PSB. An IPS may also include content that does not make a contribution to the PSB's individual remit, such as paid-for content. However, we will not take account of such material when assessing whether Condition 1 is met.

What constitutes a significant contribution?

- 4.9 In determining whether Condition 1 is satisfied, we propose to consider 'significance' in the context of each PSB's individual remit. Each of the PSBs is required to make available a range (or a broad range in the case of C4C and S4C) of high quality and diverse content³⁸ which, when considered as a whole, also constitutes an "adequate contribution" to the collective obligation on all the PSBs to fulfil the public service remit for UK television (the overall PSB remit).³⁹
- 4.10 We consider it is likely to benefit audiences for IPS to include all the content on the relevant audiovisual services (relevant services) that the PSB has identified in its SoPP as intended to fulfil the PSB's individual remit. This will ensure audiences have convenient access to this material in one place. As well as supporting the aim that people using RTSS have easy access to a range of content that meets their needs, we consider that our proposal should also help people to discover new content that might interest them and that they might not otherwise come across.
- 4.11 However, we also recognise that there may be exceptions where it is not possible or appropriate for an IPS provider to make available specific content that contributes to the PSB's remit on its IPS. In such circumstances, the IPS provider should explain this.

What happens in cases where a PSB wants to designate a second or further IPS?

- 4.12 Ofcom may designate more than one IPS associated with the same PSB, should an IPS provider wish to submit a further application or applications. ⁴⁰ To be designated, a second or further IPS should be aimed at meeting the needs and interests of a specific audience. As an illustrative example, a PSB might seek designation for an IPS specifically targeted at meeting the needs and interests of children.
- 4.13 Should an IPS provider apply for the designation of a further IPS serving the needs and interests of a specific audience, we propose that the IPS provider should include on that IPS all of the content on the relevant services that the PSB has identified in its SoPP as intended to fulfil the aspects of its individual remit which are relevant to that audience. As in the case of a 'primary' IPS, we recognise that there may be exceptions where it is not possible or appropriate for an IPS provider to make available specific content and, in such circumstances, the IPS provider should explain this.

³⁶ Section 264(13) of the Act.

³⁷ Section 264(8) of the Act.

³⁸ Section 265(2) and (3) of the Act (for the licensed PSBs); Paragraph 3 of Schedule 12, Part 2 of the Act (for S4C).

³⁹ Section 264(4) of the Act.

⁴⁰ Section 362AA(7)(b)(i) of the Act.

Proposal

- 4.14 We propose to apply the following methods in determining whether the IPS makes, or is capable of making, a significant contribution to the PSB's individual remit:
 - a) We will consider significance in the context of each PSB's individual remit.
 - b) We will have regard to the extent to which the content that the PSB intends to use to fulfil its individual public service remit will be included in the IPS.
 - c) We expect that the IPS provider will include in the IPS all the content on the relevant services that the PSB has identified in its SoPP as intended to fulfil its individual remit.
 - d) Where an IPS provider applies to designate a second or further IPS that would aim to meet the needs and interests of a specific audience, the IPS provider should include on this IPS all of the content the PSB intends to use to fulfil the aspects of its individual remit relevant to that specific audience.

Consultation question

Q1. Do you agree with our proposed methods for determining whether the IPS makes, or is capable of making, a significant contribution to the PSB's individual public service remit?

4.15 These methods are set out in the draft Statement of Methods in annex 1 at paragraphs A1.18-1.21.

Condition 2: Would public service remit content on the IPS be readily discoverable and promoted?

4.16 Condition 2 requires that PSR content made available on an IPS is readily discoverable and promoted. In assessing whether this condition is satisfied, we propose to take account both of the information that IPS providers submit about their plans to achieve this, and whether PSR content that is particularly important to audiences is promoted and made readily discoverable within the IPS.

How should PSR content be made readily discoverable and promoted?

- 4.17 As we set out in our Statement on the BBC's new Operating Licence, we consider that discoverability means enabling audiences to find PSR content in the IPS that is new to them and may interest them and/or which they might not otherwise come across. 41 We think that promotion means taking steps to increase audiences' attention to PSR content in the IPS, so they are easily able to find and watch it.
- 4.18 Traditionally, in a linear TV environment, the programme schedule has helped PSBs to deliver this. For example, PSBs could place a more niche programme next to a more typically popular programme, allowing audiences to be exposed to content that they might not otherwise choose to watch or search for. This is known as 'hammocking' and does not apply in the same way on an IPS, where audiences are able to choose their content on

-

⁴¹ Ofcom, <u>Statement: Modernising the BBC's Operating Licence</u>, p. 20.

- demand. We think it is important for PSBs to ensure that audiences who view via an IPS are still exposed to a broad range of PSR content.
- 4.19 There are a number of ways that IPS providers can make readily discoverable and promote PSR content within their IPS, including through the areas and features on the IPS user interface that significant numbers of people use to look for, access and watch content. Examples of 'high traffic' areas and features may include:
 - promoting programmes on the 'hero banner' (largest and most prominent slot) of the homepage;
 - themed rails on the homepage, for example 'live news' and 'most popular';
 - recommendations within the search function;
 - curated category tabs, for example 'drama' or 'documentaries';
 - auto-playing programmes;
 - recommendations at the beginning or end of programmes; and
 - campaigns around specific themes, for example 'Black History Month'.
- 4.20 We propose that we would take into account the information IPS providers provide about their plans to use the high traffic areas of the homepage as well as other high traffic areas and features of the IPS to support audiences to find and discover PSR content.
- 4.21 IPS providers may decide to make use of algorithmic personalisation to help audiences to discover PSR content, for example with recommendations based on a user's viewing history. Personalisation can be a useful tool to ensure audiences are served content that will meet their needs and interests. However, we consider that IPS providers should apply suitable curation to the IPS to ensure that the ability of audiences to discover a broad range of PSR content is not adversely affected. In considering whether Condition 2 has been met, therefore, we also propose to take into account the information which an IPS provider provides to explain how its approach to curation (editorially led and/or algorithmic) will help to promote and ensure the ready discoverability of PSR content.

Which aspects of public service media (PSM) delivery are particularly important to audiences?

4.22 PSBs differ from other content providers in that they are required to provide a range of programming across genres in order to secure purposes which Parliament has determined are valuable to society. Although other content providers may (and do) produce such content, only the content produced by PSBs is required by regulation. Accordingly, an IPS is unlikely to meet Condition 2 if neither the diverse range of content nor the news and current affairs programming – which, taken together, accounts for much of a PSB's unique contribution to UK media – is readily discoverable or promoted.

A diverse range of PSR content that informs, educates and entertains

4.23 The PSBs' individual remits require them to make available a range of high quality and diverse content.⁴² This is reflected in the overall PSB remit which is intended to secure a

⁴² C4C and S4C's remits go further, requiring them to make available "a broad range" of high quality and diverse content.

- broad range of content to meet the needs and satisfy the interests of as many different audiences as possible, including by providing them with information, education and entertainment.⁴³
- 4.24 Figure 4 below shows that the PSBs continue to produce programming in a range of genres catering for different interests. Over the period 2019-23, the majority (97%) of first-run programming comprised of sports, entertainment, news and current affairs, drama, soaps and factual content. The PSBs also delivered programming in more specialist genres (for example, arts and classical music and children's), although there was a moderate reduction in the first-run hours of these genres over the period.

19,374 20,000 19,129 19,113 18.955 18.561 Feature films 18,000 Education ■ Religion & ethics 16,000 14,000 Arts & classical music 12.000 ■ Drama 518 660 ■ Children's 10,000 ■ Soaps 2.004 2,169 Specialist factual 8,000 Entertainment 1,642 6,000 Factual entertainment Sports 4,000 2,000 News & current affairs - BBC portfolio News & current affairs - five main channels 2019 2020 2021 2022 2023

Figure 4: PSB first-run UK-originated programming hours, by genre, 2019-2023

Source: Ofcom/broadcasters. Figures include the BBC but exclude BBC ALBA and programming for the nations and regions.

- 4.25 As we explain in our most recent Review of Public Service Media, PSBs are central in providing a breadth of UK content that reflects the whole of the UK and appeals to a wide range of audiences. 44 Ofcom's research shows that audiences continue to value this key aspect of PSM delivery. 45
- 4.26 We consider that audiences who use, or could use, the PSBs' IPS should be able to easily find and discover on the service a broad range of PSR content that informs, educates and entertains. Therefore, we propose that in order to satisfy Condition 2, IPS providers must promote and make readily discoverable a diverse selection of genres of content on their IPS to meet the needs of as many different audiences as possible.

News and current affairs content

4.27 Provision of news has been at the heart of the UK public service media system for as long as it has existed. The updated overall PSB remit requires PSBs to provide comprehensive and authoritative coverage of regional, national and international news to help facilitate civic

⁴³ Section 264(5)(b) of the Act.

⁴⁴ Ofcom, Review of Public Service Media (2019-23), p. 10.

⁴⁵ Ofcom Public Service Media Tracker 2023. Online respondents were asked what they felt were the three most important attributes for PSBs to deliver for society overall. The second highest ranked attribute was 'a wide range of different types of programmes such as drama, comedy, entertainment or sport' (45%).

- understanding and fair and well-informed debate. ⁴⁶ This continues to be valued by the public. As we set out in our most recent Review of Public Service Media, audiences consider the provision of trusted and accurate news to be the PSBs' most important contribution to public service media, ⁴⁷ and one which they deliver well. ⁴⁸
- 4.28 Most of the PSBs already include their news and current affairs content on their IPS, including via on-demand videos of news stories and dedicated streams of the linear news programmes. This facility is becoming more important to viewers. Ofcom's research shows that while linear broadcast television remains one of the most-used platforms for accessing news, audiences are increasingly viewing news provided by the PSBs via their IPS. In 2024, over four in ten (43%) viewers of broadcast news told us they used PSB on-demand services for news, up from 28% the year before.⁴⁹
- 4.29 For these reasons, it is particularly important that news and current affairs content will be promoted and easy for users of IPS to discover. We propose that an IPS provider must ensure this is the case if Condition 2 is to be met.

Non-PSR content

4.30 As set out above, a designated IPS can include PSR and non-PSR content, such as paid-for content. However, Condition 2 will not be satisfied if we consider that the promotion and discoverability of non-PSR content adversely affects the promotion or discoverability of PSR content. We propose that high traffic areas of the homepage as well as other high traffic areas and features of the IPS (see paragraph 4.19 above) should predominantly consist of PSR content. If IPS providers intend to make non-PSR content available within the IPS, we would expect them to explain how they will ensure that the promotion and ready discoverability of PSR content would not be adversely affected.

What happens in cases where a PSB wants to designate a second or further IPS?

4.31 As noted in paragraph 4.12 above, a PSB may seek designation of a second or further IPS aimed at meeting the needs and interests of a specific audience. In making a decision on designation, Ofcom will have regard to the information provided by IPS providers about how PSR content will be made readily discoverable and promoted in this additional IPS. We will also take account of the extent to which the IPS promotes and makes readily discoverable a diverse range of PSR content that informs, educates and entertains, and news and current affairs content. If an IPS provider considers that, due to the nature of the second or further IPS and its intended specific audience, it is not possible to promote or make readily discoverable this content, it should explain this.

⁴⁶ Section 264(5)(a) of the Act.

⁴⁷ Ofcom Public Service Media Tracker 2023. Online respondents were asked what they felt were the three most important attributes for PSBs to deliver for society overall. The highest ranked attribute was *'trusted and accurate UK news'* (49%).

⁴⁸ Ofcom Public Service Media Tracker 2023. 63% of viewers in the past six months said PSBs provide 'trusted and accurate UK news' well.

⁴⁹ Ofcom, News consumption in the UK 2024 report, p. 11 and News consumption in the UK 2023 report, p.7

Proposal

- 4.32 We propose to apply the following methods in determining whether public service remit content included in the IPS is readily discoverable and promoted by the service:
 - We will have regard to information provided by IPS providers explaining how PSR content will be made readily discoverable and promoted by the IPS. This should include information as to:
 - a) how PSR content will be positioned in high traffic areas of the homepage as well as other high traffic areas and features of the IPS so the audiences' attention to this content is likely increased relative to non-PSR content; and
 - b) how their approach to curation (editorially led and/or algorithmic) will help to promote and ensure the ready discoverability of PSR content.
 - We consider that to satisfy Condition 2 IPS providers must promote and make readily discoverable on the high traffic areas of the homepage as well as other high traffic areas and features of the IPS:
 - a) a diverse range of PSR content that informs, educates and entertains; and
 - b) news and current affairs content.
- 4.33 These methods are set out in the draft Statement of Methods in annex 1 at paragraphs A1.22-1.26.

Consultation question

Q2. Do you agree with our proposed methods for determining whether public service remit content included in the IPS is readily discoverable and promoted by the service?

Is it appropriate to designate the IPS?

- 4.34 Before designating an IPS, Ofcom must also be satisfied that it is appropriate to do so, taking into account certain factors specified in the Act.⁵⁰ The factors that Ofcom must consider are:
 - a) The proposals in a PSB's SoPP as to the contribution the IPS will make towards fulfilling the PSB's individual remit;
 - Whether that proposed contribution is capable of satisfying the needs and interests of a wide range of audiences (or a specific audience in the case of second or further IPS);
 and
 - c) The effectiveness and efficiency of the PSB's monitoring of its performance so far as relating to the fulfilment of its individual remit.
- 4.35 We set out how we propose to address these factors below.

Proposals in SoPPs

4.36 As discussed above, the Act simplifies the overall PSB remit and allows PSBs to use multiple relevant services to fulfil it. In light of this new flexibility, PSBs will be required to set out in their SoPPs which audiovisual services they will use to deliver their individual remits, and

⁵⁰ Section 362AA(2)(b) and (7) of the Act.

- the contribution they intend those services to make. Under the new framework, SoPPs will be an important tool to provide Ofcom and audiences with transparency about the PSBs' delivery of the overall PSB remit. We are consulting on draft guidance for SoPPs (SoPP guidance) here.
- 4.37 At the same time, SoPPs will play a key role in the new availability and prominence regime. As required by the Act, Ofcom will have regard to the information which a PSB's SoPP contains about the contribution that its IPS will make to its individual remit when assessing the case for designation.
- 4.38 In section 5 we provide more detail about the process for an IPS provider to apply for the first designation of an IPS.
- 4.39 Beyond any initial designation, SoPPs will continue to provide an opportunity for PSBs to demonstrate that the IPS continues to fulfil its designation requirements and should therefore maintain its benefits. Ofcom's SoPP guidance sets out the information that we are proposing PSBs should provide in their respective SoPPs about their IPS for the purposes of designation and ongoing monitoring.

Audience needs

- 4.40 When considering whether an IPS's proposed contribution is capable of satisfying the needs and interests of a wide range of audiences, Ofcom will review the information contained in the relevant PSB's SoPP as to how the IPS, as one of its relevant services, will meet the needs and satisfy the interests of as many different audiences as practicable.⁵¹
- 4.41 In order to demonstrate this, a PSB's SoPP could contain a description of the audiences which the IPS will target and/or an explanation as to how the overall nature of the programmes on the IPS and the subject matter that they cover will cater to those audiences. Case studies may be helpful, explaining how individual programmes are intended to serve particular audiences.
- 4.42 In the case of a second or further IPS, Ofcom will consider the information contained in a PSB's SoPP as to how the PSB intends to use that IPS to satisfy the needs and interests of a specific audience. This could include similar information to the first IPS, i.e. a description of the intended audience and/or an explanation as to how the programmes on the IPS will cater to that audience. Analysis showing overall audience figures for the second or further IPS and audience demographics may be helpful in this regard.

Performance monitoring

4.43 Ofcom will review the information provided by PSBs in their SoPPs when considering the effectiveness of PSBs' performance monitoring. In particular, Ofcom will look at how effective and efficient the PSB's monitoring of its performance is, as regards the fulfilment of its individual remit. Amongst other things, we will consider the extent to which the PSB has drawn on audience research and stakeholder engagement to monitor its performance.

⁵¹ This is a requirement of the overall PSB remit (Section 264(4) of the Act).

Other matters

4.44 Ofcom may take into account other matters when considering whether it is appropriate to designate an IPS. We will do so on a case-by-case basis, having regard to our relevant statutory duties.

Proposal

- 4.45 We propose to apply the following methods in determining whether it is appropriate to designate an IPS:
 - a) We will take into account proposals in PSB SoPP Plans about the contribution the IPS will make to the fulfilment of the PSB's individual remit;
 - b) We will consider information in PSB SoPP Plans about how the IPS will be used to satisfy the needs and interests of as many different audiences as possible (or a specific audience, in the case of a second or further IPS); and
 - c) We will review information in PSB SoPP Reviews to determine the effectiveness and efficiency of a PSB's monitoring of the performance of the IPS in fulfilling the PSB's individual remit.
 - d) We will also take into account any other matters that we consider relevant, having regard to our relevant statutory duties.
 - e) Finally, we also propose the following general principles at paragraphs A1.37 to 1.40 of the Statement of Methods:
 - i) We will explain why we have taken a particular approach in our designation and revocation decisions and how this approach is consistent with the methods in the Statement of Methods.
 - ii) We may, however, consider it appropriate to depart from the methods in the Statement of Methods. If we do this, we will explain why we have done this.
 - iii) We may use our information gathering powers in section 362AS of the Act to inform our designation and revocation decisions.
 - iv) We will publish our designation and revocation decisions.
- 4.46 These methods are set out in the draft Statement of Methods in annex 1 at paragraph A1.27-33.

Consultation question

Q3. Do you agree with our proposed methods for determining whether it is appropriate to designate an IPS?

5. Proposed processes for applying for and revoking IPS designation

- To enable Ofcom to determine whether the designation criteria are satisfied, IPS providers wishing to apply for their IPS to be designated should provide us with the following documents and information:
 - a) The latest available SoPP documents from the relevant PSB, which consist of a SoPP Plan that contains the PSB's proposals for the following year and the PSB's performance review of the previous year (SoPP Review);
 - Any information in section 4 above that we have identified as relevant to our assessment of Conditions 1 and 2 that is not included in the latest available SoPP documents from the relevant PSB;
 - c) Where the IPS provider is not the PSB, confirmation that the IPS provider is adopting the proposals as set out in the relevant PSB's SoPP Plan for the purposes of providing the IPS;
 - d) Information regarding the IPS provider, including confirmation that the IPS provider has 'general control' of the IPS;
 - e) A description of the nature of the IPS, including the services contained within in it for example, whether the IPS consists of a single ODPS, multiple ODPS or a combination of ODPS and other services.
 - f) Where any of the services within the IPS are not controlled⁵² by the IPS provider, information about the person who controls these services; and
 - g) Any other relevant information that the IPS provider would like Ofcom to consider when assessing whether to designate the IPS.
- Ofcom may also use its information gathering powers⁵³ to require additional information from PSBs for the purposes of carrying out its designation functions. In particular, if Ofcom requires clarification or further detail from applicants on the information provided in the SoPP Plan, the IPS provider or any of the additional information set out in paragraph 5.1 above, we may use our information gathering powers to obtain this.
- The process regarding the preparation of the SoPP Plan and SoPP Review will vary depending on when an IPS provider wishes to apply for its IPS to be designated. In the sections below, we describe the process we are proposing for those IPS providers wishing to submit applications for their IPS to be designated in 2025, which is before the new SoPPs regime takes effect, and the process that will be in place thereafter.

20

⁵² By control in these circumstances, we mean editorial control as defined in section 368A(4) of the Act.

⁵³ Section 362AS of the Act.

Early applications in 2025

- 5.4 IPS providers may wish to submit applications for designation of their IPS before the new prominence regime has been commenced.⁵⁴ Where this is the case, we are proposing that any IPS provider wishing to apply in 2025 for designation of its IPS should submit the following documents:
 - a) A draft SoPP Plan, which contains the relevant PSB's proposals for 2026;
 - b) The information set out at paragraph 5.1 (b) to (g) above; and
 - c) Information regarding how the PSB proposes to ensure efficient and effective performance monitoring of its proposals in its draft SoPP Plan to fulfil its individual remit. We recognise that it will not be possible to submit a full SoPP Review at this stage.
- The draft SoPP Plan should be prepared following publication of the new SoPP guidance. We expect to publish the final guidance in summer 2025. We therefore expect IPS providers wishing to apply during 2025 for designation of their IPS to submit their applications on the basis of the final SoPP guidance. We would expect to receive these applications by autumn 2025, but will issue further details on timing for this early application window when we prepare our final Statement of Methods following this consultation.
- Once we have received and considered this information, we will consult on our proposed designation decisions. We currently expect this to take place at the end of 2025. Once the new SoPPs regime comes into effect in 2026, PSBs should issue a final version of their SoPP Plan for 2026 as soon as possible thereafter, and IPS providers should inform us if anything has changed from the draft SoPP Plan previously submitted.
- 5.7 To ensure transparency for stakeholders, we propose to publish draft SoPP Plans and the information set out at paragraphs 5.4 (b) to (c) above which are submitted as part of this early application process. 55 We will also consult on our proposed designation decisions.
- 5.8 Following consultation and once PSB licences have been varied to take account of changes made by the Media Act, PSBs should then publish a final version of their SoPP Plan.
- 5.9 The diagram below is a summary of the proposed process for applications submitted in 2025 and broad timings. Applications submitted after autumn 2025 will be considered as part of the usual application process and timescales which are explained below.

Following consultation, Ofcom publishes final statement of methods for IPS designation Summer 2025 IPS providers can submit early application documents to Ofcom Ofcom considers applications, seeking further information if necessary

Autumn/Winter 2025

Ofcom intends to publish consultation on proposed designation decisions

End of 2025

Following consultation, licence variation, and publication of final SoPPs, Ofcom issues final designations Early 2026

⁵⁴ Sections 362AJ, 362AK and 362AO of the Act, which contain the requirements for DIPS providers to "offer" their DIPS to RTSS providers who must "carry" the DIPS and ensure they are available and prominent on the RTSS, have not yet been commenced.

⁵⁵ IPS providers will have the opportunity to identify any confidential information at the time of their application.

Applications submitted after 2025

- 5.10 Once the window for early applications in 2025 has closed, we are proposing two regular 'windows' during the year when applications can be submitted to Ofcom for IPS designation. Starting from July 2026, these windows will be the month of January and the month of July each year. These are the months after the usual publication deadlines for the SoPP Plan and SoPP Review respectively.
- 5.11 An IPS provider wishing to apply for designation of its IPS from July 2026 onwards should submit the following documents:
 - a) The relevant PSB's latest available SoPP Plan and SoPP Review.⁵⁶
 - b) The information set out in paragraph 5.1 (b) to (g) above.
- 5.12 To ensure transparency for stakeholders, we will consult on our proposed designation decisions and following consultation, final designation decisions will be issued.

Consultation question

Q4. Do you agree with our proposed process for IPS providers to apply for designation of an IPS?

Proposed methods for revoking an IPS

- 5.13 Ofcom may decide to revoke the designation of an IPS if it considers that there are reasonable grounds for believing that the IPS is not continuing to meet the designation criteria.⁵⁷ Before such a decision can be made, Ofcom must first notify the IPS provider and give them an opportunity to make representations. Ofcom must also revoke the designation of an IPS if the IPS provider requests it to do so.⁵⁸
- The Act sets out the conditions that must be satisfied in order for Ofcom to revoke the designation of an IPS. These conditions are that (i) the designated IPS is not making a significant contribution to the licensed PSB or S4C's remit; (ii) the PSR content included in the IPS is not readily discoverable or is not promoted by the service; and (iii) it would not be appropriate for Ofcom to designate the IPS. In determining whether these criteria are met, Ofcom will consider the matters and evidence discussed in section 4.
- 5.15 We would expect the process of revoking a designation to be triggered when a PSB proposes or makes changes to its IPS which mean that it no longer meets the criteria for designation. An example of such a scenario might be if we considered that a PSB did not have in place effective and efficient monitoring of its performance in fulfilling its individual remit to the point that it was no longer appropriate to designate the service.
- 5.16 However, we acknowledge that IPS providers may want to make minor changes to their IPS once designated. In the case of such changes (for example, a change in the name or

⁵⁶ The first performance reviews under the new regime are not due to be published until June 2027. We therefore expect PSBs applying in July 2026 and January 2027 to provide information about their plans to ensure efficient and effective performance monitoring, as described in paragraph 5.6(c) above.

⁵⁷ Section 362AB(2) of the Act.

⁵⁸ Section 362AB(7) of the Act.

- branding of the IPS) we would not expect this to trigger the process for revoking a designation, unless it meant that the designation criteria were no longer being met.
- 5.17 DIPS providers have ongoing duties under the Act to ensure that Condition 1 and Condition 2, as discussed above, continue to be met.⁵⁹ In addition to the ability to revoke a designation, Ofcom has enforcement powers including the power to specify steps that DIPS providers must take in order to remedy a failure to comply with the conditions.⁶⁰

Proposal

5.18 We propose that, in determining whether the criteria for revoking a designation are met, Ofcom will consider the matters and evidence discussed in section 4 in relation to the designation criteria.

Consultation question

Q5. Do you agree with our proposed methods for revoking an IPS designation?

IPS information in PSB SoPPs

- 5.19 SoPPs play an important role in the IPS designation process. As explained above, in assessing whether to designate an IPS, we must take account of the proposals in a PSB's SoPP Plan as to the contribution that the IPS will make towards fulfilling its individual remit and whether that contribution is capable of satisfying the needs and interests of a wide range of audiences. In addition, SoPP Reviews are relevant since we must also consider how effective and efficient the PSB's monitoring of its performance is as regards the fulfilment of its individual remit.
- 5.20 The information above should be included in a PSB's SoPP Plan in accordance with our draft SoPP guidance. For convenience and transparency, we consider that where we set out specific information that is relevant for our assessment of Condition 1 and Condition 2, this could also be set out by the relevant PSB in the IPS section of their SoPP Plan.
- 5.21 In the <u>SoPPs guidance</u> we set out the information that we are proposing PSBs could include in their SoPP Plans for the purposes of our determination of Condition 1 and Condition 2. As noted in paragraph 5.1(b) above, to the extent that any information in section 4 that we have identified as relevant to our assessment of Conditions 1 and 2 is not included in the latest available SoPP Plan from the relevant PSB, IPS providers should provide this information when making their designation applications.

⁵⁹ Section 362AN of the Act.

⁶⁰ Section 362AZ(1)(a) and (4) of the Act.

A1. Draft statement of methods for designation of IPS

About this document

- A1.1 This document is the Statement of Methods to be applied by Ofcom in exercising its designation functions under the prominence regime in Part 3A of the Communications Act 2003 (the Act). Section 364AC of the Act requires Ofcom to produce this statement.
- A1.2 Under the new regime, it is Ofcom's role to designate the TV apps, referred to as an 'internet programme service' (IPS), provided by the licensed public service broadcasters (PSBs) that is, Channel 3 licensees, C4C and Channel 5 and S4C, as well as persons associated with them. Ofcom may only designate such IPS if: i) Ofcom determines that certain conditions are satisfied; and ii) Ofcom considers that it would be appropriate to do
- A1.3 This statement sets out the methods that Ofcom will apply in determining:
 - a) whether the designation conditions for an IPS are met;
 - b) whether it is appropriate to designate an IPS; and
 - c) whether a designated IPS is no longer meeting the designation conditions, or it is no longer appropriate to designate an IPS, such that Ofcom is proposing to revoke that IPS's designation.

Legislative framework

- A1.4 This section summarises the relevant legal framework underpinning Ofcom's designation functions under the prominence regime. A detailed overview of the legal framework is contained in annex 2.
- A1.5 The overarching aim of the regime in Part 3A of the Act is to ensure that public service content is available, prominent and easily accessible on connected TV platforms, referred to as 'television selection services' (TSS). To achieve this, the providers of designated IPS will have to make their service available to designated TSS (referred to as regulated TSS or RTSS) and the providers of RTSS will have to ensure that PSBs' designated IPS, and their public service content, are made available and prominent on their RTSS.
- A1.6 The Act defines an IPS as a service which consists of: (i) an on-demand programme service (ODPS); or (ii) an ODPS and other services (e.g. live-streamed television programme services). ⁶¹ The provider of an IPS is the person who has general control of the service. ⁶²
- A1.7 Ofcom may only designate an IPS provided by a licensed PSB or S4C, or a person associated with them (for brevity, referred to in this statement as 'an IPS provided by a PSB'), if:
 - a) The IPS makes, or is capable of making, a significant contribution to the licensed PSB's or S4C's individual public service remit (Condition 1);

-

⁶¹ Sections 362AA(10) and (11) of the Act. As set out in section 11(c)(i) of the Act the ODPS can be a non-UK ODPS

⁶² Section 362AZ12(2) of the Act.

- b) Programmes included in the IPS that contribute towards the licensed PSB's or S4C's individual remit (referred to in the Act as "public service remit content" (PSR content)) are readily discoverable and are promoted by the service (Condition 2); and
- c) Ofcom considers that it is appropriate to designate the IPS.
- A1.8 In addition to its role in designating a PSB's primary IPS, Ofcom may designate a second or further IPS provided by that PSB (or a person associated with that PSB) if, in addition to meeting the designation criteria described above, Ofcom considers that the proposed contribution that the second or further IPS would make towards fulfilling the PSB's 'individual public service remit' (the individual remit) is capable of satisfying the needs and interests of a specific audience.
- A1.9 Once designated, DIPS providers are subject to ongoing duties to ensure that the designation conditions in paragraph A1.7(a) and (b) above continue to be met.⁶³ The Act provides Ofcom with enforcement powers,⁶⁴ including the ability to issue penalties where DIPS providers fail to comply with these duties,⁶⁵ and to specify steps that must be taken to remedy such failures.⁶⁶
- A1.10 Ofcom may also decide to revoke the designation of an IPS if it considers that there are reasonable grounds for believing that the IPS is not continuing to meet the designation criteria. ⁶⁷ Before such a decision can be made, Ofcom must first notify the IPS provider and give them an opportunity to make representations.
- A1.11 The Act provides Ofcom with information gathering powers that can be used to obtain information that we consider necessary to inform our decisions to make or revoke a designation and to assess compliance with the ongoing duties to ensure the designation conditions continue to be met.⁶⁸ These powers allow Ofcom to require information to be obtained or generated by the person receiving the request.⁶⁹
- A1.12 Ofcom must publish a statement about the methods it will apply when determining: (i) whether the designation criteria for an IPS are met; and (ii) whether a designated IPS is no longer meeting the designation criteria, such that Ofcom is proposing to revoke that IPS's designation.⁷⁰ This document is that statement.
- A1.13 Ofcom may revise or replace this statement.⁷¹

Ofcom's methods for designation

IPS providers and associated persons

A1.14 Before determining whether the designation conditions are met and whether it would be appropriate to designate an IPS provided by a PSB, Ofcom must first be satisfied that the

⁶³ Section 362AN of the Act.

⁶⁴ Sections 362AZ to 362AZ4 of the Act

⁶⁵ Sections 362AZ3 and 362AZ4 of the Act.

⁶⁶ Section 362AZ(4) of the Act.

⁶⁷ Section 362AB(2) of the Act.

⁶⁸ Section 362AS of the Act.

⁶⁹ Section 362AS(3) and (4) of the Act.

⁷⁰ Section 362AC(1) of the Act.

⁷¹ Section 362AC(2) of the Act.

- person to which the application relates that is, one of the licensed PSBs, S4C, or a person associated with one of them is the provider of the IPS in question.
- A1.15 The Act is clear that only the person who has general control of the IPS can be the IPS provider. This means that a licensed PSB, S4C, or a person associated with them will only be treated as the IPS provider if they have general control of the IPS. 'General control' means, in the case of an IPS where the programmes are contained in a single ODPS, the person who has 'editorial responsibility' 72 for the ODPS. For any other IPS, it means the person who has general control over which ODPS and other services are included in it. 73
- A1.16 In the case of an application for designation where the provider is a person associated with a licensed PSB or S4C, Ofcom must also be satisfied that the person in question is 'associated' with the licensed PSB or S4C within the meaning set out in the Act. In the case of a person associated with C4C and S4C, this means that the associated person must be controlled by C4C or S4C (as applicable). In the case of a person associated with the provider of a Channel 3 service or Channel 5, this means that the associated person and the relevant PSB must be controlled by the same person. 'Control' in the context of associated persons has the same meaning as in the Broadcasting Act 1990 i.e. majority interest control, de facto control or a control arrangement. In considering whether the provider of a service is associated with the licensed PSB or S4C and any relevant issues, we will have regard to our published guidance on control.

Designation conditions

A1.17 Sections 362AA(3) and (4) of the Act set out two conditions that must be satisfied by an IPS in order for Ofcom to be able to designate it. In addition to these conditions, Ofcom must also consider that it is appropriate to designate the IPS.⁷⁶

Condition 1: Does the IPS make, or is it capable of making, a significant contribution to the licensed PSB's or S4C's individual remit?

A1.18 In determining whether this condition is satisfied, Ofcom will consider significance in the context of each PSB's individual remit. We will have particular regard to the extent to which the content on all the relevant audiovisual services (relevant services)⁷⁷ that the PSB has identified in its statement of programme policy (SoPP) (other than the IPS) will be included in the IPS. Programmes included in an IPS that contribute towards the licensed PSB's or S4C's individual remit are referred to as PSR content. The IPS can also include content that a PSB does not intend to use to fulfil its individual remit (we refer to this as 'non-PSR content'), which includes paid-for content. However, Ofcom will not take account of non-PSR content when assessing whether an IPS is capable of making a significant contribution to the licensed PSB's or S4C's individual remit.

⁷⁴ Part 1 of Schedule 2 to the Broadcasting Act 1990.

⁷² 'Editorial responsibility' is defined in Section 368A(4) of the Act.

⁷³ Section 362AZ12(4) of the Act.

⁷⁵ Guidance on the definition of control of media companies

⁷⁶ Section 362AA(2)(b) of the Act.

⁷⁷ 'Relevant audiovisual services' are defined in section 264(11) of the Act. Licensed PSBs and S4C are able to use relevant audiovisual services alongside their main TV channel to contribute to the fulfilment of their individual remits (in order to fulfil their individual remits, the licensed PSBs and S4C must also make an "adequate contribution" to the collective obligation on all the PSBs to fulfil the public service remit for UK television (Sections 265(2)(b) and (3)(c) of the Act (for the licensed PSBs); Section 204A of the Act (for S4C), not yet in force).

- A1.19 The Act allows PSBs to fulfil their remits by making content available on services that are free of charge and which are either: (i) provided by PSBs; or (ii) provided by third parties under arrangements between the PSB and that third party.⁷⁸ We consider that, in order to satisfy Condition 1, an IPS provider should generally include on its IPS all the content on all the relevant services that the PSB has identified in its SoPP (other than the IPS).
- A1.20 For the purposes of Ofcom's determination of Condition 1, IPS providers should therefore expressly confirm whether the IPS will include all of the content on all the relevant services that the PSB has identified in its SoPP (other than the IPS). If the IPS will not include all of this content, the IPS provider should explain this.
- A1.21 When determining whether Condition 1 is satisfied in respect of designation applications for a second or further IPS aimed at meeting the needs and interests of a specific audience, IPS providers should confirm whether the IPS will include all of the content on the relevant services that the PSB has identified in its SoPP as intended for that specific audience. If the second or further IPS will not include all of this content, the IPS provider should explain this.

Condition 2: Is the public service remit content included in the service readily discoverable and promoted by the IPS?

- A1.22 In the Act, PSR content is defined as material included in the IPS that contributes to the fulfilment of the individual remits for licensed PSBs and S4C. 79 As noted above, the IPS may also include content that does not contribute to the fulfilment of these individual remits (non-PSR content).
- A1.23 In determining whether Condition 2 is satisfied, Ofcom will have regard to information provided by IPS providers explaining: (i) how PSR content will be made readily discoverable on the IPS; and (ii) how PSR content will be promoted by the IPS. This should include information about:
 - a) How PSR content will be positioned in the high traffic areas of the homepage as well as other high traffic areas⁸⁰ and features of the IPS so the audiences' attention to this content is likely increased relative to non-PSR content; and
 - b) How their approach to curation (editorially led and/or algorithmic) will help to promote and ensure the ready discoverability of PSR content.
- A1.24 We consider that in order to satisfy Condition 2, IPS providers must promote and make readily discoverable in the high traffic areas of the homepage as well as other high traffic areas and features of the IPS:
 - a) a diverse range of PSR content that informs, educates and entertains; and
 - b) news and current affairs content.
- In the case of a second or further IPS, Ofcom will have regard to the information provided A1.25 by IPS providers pursuant to paragraph A1.23 above, as well as whether the IPS promotes and makes readily discoverable the content described in paragraph A1.24 above. If an IPS

⁷⁸ Section 264(13) of the Act.

⁷⁹ Section 362AA(12) of the Act.

⁸⁰ A 'high traffic area' refers to an area of the IPS which is viewed and/or accessed by a significant volume of people when they use the IPS. Examples of high traffic areas and features include: the 'hero banner' (i.e. the largest and most prominent slot) of the homepage; themed rails on the homepage; recommendations within the search function; curated category tabs; auto-playing programmes; recommendations at the beginning or end of programmes; and themed campaigns.

- provider considers that, owing to the nature of the second or further IPS and its intended specific audience, it is not possible to promote or make readily discoverable the content described in paragraph A1.24, the IPS provider should explain this.
- A1.26 In cases where an IPS provider intends to make non-PSR content available within the IPS, they should explain how they will ensure that the promotion and ready discoverability of PSR content is not adversely affected. We consider that the high traffic areas of the homepage as well as other high traffic areas and features of the IPS (see footnote 81), should predominantly consist of PSR content in order to satisfy Condition 2.

Is it appropriate to designate the IPS?

- A1.27 When considering whether it is appropriate to designate an IPS, the Act sets out certain matters that Ofcom must take into account. These are:
 - The proposals in that PSB's SoPP as to the contribution that the IPS will make towards fulfilling the PSB's individual remit;
 - Whether that proposed contribution is capable of satisfying the needs and interests of a wide range of audiences (or a specific audience in the case of second or further IPS);
 and
 - The effectiveness and efficiency of the PSB's monitoring of its performance so far as relating to the fulfilment of the PSB's individual remit.
- A1.28 Set out below are the considerations Ofcom will take into account in respect of each of these matters.

Proposals in SoPPs

A1.29 As set out in Ofcom's SoPPs guidance, a PSB's SoPP should contain information about that PSB's IPS and the contribution it will make to the fulfilment of the PSB's individual remit. Ofcom will have regard to these proposals when considering whether it would be appropriate to designate an IPS.

Audience needs

- A1.30 When considering whether an IPS's proposed contribution is capable of satisfying the needs and interests of a wide range of audiences, Ofcom will review the information contained in a PSB's SoPP about how the PSB will use its IPS to satisfy the needs and interests of as many different audiences as possible. The SoPP guidance sets out the information PSBs could provide in order to demonstrate this, and Ofcom will consider this information for the purposes of considering whether it would be appropriate to designate an IPS.
- A1.31 In the case of second or further IPS, Ofcom will consider the information contained in a PSB's SoPP demonstrating how the PSB will use a second or further IPS to satisfy the needs and interests of a specific audience. This could include information about who the intended specific audience is, as well as the PSB's strategy for ensuring that the programmes on the second or further IPS will meet the needs and satisfy the interests of that audience, considering the nature of the programmes and the subject matters they cover. Such explanation could be supported by analysis showing audience figures for the relevant service overall and audience demographics.

Performance monitoring

A1.32 When considering the effectiveness and efficiency of a PSB's performance monitoring in relation to the fulfilment of its individual remit, Ofcom will review the information

provided by PSBs in their SoPP Plan and SoPP Review. In particular, Ofcom will look at the SoPP Review and the PSB's assessment of how it has fulfilled its individual remit across all of its relevant services (which includes the IPS), and, in doing so, how the PSB has made an adequate contribution to the overall PSB remit. We may also consider any qualitative and / or quantitative assessment of the performance of the IPS provided by the PSB.

Other matters

A1.33 In addition to the above, Ofcom will take into account any other matters that it considers relevant when considering whether it is appropriate to designate an IPS, ⁸¹ having regard to our relevant statutory duties.

Ofcom's methods for revocation of designation

- A1.34 Ofcom may decide to revoke the designation of an IPS, in the absence of a request to do so by the IPS provider, on the basis that Ofcom considers that there are reasonable grounds for believing that one or more of the criteria set out in section 362AB(2) of the Act are met. Before such a decision can be made, Ofcom must first notify the IPS provider and give them an opportunity to make representations.
- A1.35 The criteria in section 362AB(2) are that:
 - a) The designated IPS is not making a significant contribution to the licensed PSB's or S4C's individual remit;
 - b) The PSR content included in the IPS is not readily discoverable or is not promoted by the service; or
 - c) It would not be appropriate for Ofcom to designate the IPS.
- A1.36 When determining whether any of the criteria in section 362AB(2) are met, Ofcom will consider the matters and evidence discussed in paragraphs A1.18-1.33 above.

General principles

- A1.37 We will explain why we have taken a particular approach in our decisions in relation to the designation of an IPS or revocation of a designation and how that approach is consistent with the methods set out in this statement.
- A1.38 However, we may consider it appropriate or necessary to follow different methods to those set out in this statement. If we follow different methods, then we will explain why we have done this.
- A1.39 We may use our information gathering powers in section 362AS of the Act to gather evidence to inform our decisions in relation to our designation or revocation decisions.
- A1.40 We will publish our decisions in relation to the designation of an IPS or revocation of a designation.

⁸¹ Section 362AA(7) of the Act.

A2. Legal framework

- A2.1 This annex sets out the statutory framework regarding the designation of internet programme services (IPS) under Part 3A of the Communications Act 2003 (the Act), which was inserted into the Act by Part 2 of the Media Act 2024. This annex is only a summary of the relevant provisions, it is not a substitute for reference to the statute.
- A2.2 Also relevant are Ofcom's general duties in carrying out its functions, to further the interests of citizens in relation to communications matters and consumers in relevant markets, where appropriate, by promoting competition. 82 In doing so, Ofcom must have regard to a number of matters including the desirability of promoting the fulfilment of the purposes of public service television broadcasting in the UK, the desirability of encouraging investment and innovation in relevant markets, and the needs of persons with disabilities. 83
- A2.3 In performing its general duties, Ofcom must have regard to the principles under which regulatory activities should be transparent, accountable, proportionate, consistent, and targeted only at cases in which action is needed, and any other principles appearing to Ofcom to represent the best regulatory practice.⁸⁴
- A2.4 As explained further below, where an IPS is designated by Ofcom (designated IPS or DIPS), the provider of the DIPS will be subject to various statutory obligations under the Act, including making the DIPS available to television selection services (TSS)⁸⁵ that are designated by the Secretary of State (regulated TSS or RTSS).

Internet programme services (IPS)

A2.5 The PSBs' TV apps that may be designated are referred to as internet programme services (IPS). The Act defines an IPS as a service a service which is either (i) entirely an on demand programme service (ODPS) or (ii) an ODPS together with other services (e.g. live-streamed television programme services). 86

Designated internet programme services (DIPS)

- A2.6 The Act defines a DIPS as an IPS:
 - provided by the BBC;
 - provided by a licensed PSB or S4C and designated by Ofcom; or

⁸² Section 3(1) of the Act.

⁸³ Section 3(4)(a), (d) and (i) of the Act.

⁸⁴ Section 3(3) of the Act.

⁸⁵ A TSS is a service or dissociable section of a service, provided by means of the internet and in connection with Internet Television Equipment (ITE) which consists of (a) the presentation of the IPS included in the service or the dissociable section of the service; and (b) a facility that enables the user: (i) to make a selection between those IPS or programmes provided by those IPS or both; and (ii) to access the IPS or programme selected or both (Section 362AE(1) of the Act. The Secretary of State may lay regulations to amend the definition of "television selection service" or internet television equipment" (Section 362AE(7)).

⁸⁶ Section 362AA(10) and (11) of the Act.

- provided by a person associated with a PSB and designated by Ofcom.
- A2.7 It is therefore Ofcom's role to designate IPS provided by licensed PSBs and S4C, as well as persons associated with the PSBs.⁸⁷

IPS providers and associated persons

IPS Providers

- A2.8 The only person who can be treated as providing an IPS is the person who has general control of the service.⁸⁸
- A2.9 The person with general control of the service means:
 - a) in the case of an IPS where the programmes are contained in a single on-demand programme service (ODPS), the person who has editorial responsibility for the ODPS within the meaning of s368A(4) of the Act;⁸⁹ or
 - b) in the case of any other IPS, the person who has general control over which ODPSs, non-UK ODPSs and IPS are included in the service. 90
- A2.10 The Act draws a distinction between IPS provided by C4C and S4C on the one hand, and IPS provided by C4 and S4C companies on the other hand. The provision of an IPS by C4C or S4C does not include provision by C4 and S4C companies. Therefore, when determining who has general control of the service, control that is or is capable of being exercised by C4C or S4C over decisions by a C4 or S4C company about what is to be comprised in a service should be disregarded.⁹¹

Associated persons

- A2.11 A person is associated with a PSB if:
 - a) the person is a body corporate (e.g. a company) which is controlled by the PSB; or
 - b) where the PSB is the provider of a Channel 3 service or Channel 5, the person and the PSB are both bodies corporate (e.g. companies) which are controlled by the same person. 92
- A2.12 'Controlled' has the same meaning as in paragraph 1(3) of Part 1 of Schedule 2 to the Broadcasting Act 1990,⁹³ which sets out that a person may be deemed to 'control' a company in any of the following three scenarios:
 - **'Majority interest'**: A person controls a company if they hold, or are beneficially entitled to, more than 50 per cent of the equity share capital or possesses more than 50 per cent of the voting power in the company;

⁸⁷ Section 362AA(2) of the Act also gives Ofcom the power to designate IPS provided by a person associated with the BBC where the conditions in Section 362AA(5) are satisfied. These provisions have not been brought into force at this time and are therefore not considered in this document.

⁸⁸ Section 362AZ12(2) of the Act.

⁸⁹ Section 362AZ12(3) of the Act.

⁹⁰ Section 362AZ12(4) of the Act.

⁹¹ Section 362AZ12(5) of the Act.

⁹² Section 362AZ12(6) of the Act.

⁹³ Section 362AZ12(7) of the Act. Ofcom has issued guidance on the control of media companies.

- 'De facto control': Even where a person does not have a majority interest, they are
 regarded as controlling a company where it is reasonable, having regard to all the
 circumstances, to expect that they would (if they chose to) be able in most cases or in
 significant respects, by whatever means and whether directly or indirectly, to achieve
 the result that affairs of the body are conducted in accordance with their wishes;
- **'Control arrangement'**: A person also controls a company where they hold, or are beneficially entitled to, 50 per cent of the company's equity share capital, or possesses 50 per cent of the voting power in the company, and has an arrangement with any other participant in the company as to how any voting power possessed by either of them is to be exercised or not.

Designation criteria

- A2.13 Ofcom may designate an IPS provided by a licensed PSB or S4C if:
 - a) The IPS makes, or is capable of making, a significant contribution to the licensed PSB's or S4C's individual remit;
 - b) Programmes included in the IPS that contribute towards the licensed PSB's or S4C's individual public service remit (referred to in the Act as 'public service remit content') are readily discoverable and promoted by the service; and
 - c) Ofcom considers it is appropriate to designate the IPS. 94

'Appropriate'

- A2.14 When considering whether it is appropriate to designate a licensed PSB's or S4C's IPS, Ofcom must take into account (amongst other things):
 - The proposals in that PSB's SoPP as to the contribution that the IPS will make towards fulfilling the PSB's individual public service remit;
 - Whether that proposed contribution is capable of satisfying the needs and interests of a wide range of audiences (or a specific audience in the case of second or further IPS);
 and
 - The effectiveness of the PSB's monitoring of its performance so far as relating to the fulfilment of the PSB's individual public service remit.

Public service remits and SoPPs

Individual remits

- A2.15 Each licensed PSB and S4C has an individual remit which they are required to fulfil.
- A2.16 The individual remit for Channel 3 services and Channel 5 is to make available a range of high quality and diverse programmes. 95

⁹⁴ Section 362AA(2), (3) and (4) of the Act.

⁹⁵ Section 265(2) of the Act.

- A2.17 The individual remit for C4C is to make available broad range of high quality and diverse programmes. 96 These programmes must, in particular:
 - demonstrate innovation, experimentation, and creativity;
 - appeal to the tastes and interests of a culturally diverse society;
 - include a significant amount of educational content; and
 - have a distinctive character.
- A2.18 The individual remit for S4C is to make available a broad range of high quality and diverse programmes, with a substantial proportion in Welsh.⁹⁷
- A2.19 For each licensed PSB and S4C, the programmes with which they fulfil their individual remits should be capable of being taken into account for the purposes of assessing the extent to which the overall PSB remit is fulfilled, and should constitute an adequate contribution to the fulfilment of the overall PSB remit.

The overall PSB remit

- A2.20 The overall PSB remit is fulfilled when the PSBs (the BBC, the licensed PSBs and S4C), taken together, make available a broad range of programmes which:⁹⁸
 - a) Meet the needs and satisfies the interests of as many different audiences as possible, considering when and how the programmes are accessed, as well as the nature of the programmes and the subject matters covered by them.
 - b) Offer comprehensive and authoritative news and current affairs coverage, both within the UK (and different parts of the UK) and globally, to support civic understanding and fair and well-informed debate.
 - c) Serve as a public service for information, education and entertainment, including programmes:
 - i) reflecting the lives and concerns of different UK communities and cultural traditions; and
 - ii) in the Welsh, Gaelic, Irish, Scots, Ulster Scots, or Cornish languages.
 - d) Include original productions that reflect the lives and concerns of children and young people in the UK, are educational, and help them understand the world.
 - e) Feature a suitable range and amount of independent productions, original productions, and programmes made outside the M25.
 - f) Cover an appropriate range of genres.
- A2.21 The overall PSB remit is a collective obligation on all the PSBs which must be fulfilled by them together. The regime gives flexibility regarding the PSBs' individual contributions to the overall PSB remit, but in order to fulfil their individual remits, each licensed PSB and S4C must make an adequate contribution to the overall PSB remit.

⁹⁶ Section 265(3) of the Act.

⁹⁷ Paragraph 3(2) of Part 2 Schedule 12 of the Act.

⁹⁸ Section 264(4)-(6) of the Act.

SoPPs

- A2.22 Licensed PSBs and S4C are required to produce SoPPs on an annual basis. 99 The SoPPs must:
 - set out how the PSB's individual remit, which includes making an adequate contribution to the overall PSB remit, will be fulfilled in the coming year;
 - set out how its requirements relating to programme quotas, news provision, regional programme-making and commissioning will be fulfilled;¹⁰⁰
 - state which relevant audiovisual services¹⁰¹ will be used to contribute to the fulfilment of the PSB's individual remit, and if so, how; and
 - contain a performance review for the previous year.
- A2.23 In preparing SoPPs, the licensed PSBs and S4C must have regard to Ofcom guidance, take account of Ofcom annual factual and statistical reports and public service media reviews, and special account of the most recent ones. They must publish the SoPP as soon as possible after it is complete, having regard to Ofcom guidance about the manner of publication.

Revocation of designation

- A2.24 Designation of an IPS can be revoked in two scenarios:
 - Automatic revocation: The designation of an IPS provided by a person associated with a licensed PSB or S4C is revoked when that person ceases to be associated with the PSB(s) in question. ¹⁰² The person must give notice to Ofcom that it has ceased to be associated with the PSB(s) in question, which should be sent in such manner and contain such information as Ofcom may require. ¹⁰³
 - Revocation by Ofcom: Ofcom must revoke a designation of an IPS if the IPS provider requests us to do so. 104 We can also decide to revoke a designation of an IPS if we think there are reasonable grounds for believing that the IPS is not meeting the designation criteria. 105 If we decide to revoke an IPS's designation on this basis, we will give notice to the IPS provider stating the grounds and reasons for our opinion that the IPS is not meeting the designation criteria. 106 We will also explain why we are proposing to revoke the IPS's designation. 107 The IPS provider will have an opportunity to respond to the notice and make representations to Ofcom, and the notice will specify further details about this, including the time period for making those representations. 108 Once the time

⁹⁹ Section 266(1) of the Act.

 $^{^{100}}$ The requirements are set out in in Sections 277 to 296 (in the case of the licensed PSBs) and Schedule 12 Part 2 (in the case of S4C) of the Act.

¹⁰¹ Section 264(11) of the Act.

¹⁰² Section 362AB(1) of the Act.

¹⁰³ Section 362AD(1) and (2) of the Act.

¹⁰⁴ Section 362AB(7) of the Act.

¹⁰⁵ Section 362AB(2) of the Act.

¹⁰⁶ Section 362AB(3)(a) - (b) of the Act.

¹⁰⁷ Section 362AB(3)(c) of the Act.

¹⁰⁸ Section 362AB(3)(d) - (e) of the Act.

period allowed for representations has expired, Ofcom will reach a final decision and will give notice of this decision to the IPS provider. 109

Ofcom's statement of methods

- A2.25 Of com has a duty to prepare and publish a statement providing information about the methods we will apply in determining:
 - whether the conditions for designating an IPS have been met; and
 - whether there are reasonable grounds for believing that an IPS is not meeting one or more of the designation conditions, such that Ofcom is proposing to revoke the designation of that IPS.¹¹⁰
- A2.26 The Act also provides Ofcom with information gathering powers that can be used to obtain information that we consider necessary to inform our determination of these matters.¹¹¹

Effects of designation

Introducing new requirements for DIPS and RTSS

- A2.27 Where IPS and TSS are designated, the providers of those DIPS and RTSS must comply with the new regime. The provider of a DIPS will be the relevant PSB, or person associated with that PSB. ¹¹² The provider of an RTSS will be the person who has general control over the manner in which the TSS presents to its users the IPS that are included in the service. ¹¹³
- A2.28 Providers of DIPS will be subject to a 'must-offer' obligation, and providers of RTSS will be subject to a 'must-carry' obligation.
- A2.29 The 'must-offer' and 'must-carry' requirements on DIPS and RTSSs are designed to ensure that a DIPS receives an appropriate degree of prominence and that its content remains readily available to the public, despite the increased diversification of accessing content that is provided by connected TV platforms and VoD services.
- A2.30 The 'must-offer' obligation means that a DIPS provider must offer its DIPS to every RTSS provider. 114 The DIPS provider must do its best to secure that, in relation to every RTSS, agreements are entered into and kept in force that ensure the service is included in the RTSS. 115
- A2.31 The 'must-carry' obligation means that an RTSS provider must, in respect of each DIPS, enter into arrangements with the provider of the DIPS for the RTSS to include that DIPS and

¹⁰⁹ Section 362AB(4) of the Act.

¹¹⁰ Section 362AC(1) of the Act.

¹¹¹ Section 362AS of the Act.

¹¹² Section 362AA(2) of the Act.

¹¹³ Section 362AE(5) of the Act. Section 362AE(6) of the Act says that the fact a TSS relies to any extent on algorithms to determine the prominence given to an IPS or any programme provided by the IPS does not prevent a person from having general control.

¹¹⁴ Section 362AJ(1) of the Act.

 $^{^{115}}$ Section 362AJ(2) of the Act. There is a separate obligation for any IPS provided by the BBC (Section 362AJ(4)). Details of the BBC's obligations pursuant to the <u>BBC Agreement</u> can be found at Para 1.11-1.13 of the BBC's Distribution Policy and Clause B13 of The BBC's commercial and trading activities: requirements and guidance – annex 3.

- keep such arrangements in force. 116 RTSS providers will also be required to ensure that the DIPS and, where appropriate, content on the DIPS that contributes to the delivery of PSBs' individual remits are prominently located on their services 117 and that these services are accessible to those with disabilities (particularly those affecting sight or hearing). 118
- A2.32 Both DIPS and RTSS providers are subject to ongoing duties. ¹¹⁹ For DIPS providers, this means that they must ensure that the designation conditions described in paragraphs A2.13(a) and (b) above continue to be met. DIPS and RTSS providers also have a duty to act consistently with the 'agreement objectives' when negotiating the arrangements required to meet the requirements of their 'must-carry' and 'must-offer' obligations. ¹²⁰ The agreement objectives are that:
 - a) DIPS are given an appropriate degree of prominence within an RTSS (which includes PSR content and any listed channel included in the DIPS);¹²¹
 - b) the arrangements between the providers do not adversely affect the ability of the licensed PSBs or S4C to fulfil their individual remits¹²²; and
 - c) arrangements do not disproportionately restrict how the provider of an RTSS may make innovations in the ways that users may select and access IPS. 123
- A2.33 The Act requires Ofcom to prepare and publish guidance about how providers of DIPS and providers of RTSS may act consistently with the agreement objectives. 124
- A2.34 The Act gives Ofcom a dispute resolution function ¹²⁵ and enforcement powers. ¹²⁶

Economic growth duty

- A2.35 Section 108 of the Deregulation Act 2015 sets out Ofcom's duty to have regard to the desirability of promoting economic growth when exercising its regulatory functions. In order to consider the promotion of economic growth, Ofcom will exercise its regulatory functions in a way that ensures that:
 - a) Regulatory action is taken only when it is needed; and
 - b) Any action taken is proportionate. 127
- A2.36 The government's statutory guidance on this duty recognises drivers of economic growth to include innovation and competition.

¹¹⁶Section 362AK of the Act.

¹¹⁷ Section 362AO(1) and (3) of the Act.

¹¹⁸ Section 362AO(4) of the Act.

¹¹⁹ Sections 362AN and 362AO of the Act.

¹²⁰ Section 362AM of the Act.

¹²¹ Section 362AM(1)(a) of the Act.

¹²² Section 362AM(1)(b) of the Act.

¹²³ Section 362AM(1)(c) of the Act.

¹²⁴ Ofcom's guidance must also include how the BBC may act consistently with the agreement objectives in carrying out any of its duties under the BBC Charter and Agreement that are comparable to the requirement on other DIPS providers under Section 362AJ(3) (Section 362AL(2) of the Act).

¹²⁵ Sections 362AT - 263AY of the Act.

¹²⁶ Sections 362AZ - 362AZ5 of the Act.

¹²⁷ Section 108(2)(b) of the Deregulation Act 2015.

Public sector equality duty

- A2.37 Section 149 of the Equality Act 2010 (the 2010 Act) imposes a duty on Ofcom, when carrying out its functions, to have due regard to the need to eliminate discrimination, harassment, victimisation and other prohibited conduct related to the following protected characteristics: age; disability; gender reassignment; marriage and civil partnership; pregnancy and maternity; race; religion or belief; sex and sexual orientation. The 2010 Act also requires Ofcom to have due regard to the need to advance equality of opportunity and foster good relations between persons who share specified protected characteristics and persons who do not.
- A2.38 Section 75 of the Northern Ireland Act 1998 (the 1998 Act) also imposes a duty on Ofcom, when carrying out its functions relating to Northern Ireland, to have due regard to the need to promote equality of opportunity and have regard to the desirability of promoting good relations across a range of categories outlined in the 1998 Act. Ofcom's Revised Northern Ireland Equality Scheme explains how we comply with out statutory duties under the 1998 Act.

Welsh language duty

- A2.39 The Welsh Language (Wales) Measure 2011 established a legal framework to impose duties on certain organisations to comply with standards in relation to the Welsh language. The standards issued to Ofcom are listed in Ofcom's compliance notice effective from 25 January 2017.
- A2.40 The Welsh Language Policy Making Standards require Ofcom to assess (a) opportunities for persons to use the Welsh language, and (b) treating the Welsh language no less favourably than the English language, when formulating a new policy or reviewing or revising an existing policy.

A3. Impact assessments

Assessing the impact of our proposals

- A3.1 Section 7 of the Communications Act 2003 (the Act) requires us to carry out and publish an assessment of the envisioned impact of implementing a proposal which would be likely to have a significant impact on businesses or the general public, or when there is a major change in Ofcom's activities. Impact assessments help us to understand the policy decisions we have decided to take and why we consider those decisions best fulfil our applicable duties and objectives in the least intrusive way.¹²⁸
- A3.2 The impact assessment carried out for this consultation is woven into section 4 where we have considered the potential impacts of the methods we propose to apply when designating IPS. Overall, we consider that our proposals will benefit audiences as they will ensure that DIPS allow them to access and readily discover the high quality and diverse content required by the PSB remits.
- A3.3 We will carry out a further impact assessment when consulting on our proposed designation decisions.

Equality impact assessment

- A3.4 Section 149 of the Equality Act 2010 (the 2010 Act) imposes a duty on Ofcom, when carrying out its functions, to have due regard to the need to eliminate discrimination, harassment, victimisation and other prohibited conduct related to protected characteristics under the 2010 Act. The 2010 Act also requires Ofcom to have due regard to the need to advance equality of opportunity and foster good relations between persons who share specified protected characteristics and persons who do not.
- A3.5 Ofcom has separate but complementary duties under Northern Ireland's equality legislation. This requires Ofcom to screen policies for their impact on equality of opportunity and/or good relations in each of the nine equality categories identified for Northern Ireland.
- A3.6 We do not consider that the methods we are proposing will have any adverse equality impacts. We will carry out a further equality impact assessment when consulting on our proposed designation decisions.

Welsh language impact assessment

A3.7 The Welsh language has official status in Wales. 131 To give effect to this, certain public bodies, including Ofcom, are required to comply with Welsh language standards in relation to the use of Welsh, including the general principle that Welsh should not be treated less

¹²⁸Ofcom, <u>Impact assessment guidance</u>, 2023.

¹²⁹ These protected characteristics are: age; disability; gender reassignment; marriage and civil partnership; pregnancy and maternity; race; religion or belief; sex and sexual orientation.

¹³⁰ Section 75 of the Northern Ireland Act 1998.

¹³¹ Section 1(1), Welsh Language (Wales) Measure 2011.

- favourably than English in Wales.¹³² Accordingly, we have considered the potential impact of our review on (i) opportunities for persons to use the Welsh language; and (ii) treating the Welsh language no less favourably than the English language.
- A3.8 We consider methods we have proposed would not treat the Welsh language differently to the English language or have any impact on opportunities for persons to use the Welsh language. We expect that for Welsh language speakers, the new regime will benefit them by ensuring they have access to PSB content catering to Welsh speaking audiences. We will carry out a further Welsh language impact assessment when consulting on our proposed designation decisions.

¹³² The Welsh language standards with which Ofcom is required to comply are available on our website.

A4. Responding to this consultation

How to respond

- A4.1 Ofcom would like to receive views and comments on the issues raised in this document, by 5pm on 25 March 2025.
- A4.2 You can download a response form from https://www.ofcom.org.uk/tv-radio-and-on-demand/public-service-broadcasting/consultation-designation-of-public-service-broadcaster-internet-programme-services/. You can return this by email or post to the address provided in the response form.
- A4.3 If your response is a large file, or has supporting charts, tables or other data, please email it to mediaact.part2@ofcom.org.uk, as an attachment in Microsoft Word format, together with the cover sheet. This email address will be used for this consultation and subsequent consultations concerning the implementation of Part 3A of the Communications Act 2003 (the Act), which was inserted into the Act by Part 2 of the Media Act 2024.
- A4.4 Responses may alternatively be posted to the address below, marked with the title of the consultation:

Content Policy Team
Ofcom
Riverside House
2A Southwark Bridge Road
London SE1 9HA

- A4.5 We welcome responses in formats other than print, for example an audio recording or a British Sign Language video. To respond in BSL:
 - send us a recording of you signing your response. This should be no longer than 5 minutes. Suitable file formats are DVDs, wmv or QuickTime files; or
 - upload a video of you signing your response directly to YouTube (or another hosting site) and send us the link.
- A4.6 We will publish a transcript of any audio or video responses we receive (unless your response is confidential).
- A4.7 We do not need a paper copy of your response as well as an electronic version. We will acknowledge receipt of a response submitted to us by email.
- A4.8 You do not have to answer all the questions in the consultation if you do not have a view; a short response on just one point is fine. We also welcome joint responses.
- A4.9 It would be helpful if your response could include direct answers to the questions asked in the consultation document. The questions are listed at annex 7. It would also help if you could explain why you hold your views, and what you think the effect of Ofcom's proposals would be.
- A4.10 If you want to discuss the issues and questions raised in this consultation, please contact the team by email to mediaact.part2@ofcom.org.uk.

Confidentiality

- A4.11 Consultations are more effective if we publish the responses before the consultation period closes. This can help people and organisations with limited resources or familiarity with the issues to respond in a more informed way. So, in the interests of transparency and good regulatory practice, and because we believe it is important that everyone who is interested in an issue can see other respondents' views, we usually publish responses on the Ofcom website at regular intervals during and after the consultation period.
- A4.12 If you think your response should be kept confidential, please specify which part(s) this applies to and explain why. Please send any confidential sections as a separate annex. If you want your name, address, other contact details or job title to remain confidential, please provide them only in the cover sheet, so that we don't have to edit your response.
- A4.13 If someone asks us to keep part or all of a response confidential, we will treat this request seriously and try to respect it. But sometimes we will need to publish all responses, including those that are marked as confidential, in order to meet legal obligations.
- A4.14 To fulfil our pre-disclosure duty, we may share a copy of your response with the relevant government department before we publish it on our website.
- A4.15 Please also note that copyright and all other intellectual property in responses will be assumed to be licensed to Ofcom to use. Ofcom's intellectual property rights are explained further in our Terms of Use.

Next steps

- A4.16 Following this consultation period, Ofcom plans to publish a statement in summer 2025.
- A4.17 If you wish, you can register to receive mail updates alerting you to new Ofcom publications.

Ofcom's consultation processes

- A4.18 Ofcom aims to make responding to a consultation as easy as possible. For more information, please see our consultation principles in annex 5.
- A4.19 If you have any comments or suggestions on how we manage our consultations, please email us at consult@ofcom.org.uk. We particularly welcome ideas on how Ofcom could more effectively seek the views of groups or individuals, such as small businesses and residential consumers, who are less likely to give their opinions through a formal consultation.
- A4.20 If you would like to discuss these issues, or Ofcom's consultation processes more generally, please contact the corporation secretary:
- A4.21 Corporation Secretary
 Ofcom
 Riverside House
 2a Southwark Bridge Road
 London SE1 9HA

Email: corporationsecretary@ofcom.org.uk

A5. Ofcom's consultation principles

Ofcom has seven principles that it follows for every public written consultation:

Before the consultation

A5.1 Wherever possible, we will hold informal talks with people and organisations before announcing a big consultation, to find out whether we are thinking along the right lines. If we do not have enough time to do this, we will hold an open meeting to explain our proposals, shortly after announcing the consultation.

During the consultation

- A5.2 We will be clear about whom we are consulting, why, on what questions and for how long.
- A5.3 We will make the consultation document as short and simple as possible, with an overview of no more than two pages. We will try to make it as easy as possible for people to give us a written response.
- A5.4 We will consult for up to ten weeks, depending on the potential impact of our proposals.
- A5.5 A person within Ofcom will be in charge of making sure we follow our own guidelines and aim to reach the largest possible number of people and organisations who may be interested in the outcome of our decisions. Ofcom's Consultation Champion is the main person to contact if you have views on the way we run our consultations.
- A5.6 If we are not able to follow any of these seven principles, we will explain why.

After the consultation

A5.7 We think it is important that everyone who is interested in an issue can see other people's views, so we usually publish the responses on our website at regular intervals during and after the consultation period. After the consultation we will make our decisions and publish a statement explaining what we are going to do, and why, showing how respondents' views helped to shape these decisions.

A6. Consultation coversheet

Basic details					
Consultation title:					
To (Ofcom contact):					
Name of respondent: Representing (self or organisation/s):					
Confidentiality					
Please tick below what part of your response y	ou consider is confidential, giving your reasons why				
 Nothing 					
 Name/contact details/job title 					
Whole response					
 Organisation 					
 Part of the response 					
If you selected 'Part of the response', please sp	pecify which parts:				
still publish a reference to the contents of your general summary that does not disclose the sp Yes No Declaration	or your organisation not to be published, can Ofcom response (including, for any confidential parts, a ecific information or enable you to be identified)?				
that Ofcom can publish. However, in supplying publish all responses, including those which are obligations. If I have sent my response by emainot disclosing email contents and attachments Ofcom aims to publish responses at regular interests.	ervals during and after the consultation period. If your rt), and you would prefer us to publish your response				

Signed (if hard copy)

Name

A7. Consultation questions

Sub-heading

A7.1 The box below presents the questions that we posed in the consultation document.

Question 1: Do you agree with our proposed methods for determining whether the IPS makes, or is capable of making, a significant contribution to the PSB's individual public service remit?

Question 2: Do you agree with our proposed methods for determining whether public service remit content included in the IPS is readily discoverable and promoted by the service?

Question 3: Do you agree with our proposed methods for determining whether it is appropriate to designate an IPS?

Question 4: Do you agree with our proposed process for IPS providers to apply for designation of an IPS?

Question 5: Do you agree with our proposed methods for revocation of designation of an IPS?