House of Commons
Digital, Culture, Media and
Sport Committee

The future of public service broadcasting: Ofcom Response to Committee’s Sixth Report of Session 2019–21

Fourth Special Report of Session 2021–22

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The Digital, Culture, Media and Sport Committee

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Fourth Special Report

The Digital, Culture, Media and Sport Committee published its Sixth Report of Session 2019–21, *The future of public service broadcasting* (HC 156), on 25 March 2021. The Ofcom response was received on 25 October 2021 and is appended below.

Appendix: Ofcom Response

Background

On 15 July 2021, Ofcom published Recommendations to Government on the future of public service media (PSM) as part of its comprehensive Small Screen: Big Debate review. We drew on a wide body of consultation responses, research and reports, and the DCMS Select Committee’s March 2021 Report was an important contribution to this work.

Overall, we found that public service broadcasting has never been more vital to UK audiences and the creative economy, and that urgent legislative reform is needed to make it fit for purpose in the digital age.

Below is an update following up on some of the specific recommendations from the DCMS Select Committee’s March 2021 Inquiry on the future of public service broadcasting.

Recommendation 6 – review quality and relevance of local and regional news provision

The pandemic has reinforced the importance of local and regional-specific news provision. The provision of news to Nations and Regions should not suffer further as a result of budgetary restraints. We perceive a real risk to the provision of regional-specific news programming, and we are adamant that the quality, and relevance to local people, of programming for the Nations and Regions must not be further jeopardised. Regional news programming must be representative of, and relevant to, the audiences it is broadcast to. We recommend that Ofcom undertake a review into the quality and relevance of the local and regional news provision, to be reported on before the new BBC Charter negotiations begin. (Paragraph 40)

Ofcom response

In our recommendations to Government on the future of public service media, based on extensive research across the UK, we noted the importance that viewers placed in accurate regional news, particularly in keeping them informed during the Covid pandemic (pp20–22). Our research consistently shows that high-quality trustworthy and accurate news is one of the most important aspects of public service broadcasting, and that PSM providers were considered particularly important for providing dedicated regional news. We also said we considered varied provision of regional news programming would continue to be essential and subject to clear quantitative requirements to ensure audiences were well served (p49).
Ofcom has commissioned further analysis looking at how different parts of the UK are covered by network news which we hope to publish at the beginning of next year. We will take this work into account when assessing how well different audiences across the UK are served.

We also produce annual news consumption research including on local and regional news provision. Our Annual Report on the BBC examines the extent to which we believe the BBC is achieving its objectives, including in relation to local and regional news (the 2019 Review of BBC news and current affairs contains more detailed findings). We will also be looking at some aspects of regional programming as part of our review of Channel 3 and 5 licensing over the coming period.

**Recommendation 22 – Ofcom should support PSBs to explore collaboration on a single video platform**

The findings of the Competition Commission in 2009 are now outdated, given the rate at which the market has changed and the dominance of global streaming services, and PSBs should be allowed to collaborate so that they have a better chance of competing in the now crowded video on demand market. Whilst we hope that prominence legislation will be extended to online platforms within the next 18 months, the Government’s track record on addressing issues within the media ecology does not fill us with confidence so PSBs should be taking steps to maximise their own bargaining power, and attract audiences, in this digital age. *Rather than waiting for the Government to help them, we recommend that PSBs help themselves by exploring options for collaboration on a single video on demand platform, and Ofcom should support PSBs in this endeavour. We call on the competition policy authorities to make clear that, given the evolution of the broadcasting landscape, there is no automatic objection to such collaboration on market dominance grounds.* (Paragraph 101)

**Ofcom response**

Our *Small Screen: Big Debate* review found some support for a single PSM on-demand player, with some stakeholders saying that a single, easily navigable British alternative to some global SVoD services would be welcome and benefit audiences. As set out in our July recommendations, we believe PSBs must pursue more ambitious strategic partnerships with each other and with others across the sector in the face of intensifying global competition (p57). As such, we are encouraging PSBs to pursue opportunities to collaborate in areas such as content distribution to support audiences continuing to access, and to benefit from, PSM content. In our view, collaboration doesn’t have to be exclusively amongst PSBs; our recommended new rules to ensure that PSM is made available and prominent on popular TV platforms would take account of wider cross-industry partnerships.

**Recommendation 24 – minimum requirement obligations on PSBs in terms of employment data they provide and hold them to account if they do not meet them**

PSBs should be leading by example. The current gaps in employment data supplied to Ofcom are of significant concern. *We recommend that Ofcom place minimum
requirement obligations on PSBs, in terms of the employment data they provide, in order to drive down the industry-wide gaps in data that currently exist. Ofcom should hold PSBs to account if they do not meet the minimum requirements. (Paragraph 104)

**Ofcom response**

Today we know more than ever about the makeup of the broadcasting sector but there remain gaps in our knowledge. Ofcom requires PSBs to provide data on diversity characteristics where we have a statutory basis for doing so. For the BBC this includes age, disability, gender reassignment, race, religion/belief, sex, sexual orientation and socioeconomic background. For the other PSBs this is confined to sex, race and disability. For these broadcasters we do not have the legal powers to require information on other characteristics such as sexual orientation or religion (where there are currently gaps in data). Neither can we require employees to disclose any information to their employers or to us.

However, we do request information on a wide range of characteristics and we are actively working with broadcasters to increase response rates to data disclosure. Overall, we want to see the whole industry committed to transparency, collecting and acting on more detailed data that supports and drives progress.

**Recommendation 25 – encourage Government to work with Ofcom and broadcasters to expand diversity monitoring forms to include the option for people to declare they are transgender. This should be extended to streaming services.**

We are concerned that, without monitoring, there is no way to tell whether transgender people are being fairly represented in the workplace. Whilst there should be no requirement for someone to declare to their employer that they are transgender, we would encourage the Government to work with Ofcom and broadcasters to expand diversity monitoring forms to include the option for people to declare that they are transgender should they wish to. That requirement should also be extended to streaming services to bring the data they collect in line with that collected by broadcasters. (Paragraph 105)

**Ofcom response**

As outlined in our recent five-year review of diversity in broadcasting, we will launch a call for inputs (expected in Spring 2022) regarding the information we collect from broadcasters, in order to review and provide updated guidance on what data to collect and how to collect it. As part of this, we intend to review our monitoring forms. This work will include questions relating to updating language and advice on definitions.

**Recommendation 27 – Ofcom and Government should explain how they will ensure that improvements in diversity within the industry will be made much more quickly**

Diversity within the industry has improved in recent years—for example, there is a better gender balance—but progress continues to be too slow. It is taking too long to address inequality within the industry and much more needs to be done to increase
diversity, notably disabled people and BAME representation and particularly in the upper levels of management. PSBs and streaming services alike need to do better, and in the response to this Report, Ofcom and the Government should explain how they intend to ensure that improvements are made much more quickly. (Paragraph 112)

**Ofcom response**

Our recent five-year review of diversity in broadcasting sets out the areas most in need of improvement, our recommendations for broadcasters, and steps that Ofcom will take to support and drive change in this area (pp36–40). This includes a review of the information we collect from broadcasters and a continued focus on facilitating collective action, kick-started by our five-year event ‘ALL IN: Diversity In Broadcasting 2021’ (sessions available on-demand on our website).

After five years of monitoring, we think this is a landmark moment for diversity and our broadcasting sector. We are determined to ensure that broadcasting leads the way in creating an inclusive working culture that not only benefits its employees, but ultimately results in programming that authentically reflects audiences across the UK.

**Recommendation 28 – Ofcom’s guidelines for regional and national production should be reviewed annually**

We recognise the importance of regional diversity in commissioning roles and we welcome Ofcom’s previous decision to strengthen the criteria for regional and national production. **We recommend that Ofcom’s guidelines for regional and national production should be reviewed on an annual basis to ensure that the commissioning of authentic regional content continues to improve.** (Paragraph 115)

**Ofcom response**

As programme making can often be a lengthy process, it can take quite a while to understand the true impact of changes to regulatory guidance. The more often guidance is changed the more difficult the assessment becomes. However, Ofcom has a number of other tools to monitor the efficacy of the regional production regime. The spot checks and enhanced complaints process introduced as a result of the major Review of the Regional Production and Programming Guidance in 2019, alongside more detailed annual reporting by the PSBs, enables Ofcom to monitor the implementation of the regional production regime on an ongoing basis, and can help identify areas of the system that may require further review. We are also actively engaging stakeholders through our broader programme of work (PSM Review, BBC Annual Reports and annual Diversity In Broadcasting reporting) to assess where further change is needed.

**Recommendation 29 – Ofcom should introduce requirements for the number of BAME, LGBTQ+ and disabled people in commissioning and senior production roles**

Increasing diversity in commissioning and production roles is crucial for improving on-screen diversity. **We recommend that Ofcom introduce requirements for the number**
of BAME, LGBTQ+ and disabled people in commissioning and senior production roles to improve authentic on-screen representation of the UK’s diverse communities. (Paragraph 118)

**Ofcom response**

We agree that diversity in senior production and commissioning roles is vital to achieving on-screen diversity and authentic portrayal. As we have set out in our five-year review, we do not have legal powers to set and enforce diversity targets for broadcasters, and think individual broadcasters are best placed – and advised - to set clear, measurable targets for their own workforces (including at senior management level). We have also recommended this year that broadcasters consider applying ‘retention’ targets, informed by our data, to make faster progress in increasing representation at more senior levels.