

**Minutes of the 82nd meeting of
the Advisory Committee for England held at Ofcom, 1 Circle Square,
Oxford Road, Manchester and via Teams on 1 December 2022**

Present

Paula Carter	Chair
Aaqil Ahmed	Member (minutes 1 - 29)
Emma Davison	Member
Matthew Littleford	Member (via Teams) (minutes 1 - 16, 23 onwards)
Alan Nunn	Member (via Teams) (minutes 1 - 16, 23 onwards)
Mark Smith	Member (minutes 1 - 31)

In attendance

Angela Dean	Ofcom Board Member for England
Emma McFadyen	Director, England
Monisha Shah	Ofcom Content Board (via Teams) (minutes 1 - 16)
Richard Spencer	Consumer Panel Member for England
Amit Kamal	NextGenNEDs observer (via Teams)
David Edwards	Committee Secretary
Students from Bury College	(minutes 17 - 19)
EY Foundation	(minutes 20 - 22)
Channel 4	(minutes 27 - 29)
Other Ofcom colleagues	

Introduction 1. The Chair welcomed Members and attendees to the 82nd meeting of the Committee, held at Ofcom’s office in Manchester and via Teams.
Declaration of Members’ Interests 2. No interests were declared by Members or attendees. 3. Members were reminded about Ofcom policy in relation to gifts and hospitality.
Minutes of the meeting held on 6 October 2022 and matters arising – Minutes 81(22). The minutes of the meeting held on 6 October 2022 were APPROVED for signature by the Chair as an accurate record.
Ofcom Board update

4. Angela Dean reported on recent topics discussed by the Board (minutes and notes of meetings being available on the Ofcom website). The Board had met twice since the last Committee meeting.

5. The meeting in October took place on the same day as the Board's annual strategy day and the latter had included a panel session with young people to learn about their use of comms services as 'Digital Natives' (the Committee would be holding two similar sessions at today's meeting, with students from Bury College, a further education college, and with a group of young people that had taken part in EY Foundation programmes, eg work experience, employability skills training and career guidance).

6. The Board meeting in November took place in Edinburgh and the trip had included a visit to the University of Edinburgh School of Informatics and a stakeholder reception. It was noted that the appointment of Gill Whitehead as Group Director, Online Safety had just been announced (she would lead Ofcom's new OS Group from April 2023).

7. The Committee touched briefly on facial recognition technology (its use in surveillance being a concern for some advocacy groups), the benefits of eSIMs (rather than a physical SIM cards) and caution about notions of the metaverse (ranging from streetmaps to the simulated reality portrayed in films like the Matrix).

Consumer Panel update – ACE 25(22)

8. The Committee noted recent Consumer Panel activity and current priorities (minutes of meetings being available on the Panel's website). The update focussed on issues including the affordability of communications services; the cost-of-living crisis and consumers who were struggling financially; uptake and visibility of social tariffs; VoIP migration and the importance of a consumer awareness campaign; the increasing digital focus of communications providers and fewer shops, a concern when a significant proportion of the UK population were not online or had limited digital skills; and a recent study published by Lloyds Bank was flagged (the Lloyds *2022 Consumer Digital Index* report would be copied to Members).

9. In discussion recent Office for National Statistics data was raised, it being noted that the poorest and most deprived neighbourhoods included some inner-city areas and that the recent 2021 census had the potential to provide granular details on specific geographical areas and socio/ ethnic groups and contribute to efforts to understand the cost of living impact on particular communities. The Committee wondered if 2021 Census findings might affect the way Ofcom looked at demographics and audiences.

Content Board update

10. Monisha Shah reported on recent topics discussed by the Content Board (minutes of meetings being available on the Ofcom website). Ofcom Chief Executive Melanie Dawes had attended the November Content Board meeting and had spoken about Ofcom's priority outcomes for the next three years and other agenda items had covered themes and lessons from the Content Board's Editorial Standards work, Ofcom's Review

of the BBC Operating Licence, an update on the progress of the OS Bill, and an hour-long deep dive/debate on challenges for the UK production sector.

Public Policy update – ACE 26(22)

11. Members noted that the OS Bill was expected to return to Parliament the following week, that the Digital Markets Bill was expected in the third parliamentary session, between now and April, and that there had been parliamentary debate around the BBC's planned changes to its local output in England (and increase of its online local news offer). The latter was under review by Ofcom and a materiality assessment of the competition impacts of the changes to local online news was in progress.

12. Whilst the Committee recognised the validity of moving more BBC content online there were concerns to consider, including potential diminution of local journalism and local democracy. Other concerns were that BBC cost savings would likely impact headcount and result in greater centralisation of output, hit religious programming and reduce broadcasting career pathways for diverse groups. In terms of representation and democratisation, there could be a reduction for groups with little in the first place. The Committee wished to be kept abreast of developments.

Digital Natives and the Future of Communications Services – ACE 27(22)

13. As a preliminary to discussion with two groups of young people from Manchester, Members were briefed on 'Digital Natives', ie today's young people who have grown up in the internet age, are the drivers of change in the comms market and often the first to adopt new services and technology.

14. In summary, Digital Natives have never known life without the internet and use smartphones, tablets and mobile apps much more than other users. They place greater reliance on social media and are more likely to create their own content, post it on social media and consume more user-generated content. This meant that their online and offline interaction had already become increasingly blurred.

Broadcast TV was declining for Digital Natives, especially as online streaming grew. Their viewing of BBC and commercial PSB channels was much lower and YouTube and social video and online gaming had become a significant part of their media diet across all devices. Currently TikTok was particularly successful in its appeal, offering something different from other apps and by attracting content creators early on, as well as a hard-to-put-down format. Digital Natives were likely to take these habits with them as they aged and conduct more and more of their lives online. As and when the metaverse arises (predicted by some to become the next generation of the internet), Digital Natives were likely to be its first and most enthusiastic users.

Discussion with Bury College students

15. The Committee was joined by a group of local students from Bury College, all studying media and film (in addition to other subjects at A-Level) for an informal

discussion about their experiences as 'Digital Natives', including how they consumed content, what they consumed, their views about internet safety/ online harms and issues of trust (bearing in mind that the group was informed by a background in media studies).

16. Points that came up in discussion included:

- being online was experienced as normal, the students having grown up with the internet;
- preferences for platforms like TikTok and streamers (and recommendations via search);
- a willingness to pay for content but a desire for flexibility, eg the ability to consume a single item rather than take out a service subscription;
- a tendency to follow online trends but an awareness of the use of algorithms and a desire to be pushed towards more diverse material;
- positive regard for the BBC as an impartial news source, a provider of facts and attracting a high level of trust, in a wider landscape of less reliable news;
- Instagram, Twitter and posts from other people as alternative news sources;
- the importance of group activities, eg bringing friends/ family together at home to watch a film, in a context when more time was spent on personal devices;
- a preference for socialising in-person and awareness that being online could change behaviour, eg somethings said online that might never be said face-to-face and use of pictures and emojis;
- smartphones being preferred devices, providing access to everything and everywhere;
- potential concern about the amount of time spent online (Apple Screen Time, an iPhone/ iPad feature, was an example of a tool to monitor this);
- risk of being manipulated online and the ability to report harmful content to platforms (TikTok being commended in this regard);
- a need for the right balance between freedoms online and protections and regulation;
- awareness of a lack of local content, eg to reflect the North of England, when much content from the USA was being consumed.

17. The Chair thanked the students for giving up their time and for the insights they had shared with the Committee.

EY Foundation - discussion with young people

18. The Committee was joined by a second group of young people, participants in EY Foundation programmes in Manchester. The aim being to have an informal discussion about their experiences as Digital Natives, similar to the earlier session with Bury College students (this second group had previously taken part in work experience at Ofcom).

19. Points that came up in discussion included:

- awareness of paid-for rankings in online search results;

- ownership of platforms and whether that raised any concerns, eg TikTok the most favourite short-form video hosting service (owned by the Chinese company ByteDance);
- protection of and the monetising of personal data, issues of privacy and when it might be appropriate for a potential employer to conduct a search on social media;
- the extent to which young people have an understanding of the implications of sharing material online;
- the ability to share content instantaneously and the potential for harm;
- the ease of setting up online accounts for malicious purposes and posting of anonymous material;
- age verification and the ease of providing false information;
- use and the limits of facial recognition technology and implications for privacy;
- trust in public service broadcasters as reliable news sources;
- Ofcom's role as a diverse and inclusive employer (its work in outreach activities, ensuring better outcomes for Ofcom, for the school students and leavers it works with and the communities in which they live).

20. The Chair thanked the group from the EY Foundation for sharing some of their insights as Digital Natives.

Broadcast Standards: regulation of Incitement to crime and Hate speech

21. At the October Committee meeting issues had been raised about the compliance of small community TV channels with the Broadcasting Code. The Chair had suggested that the Executive be invited to discuss this and related topics with Members.

22. The Committee was briefed on Ofcom's approach to enforcement of the Code, in particular in relation to Section 3, covering broadcast material likely to incite crime or disorder, rules covering material containing hate speech, and abusive and derogatory treatment, and portrayals of crime and criminal proceedings. The work of Ofcom's Standards Translation, Analysis and Research (STAR) team was highlighted, providing high quality translations, expedited recording requests and analysis, particularly when it involved research and understanding of the language, culture, history and religious background of any content. It was noted that it was the responsibility of a Licensee to ensure that it had adequate compliance measures in place, and this was a condition of holding an Ofcom Broadcast Licence.

23. The Committee was encouraged by the work of the STAR team but reiterated a concern about Code compliance by minority community channels, lacking the resources of the larger broadcasters. It was noted that Licensees had to satisfy certain requirements to be awarded a licence, and that it is also a condition of those licences that the licensee complied with all relevant requirements including the Code. A Member suggested that many had little compliance training or expertise and that an annual exercise or compliance mechanism could be beneficial.

24. It was noted that a number of checks and returns from Licensees were already in place. In addition to publication of a fortnightly Broadcast Bulletin with decisions to provide guidance on Ofcom's application of the Code, Ofcom provided stakeholder updates and bespoke workshops, some of which had been targeted at Community Radio and local TV Licensees. Ofcom itself had finite resources and to pursue a preventative approach could require doing less of something else.

Channel 4

25. Channel 4 made its annual appearance before the Committee to report on its work in England.

26. Successes included continuing progress against its Future4 strategy, transforming the broadcaster into a digital PSB that retained its distinctive brand and public service impact. Channel 4 remained committed to the Nations/ regions and its GVA had increased to £388m, with a 42% increase for the North of England. The quota requiring it to commission at least 35% of its first-run original content, in terms of hours and spend, from the Nations and Regions of the UK, had been exceeded at 55%. Channel 4 News was now co-anchored twice-weekly from Leeds (the UK's first national news programme to be anchored outside London) and its presence in the city was making a difference, including an increase in its 16-34 year old audience for news. Now in its third year, the Emerging Indie Fund had proved to be a powerful tool for nurturing talented indies across the English regions. There had been continued investment in the 4Skills programme, the aim being to reach 15,000 people a year from 2021 and with a focus on young people.

27. The Committee commended the success of Channel 4's presence in Leeds (its national HQ) and queried whether the broadcaster could go beyond a two-centre operation. In fact Channel 4 also had a Creative Hub in Bristol (also one in Glasgow) and a Sales Hub in Manchester. In terms of filling gaps in output, increasing portrayal of different parts of the UK was a definite aim, Hullraisers was a recent example of that, and commissioning from disability-led producers. The Chair commented that London was a city with some significantly deprived areas. Many of the independent producers were based in London and Channel 4 was eager to develop diverse talent in the city. In relation to the OS Bill, it was Channel 4's view that PSB content should have appropriate safeguards on digital platforms, given the broadcaster's role in producing high quality impartial news, facilitating democratic debate, and promoting different viewpoints.

Spectrum update – ACE 28(22)

28. The Committee was updated first on the progress of the Shared Rural Network (SRN) programme, with targets to achieve 91-93% coverage of the England landmass by 2024 (91-94% by 2026 and 40-140k premises). MNOs had indicated they had faced a number of challenges, but there remained an expectation obligations would be met. Regarding mobile coverage variation by region, this broadly reflected UK population

density, e.g. Scotland being lower because of more wilderness areas, and despite the SRN some areas of human visitation would remain with weaker coverage. Referring to improved coverage in transport corridors, it was noted that access to railway cuttings was a challenge and whilst the SRN was not expected to have a transformational impact on transport, the Government had previously undertaken initiatives to improve availability of WiFi on trains and routes, and that work continued in this area.

29. Discussion then followed on shared spectrum and multi-usage applications and on mmWave proposals and recent consultation responses. With respect to mmWave spectrum, it was noted that proposals for 26 GHz and 40 GHz included revocation or variation of licenses and that the MNOs had so far expressed different preferences.

30. The Chair requested a map of England to show areas expected to be addressed by the SRN.

Online Safety readiness update – ACE 30(22)

31. The Committee was briefed on the progress of Ofcom’s Online Safety Programme, ie preparations to get Ofcom ready to regulate OS. In the process of being refreshed, there were currently seven priorities: (i) Parliamentary process on-track for successful conclusion; (ii) Platforms prepared for regulation; (iii) Ready to consult: strategy, risk assessment, codes; (iv) Develop and tell a strong external story about Ofcom’s approach; (v) Operational and organisational structures developed and launched; (vi) Year 1 Technology, Data and Metrics in place; and (vii) Demonstrate impact through VSP. Work with platforms would be a major focus in 2023 and the Chief Executive had recently returned from a series of meetings with platforms in the USA.

32. Following earlier dialogue with two groups of teenagers, discussion focussed on OS issues relating to young people, including their reactions to harmful content, platform reporting mechanisms and the importance of T&Cs and transparency with respect to platform moderation. Meanwhile it was noted that young people would not choose platforms based on T&Cs and that filtering and safety would have to be front of mind. Age verification was another concern, common industry standards would be beneficial but it was not expected that Ofcom would prescribe a particular mechanism.

33. In terms of timelines, Day One of the regime would come with Royal Assent, expected to be in April 2023. Policy foundation would be in place at that point but not codes, Ofcom would have new information gathering powers and be ready to move into Supervision mode. In relation to OS complaints handling, legislation would not require Ofcom to engage with individual complaints but it would triage emerging harms and could take action in response to particular incidents. The Committee felt confident that Ofcom was building a solid and effective OS regime.

Members’ open session

<p>34. A Member flagged an article in <i>The Stage</i> in November (BBC radio cuts will have 'huge impact' on regional theatre, industry warns¹) showing the wider impact of BBC spending decisions.</p> <p>35. Members reiterated a preference for agenda items with genuine dialogue and that felt like an engaged conversation, good examples had been the two sessions with young people and the OS readiness update.</p>
<p>Future agendas</p> <p>36. The next meeting would be on 2 March and it was agreed that a one-hour 2023 agendas planning meeting should be arranged for the end of January.</p>
<p>Information items</p> <p>37. Broadcast, Postal and Telecoms data (England) – ACE 29(22): The paper was noted.</p>
<p>Any Other Business</p> <p>38. This was the last meeting for Amit Kamal, attending as a NextGenNEDs observer. The programme provided opportunities for those wanting to focus elements of their future careers on making a difference through non-executive work. Amit had attended Committee meetings during the past year and thanked the Committee for the opportunity this had provided.</p> <p>39. This was Emma Davison's last Committee meeting, her appointment would conclude at the end of January 2023. The Chair thanked Emma, on behalf of Members, for the valuable contribution she had made to the work of the Committee and for the northern perspective she had brought to discussions.</p> <p>40. Email messages of thanks would be sent to the two groups of young people that had attended today's Committee meeting.</p>
<p>Date of the Next Meeting</p> <p>41. The next scheduled Committee meeting would be held on 2 March 2023.</p>

¹ <https://www.thestage.co.uk/news/bbc-radio-cuts-will-have-huge-impact-on-regional-theatre-industry-warns>