

Ofcom's proposed Plan of Work 2020/21

BBC Response

25 February 2020

Introduction

The BBC welcomes the opportunity to comment on Ofcom's proposed plan of work for 2020/21. The BBC is keen to engage to ensure the best outcome for our audiences.

We welcome Ofcom's fresh approach to its annual planning process. We are encouraged that Ofcom's document frames its regulation of the BBC in the context of its wider work to support UK broadcasting. It is important for Ofcom to remain proportionate in regulating the BBC, and ensure the BBC has the flexibility to innovate to ensure it is best serving audiences.

In its second Annual Report on the BBC, Ofcom said it expects the BBC to set out plans to address concerns in certain areas, such as engaging younger audiences, representation and portrayal, and transparency. We have already taken steps to address these issues, and will continue undertaking work to make improvements in these areas. The BBC will respond in full in its Annual Plan for 2020/21.

The rest of the response is structured around Ofcom's goals and priorities set out in its consultation document.

Supporting UK broadcasting

According to the consultation document, the majority of Ofcom's work in relation to its role in regulating the BBC in 2020/21 will be a continuation of existing programmes. These include monitoring the BBC's public service activities and commercial activities, and publishing its third Annual Report on the BBC.

As with last year, we expect that Ofcom may need to undertake work at short notice in relation to material changes we have planned for the UK Public Services, either in respect of a BBC Competition Assessment and/or changes to the Operating Licence and the performance measurement framework. Ofcom will need to be sufficiently flexible to take account of potential work here. We will continue our regular engagement so they are advised of any relevant activity, and will announce any intended changes to the UK Public Services in our Annual Plan.

The BBC is keen to engage with Ofcom's **PSB Review** over the coming months. The PSB system remains at the heart of the UK's broadcasting system and delivers significant benefits for the economy, society and audiences. We look forward to discussing with Ofcom how the PSB system can be updated and how, in line with Ofcom's duties, its review can maintain and strengthen the quality of public service broadcasting across the whole of the United Kingdom.

We will continue to engage with Ofcom on its **review of BBC Studios**. As this part of the BBC has been reviewed several times in recent years (at the time of the merger of BBC

¹ Ofcom's Annual Report on the BBC, October 2019.

Studios and BBC Worldwide, in the BBC's commercial review, at the time of Ofcom's implementation of the latest trading and separation requirements, and twice by the NAO), we expect that Ofcom will be proportionate in its work here.

In its second Annual Report on the BBC, Ofcom stated that it would "consider the future shape of the **Operating Licence**" to reflect the increased importance of the BBC's online services in delivering the mission and public purposes.² It also suggested a number of amendments to the operating licence to be consulted upon. Ofcom is currently preparing a final decision on whether to amend certain operating licence conditions in respect of first-run children's content and children's news.³ We would appreciate further discussions with Ofcom on the future model of the operating licence, and would welcome clarity on Ofcom's plans for work in this area.

We also note that Ofcom's priority work as part of "Supporting UK Broadcasting" focuses heavily on TV and online AV content. We hope that Ofcom is also considering how it can best work during the forthcoming year to achieve positive outcomes for UK radio and audio audiences.

Ensuring that online communications work for consumers and businesses

As Ofcom notes, the broadcasting and communications industries continue to change at a rapid pace, with more UK audiences consuming content online. More UK audiences are consuming content online, and the BBC is rising to this challenge. During 2019/20 the BBC launched Britbox with ITV, continued to develop BBC Sounds and completed the BBC iPlayer Public Interest Test to extend availability of content on BBC iPlayer. We welcome Ofcom's work on **better broadband and mobile** which will help to ensure that our online services are accessible to all audiences across the UK.

During this consultation period, the government has announced that it is minded to appoint Ofcom as the **online harms** regulator. We are keen to work with Ofcom to provide appropriate safeguards for all users of the BBC's online services, in a way that does not place an unduly disproportionate regulatory burden on the organisation at the expense of its audiences. This new role would likely lead to significant operational changes for Ofcom in the coming years, and it would be useful to understand Ofcom's view of any potential immediate impacts (around resource or prioritisation) on its plan of work.

We welcome Ofcom's nomination as the regulator for new **VSP rules**, as a means to ensure a coherent approach to content standards regulation across different platforms. In this sense, we would underline the importance of coordination between Ofcom and other regulators such as the ICO. In particular, Ofcom should take due account of

² Ofcom's Annual Report on the BBC, October 2019, page 41.

³ Consultation: BBC Children's news and first-run UK originated programmes, December 2019.

existing regulation in the design and implementation of the new VSP system in order to avoid double or overlapping regulation applying to any content from broadcasters on VSPs, including the BBC, where this is already subject to Ofcom broadcasting rules.

Increasing diversity and inclusion

The BBC is supportive of Ofcom's ongoing work in **diversity** and **accessibility**. We are proud of our first-class record in providing accessibility services and will continue working with Ofcom to drive high standards across the industry.

We will continue to engage constructively with other broadcasters, content producers and other stakeholders to ensure are continually improving our accurate representation and authentic portrayal all audiences. In Ofcom's annual surveys of workforce diversity, we regularly lead the way in providing the richest data, and will continue to make improvements in this area.

The BBC is committed to supporting the creative economy in the **nations and regions** across the United Kingdom, and is committed to ensuring audiences across the UK value the BBC's content and services. We consider there is a lack of detail in Ofcom's consultation document about its work in relation to audiences in the English regions, and would welcome more information here.

Other areas

We welcome Ofcom's commitment to contributing to **international debates** on media policy and to engaging with international regulators and other bodies, notably on net neutrality and online platform regulation. This has never been more important to further the interests of UK industry and consumers as both providers and market and audience trends are increasingly global.

We welcome the government's decision to implement new rules on **content and signal integrity** to guard against modification or commercial overlays by a third party without the broadcaster's express authorisation.⁴ For the BBC this is essential to deliver our public service remit under the Charter and Agreement. It is important for commercial providers, including UKTV, so that, for example, commercial revenues are not siphoned off by a TV distributor and instead they can be reinvested in content. To the extent that Ofcom has a role in advising government and/or in implementation and enforcement, we would emphasise the importance of a system that supports the BBC's remit and wider broadcaster ecology. In particular, such a system should cover the full scope of distribution platforms under the BBC's distribution policy, in line with the broad scope of the AVMS Directive.

⁴ <u>Audiovisual Media Services, Government response to public consultations on the government's implementation proposals, February 2020, paragraph 4.7.</u>

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We will work constructively with Ofcom as it undertakes work to improve opportunities for **spectrum** sharing. We do though note a lack of reference to international spectrum policy. Given the volume and importance of items to be discussed at the World Radiocommunications Conference, we anticipate Ofcom will be working closely with DCMS and relevant other stakeholders to prepare.

We are intrigued by Ofcom's intention to adopt **data-driven approaches** to policy-making, and welcome further information on where Ofcom considers such approaches could be applied in its broadcasting regulation. In particular, it would be useful to understand how and whether this work is aligned with the PSB Review.