

## **Advisory Committee England**

### **Response to Ofcom's Draft Annual Plan 2010-2011**

#### **Background**

1. The Ofcom Advisory Committee for England welcomes the opportunity to respond to Ofcom's Draft Annual Plan, and we appreciate the continued efforts of the Annual Planning team in engaging with ACE throughout the Annual Plan process.
2. We recognise that this has been particularly challenging given the complexities around changes to Ofcom's funding and the wider challenges facing the UK economy. These issues – and their impact – are clearly addressed in the document. The team is to be congratulated for the clarity with which these implications have been outlined.
3. The Committee also notes, that in contrast to previous years, the report is both shorter – and more readable (the two are not necessarily mutually exclusive). Again, this is a positive development that we hope will apply to other Ofcom documents in the future.
4. However, whilst we believe that this remains a useful document we still have some outstanding concerns that we would like to see the final plan address. As a result, we will focus our response on these areas, rather than those, which we think, have been adequately addressed.

#### **The English Question**

5. In particular, we would like to see the draft Annual Plan referencing the ways in which Ofcom will liaise with English stakeholders and ensure that the voice of England continues to be heard internally. This is particularly acute given plans, subject to further Parliamentary legislation, to disband the Advisory Committee for England and the personnel reduction in the England team.
6. ACE would therefore like to see reference to the ways in which Ofcom will explore ways to receive input from the citizens, communities, and regions of England, to ensure that the full diversity of England is heard, represented, and responded to in all regulatory matters of relevance to Ofcom. In particular we would welcome clarity on the proposed arrangements for broad English representation over the whole of the coming year.
7. In particular we think there is an opportunity to make more effective use of the press, Internet and social networking to help do this. The benefits of embracing this can benefit groups across the UK, not just England, although this is understandably our principle concern.

One way to do this, which we have previously suggested, would be to create a public facing website with the primary purpose of citizen sourcing expertise; drawing on the wisdom of consumers and other expertise about the general public, for the benefit of the Ofcom advisory committees and in turn Ofcom itself. Such a site would not be an Ofcom channel per se, but a route into Ofcom via expert advisors who would filter comment and add their own experience and expertise to the issues.

This could be a particularly important channel for creating a “conversation” between Advisory Committees and the general public, consumers, and viewers across the nation. This is particularly important now, given the potential hiatus which may accompany the transition of responsibilities from bodies such as Consumer Focus - and the Communications Consumer Panel - to the proposed new arrangements under Citizen’s Advice. In such circumstances an effective Website, with blogging features that enable a two-way conversation, could be a useful channel for communication, dialogue and debate, thereby enhancing the value of the Advisory Committees to Ofcom.

8. England remains the largest geographical entity in the UK, both in terms of population and landmass. Indeed, many of its counties have a larger population than any of the devolved nations. Yet, without elected bodies to highlight the needs of different parts of England, the English Regions can sometimes be the poor neighbours of the devolved Nations. If their consumers and citizens are already disadvantaged by the lack of such representation, if anything Ofcom may need to make extra efforts to ensure their needs are known and acted upon – rather than reinforce their disadvantage. A blinkered view of the UK is not in the interest of sound advice to, and from, the Advisory Committees.
9. We remain concerned that as a result English Stakeholders, citizens and consumers risk being overlooked in comparison to their counterparts in the Nations. For example, we would be keen to ensure that Ofcom’s research continues to use sample sizes large enough for differences in consumer behaviour, take up etc. to be captured and understood across important segments of England, whether they be the English Regions, the three Devolved Nations, or other groupings, such as urban in contrast to rural residents.

### **Localism, Local and Regional Content**

10. Within this, ACE recognises that the Governments “Localism” agenda may mean more emphasis on key cities and their surrounds, and less on 'regions'. Similarly, it may make sense for work to focus more on rural-urban divides, given the parallels between the urban and rural experience in areas across the UK.
11. Similarly, we would like to see an understanding of the impact of Channel 3 licence renewals in 2014, which may – or may not – include regional programming. ACE remains keen to champion and support regulatory initiatives that enable a strong local and regional media presence; one that promotes the needs of the diverse plurality of audiences across England, and seeks to ensure that they are served by a breadth and depth of content across a wide range of platforms.

Given the importance that audiences place on plurality, we would like to see a public discourse about whether this plurality will exist in 2014 and if not whether any regulatory steps need to be taken to maintain it. We want regulation (de-regulation) to aid in the stimulation of informed communities, where none are disadvantaged by their diversity.

12. Of course Local TV may help to bridge this gap, but at present this is difficult to gauge. One possibility is that even if Local TV is successful there risks being a hiatus between ITV potentially withdrawing from Regional Programming (including News) before this new platform is fully up and running. And it is important to identify, monitor, and raise consumer awareness of real or potential gaps in local provision.

13. Local Journalism is vital for the health of local democracy – holding institutions to account – as well as providing for some journalists (although less than used to be the case) an apprenticeship, which allows them to progress to national publications. For local journalism – on all platforms – to deliver benefits to citizens and consumers it needs a certain minimal level of investment as well as quality journalists and strong editorial leadership.

Plurality also remains important, and there is a risk that all of this will be undermined due the steady decline of advertising revenues and the closure of numerous titles. This frontline layer of journalism is also necessary as part of the overall ecology of a strong national journalism - if the stories aren't uncovered across the UK then they won't filter up to national/network level.

14. Local Journalism should not be left only to the BBC, or groups who can operate in big cities where mass circulation is easier to achieve (and thus advertising returns should be more profitable). As with PSB, journalism across all platforms requires plurality. We would therefore welcome an on-going analysis of how this will be maintained – one that brings the Internet and related information and communication technologies into the scope of the analysis, since they are playing an increasing role in local content, such as with hyper-local Websites.
15. One suggestion mooted in the press is that ITV may see a reduction in its Out of London production quota in return for continuing to provide Regional News. Whilst we are not necessarily seeking to 'turn back the clock' we would urge caution against this approach. We have already seen that network production on the East of the UK has been dramatically reduced, often to the point of being next to non-existent.

In contrast, the West of the UK – from Glasgow to Birmingham, Manchester/Salford, Bristol and Cardiff – is better served than the East of England. The impact of this on the creative economy and portrayal of regions in the East is likely to be substantial.

Therefore, if this question were raised in the future we would urge Ofcom to provide a cost benefit analysis that looks at the wider societal impact of regulatory changes/proposals, not just the impact on audiences.

16. In doing this Ofcom should work with bodies such as Creative England to ascertain the wider landscape in which it operates, so that both parties can understand this context. It should also be noted that the 3 proposed 'hubs' for Creative England are all situated on the Western side of England (Bristol, Birmingham and Manchester).

## **Business and SMEs**

17. ACE has long advocated the needs of Business and SMEs to UK PLC as well as the benefits from communications technologies can play in their growth and development. We would like to see Ofcom build on the work of the Business Consumer Experience with a more detailed investigation of the communications challenges and frustrations of business consumers, especially small businesses.

For example, ACE believes that there is a value in understanding how businesses use communications technologies and their understanding of the benefits it can bring to their business

in terms of innovation, automation, cost saving and profile. We have been concerned for some time that these benefits are not being fully realised with SMEs unclear about where to go for help in understanding these issues.

Whilst some solutions to these issues may be out of scope for Ofcom, we think that research along these lines could be of real contextual value for regulatory issues facing Ofcom and Government, as well as business itself.

## **Spectrum**

18. Another issue, which has concerned ACE for sometime, is the prospect of 'data crunch' as the demand for data on mobile and fixed devices begins to exceed the ability to deliver it. Responding to this crunch could require tradeoffs between further investment in infrastructure versus changes in the number of providers and the appropriate regulatory regime. This is a major issue for the Greater London area as well as the whole of England and requires input from business as well as consumers.

We recognise that progress has started to be made on this front, with 2G liberalisation and plans for LTE. However, we would like to see greater clarity of plans to address this issue by both Ofcom and business. This would give reassurance to investors and consumers alike. To some extent we have seen this with broadband and NGA roll out, however we think that an equivalent plan for mobile is missing at present.

## **Horizon Scanning**

19. In keeping with this, we would also like to see more activity looking at some reference to 'Horizon Scanning' in terms of situations Ofcom thinks may well require regulation or enforcement in the future. We appreciate that this activity may be difficult to justify in the current climate, but ACE feels that this activity has been amongst Ofcom's strongest suits and we are concerned that this work needs to underpin debates over the future of regulation. If this work ceases at Ofcom, then who will be anticipating future challenges in a timely and trusted manner?

## **2012 Olympics and Paralympics**

20. Finally, ACE welcomes Ofcom's work in preparations for the 2012 Olympics and Paralympics. We do however remain keen to understand how the 2012 Olympics can act as a Technology Expo for UK Plc and UK citizens and consumers. In particular, we think that the technological legacy of the Games should not be underestimated. This represents an enormous opportunity and one we hope to see Ofcom working with partners to realise the full potential for stimulating innovation that will have implications long after the games conclude. As a result, we would also welcome a greater understanding of how these benefits might be realised.

## **Concluding Remarks**

21. The Ofcom Advisory Committee for England welcomes the opportunity to respond to this consultation and we would be very happy to discuss our views and opinions in more detail should this be welcome. Thank you for taking the time to read our submission.

Professor William Dutton,  
Chair, Ofcom Advisory Committee for England

28<sup>th</sup> February 2010