



Department for
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Sharon White
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CMS 302932/DC
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Dear Sharon,

I am writing in relation to Ofcom's consultation on its draft operating framework for regulating the BBC which closed on 17 July.

I'd like to thank you and your team for Ofcom's work to date on developing the new regulatory regime for the BBC. However I would like to raise some areas of concern on the extent to which Ofcom's draft operating framework delivers the government's objectives set out in the new Royal Charter.

Distinctiveness

As you know the government's policy objective throughout Charter Review was to establish a framework for the BBC to provide audiences with world class distinctive content. The new Charter delivers this objective by embedding distinctiveness in the BBC's mission and public purposes, and setting out a new regulatory framework with specific areas for Ofcom to consider (as set out in Schedule 2 of the Framework Agreement).

I am pleased that Ofcom's high-level objectives include an emphasis on distinctiveness, particularly in terms of original and first-run content. However I would welcome some clarity on issues raised by a number of stakeholders.

Firstly, I would like your view in relation to the lack of specific quotas for radio. The radio community is concerned that without clear requirements covering all BBC radio services, the BBC will continue to prioritise audience reach and market share over programming that is genuinely distinctive from content widely available from commercial radio services. I share some of these concerns.



While a number of existing BBC Trust quotas for radio have been retained in the draft operating licence, there are some significant omissions. In particular I note that some or all quotas for Radio 5 Live Sport Extra, Radio 4 Extra, Radio 6 Music and Asian Network have not been retained, with potential implications for commercial providers who compete with these BBC radio services.

I also note several instances where a regulatory condition has been set but with no specific quota in place and where the rationale for this approach is not clear. For example there is a new requirement for Radio 1 and Radio 2 to have a broader music playlist at peak and daytime, both in terms of number of plays and playlist size, but with no specific quota in place. Similarly no quota has been set for the proportion of new and emerging UK artists on Radio 2.

In broader terms, I would also welcome further clarity and information around the balance between speech and music, and the definition of peak and off-peak. Also, the Framework Agreement states that Ofcom must consider requirements to increase the amount of social action issues on Radio 1 and Radio 2. However the draft operating framework appears to be silent on this issue, so I would be grateful for more information on how Ofcom intends to monitor the BBC on increasing such programming.

I am also aware of similar issues in relation to television and online content. Specifically I note the lack of regulatory conditions for BBC Three and for the distinctiveness of BBC online news and current affairs, and no specific quotas for peak-time arts and music and religious programming on BBC One and Two despite the commitment to deliver more hours of programming on these genres.

I also note that in a number of areas Ofcom has set quotas which are higher than existing BBC Trust quotas, but still significantly lower than the level of output the BBC routinely delivers - for a range of genres including news and current affairs. Again, as this issue was specifically addressed in the government's White Paper and in the Framework Agreement, I would be grateful for an explanation on how you have reached this decision and determined these new quotas to be sufficient. My view is this approach would allow the BBC to legitimately reduce its existing output in these crucial genres, which would contradict the policy objectives set out in the Charter.

The new regulatory regime for the BBC strikes a balance between proactive regulatory targets and a system of measurement and review. In my view some of the most critical aspects of our Charter reforms seem to have been left to retrospective review. The White Paper, Charter and Framework Agreement (specifically Schedule 2) are clear that the existing regime of regulatory conditions in relation to distinctiveness need to be retained and strengthened. I would be grateful for your reflections on whether the draft operating framework meets that objective.

Collaboration

Another fundamental objective of the Charter is to ensure the BBC works collaboratively and in partnership with others to support the sector and deliver greater public value.

I note the mention of partnerships in the draft operating framework in relation to educational, cultural and sporting organisations under public purpose two, but I would have expected to see these principles around collaboration replicated and embedded throughout Ofcom's high-level objectives for all the public purposes.

Diversity

I welcome Ofcom's detailed high-level objectives and regulatory conditions on serving the nations and regions. However I have some concerns around the new quotas for programmes made outside the M25 and in the devolved nations, particularly in relation to establishing quotas for both programme hours and programme spend. It would be helpful if you could share Ofcom's assessment of whether this approach may create perverse incentives for producers to focus on the quantity rather than quality of content.

I also note your recent letter to David Lammy MP on BBC diversity. The government's position is clear that the BBC should be leading the way on both on and off-screen diversity in equal measure. I was pleased to see the BBC set out its diversity strategy in its interim annual plan. However I look forward to seeing Ofcom's assessment of the BBC's performance in this area in due course, and I expect both the BBC Board and Ofcom as the regulator to hold them to account for delivering in this important area.

The Charter Review process was a thorough and collaborative process which considered the views of the wide range of stakeholders, businesses and people who use, enjoy and interact with the BBC. The government reached very clear policy conclusions and the Charter sets out a new vision for the BBC which requires them to be more distinctive, more collaborative and more diverse.

I know Ofcom will have considered these issues in depth. However, given high stakeholder interest, I would be grateful for a response which clarifies your position and the rationale for these decisions in the operating framework, and confirms Ofcom's continued commitment to hold the BBC to account and deliver the government's ambitions and expectations for the BBC.



Rt Hon Karen Bradley MP

Secretary of State for Digital, Culture, Media and Sport