



Department for
Digital, Culture,
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LICENCE FEE SETTLEMENT AND FUTURE OF PUBLIC SERVICE BROADCASTING

Further to my appearance before your committee last month, I wanted to set out in further detail how the government intends to take forward both the BBC licence fee settlement, and its work reviewing the future of public service broadcasting.

As I set out, the government is supportive of a modern system of public service broadcasting (PSB) that can remain relevant and can continue to meet the needs of UK audiences in the future.

There is now an increasing consensus that the UK's PSB system needs to evolve if it is to transition successfully to the digital era. Such a transition is going to need a genuinely collective effort, from government, industry and Ofcom to deliver.

To support this work, the government is bringing together an Advisory Panel to provide independent expertise and advice to the government on this important issue. The Panel will also help inform the government's thinking in responding to Ofcom's forthcoming report into the future of public service broadcasting. More details, including terms of reference will be made available via the GOV.UK website shortly, and my officials would be very happy to share the relevant URLs with your clerks once these have been finalised.

These are many of the same issues that your committee is looking at through its present inquiry, *The future of public service broadcasting*, for which we look forward to the final report in due course.

One specific issue that will proceed separately is how the government intends to conduct the next licence fee settlement negotiations with the BBC and S4C. The settlement is the first under the new regulatory and governance structures introduced to the BBC with the Charter. It is also the first under which S4C is fully funded from the licence fee.

I have today written formally to the BBC and S4C asking them for their submissions of need, in line with the requirements of the Charter. This makes clear some key factors the BBC and S4C should consider in submitting their requests for the next settlement.

This government is committing to greater transparency over the process and timetable of negotiations, in line with the commitments of the BBC White Paper 2016, and comments from your committee on the conduct of the last settlement. As such, the letters to the BBC and S4C, together with any future formal government correspondence on the matter, and the responses, will be published on the government's website. I expect to lay my determination before the House to allow time for parliamentary debate before the settlement takes effect in 2022. I have also tabled a Written Ministerial Statement in the House, and my colleague the Minister for Civil Society and DCMS will do the same in the Lords. Collectively these documents outline our plans for the process, timetable and requirements of the BBC and S4C.

Yours sincerely

A handwritten signature in black ink, appearing to be 'O Dowden', written in a cursive style.

Rt Hon Oliver Dowden CBE MP
Secretary of State for Digital, Culture, Media and Sport