

## Draft Annual Plan 2007/08 – Response

### BASIC INFORMATION

Consultation title: Draft Annual Plan 2007/08

To (Ofcom contact):

Name of respondent: Dave Rushton

Representing (self or organisation/s): Institute of Local Television

Address (if not received by email):

**CONFIDENTIALITY** – publish in entirety – details above

*1. What are your views on Ofcom's proposed three-year strategic policy framework?*

Poorly conceived in light of Ofcom's own research. The much heralded (verbally) emphasis upon the 'citizen' is not evident ... the mindset is an image of consumer cast in the imagination of a service provider...

*2. What are your views on Ofcom's proposed priorities for 2007/8? In particular:*

*a. What are your views on the work which Ofcom should do in 2007/8 to drive a market-based approach to spectrum?*

Ofcom should abandon this tack altogether. The requirement uncovered in the DDR market research (in May 2006) was regulation to ensure universal services across all forms of communications – preferably some competition in all areas. The telecoms and terrestrial TV infrastructures 'work' in delivering universal access – but if cherry-picked to operator advantage the remaining parts appear to be 'very expensive' to operate when delivering services to the final '30%' or so. Yet .... ITV regional companies continue to benefit from cross subsidy in financing the TV transmitters while they are delivering less and less by way of public services in the regions.

*b. What are your views on the work which Ofcom should do in 2007/8 to develop new ways to deliver public outcomes as platforms and services converge?*

Local TV and wireless broadband need to be the main priority – to develop a nations, regions and local layers of PSB, to abandon the idea that far less than universal broadband might carry new services. Broadband hasn't the capacity to deliver ...

To devolve spectrum and broadband regulation of services delivered within the nations and regions *to the nations and regions*, gatekeeper revenues from incoming spectrum users to fund Broadcasting Trusts at local scales in turn to finance and regulate local TV, local radio and community radio and to apply wireless broadband in the gaps wired broadband will not venture.

*c. What are your views on the work which Ofcom should do in 2007/8 to improve business compliance and empower consumers?*

Set build targets and compliance obligations and then enforce them. Stand up to the

Treasury and employ staff for whom the citizen is not a poorhouse mouse.

*d. What are your views on the work which Ofcom should do in 2007/8 to promote competition and innovation in converging markets?*

Don't do it. It will only heighten competition in the heavily competing areas. Ask what should Ofcom be doing in the light of Stern on climate and Robertson on transport. Start to think of communications regulation as a complimentary alternative to physical communications (transport) ... and give up using your own technological determinism as an excuse not to regulate. Find a moral compass for communications on behalf of citizens and plot a clear and transparent course into a future you'd like to inhabit ... consistent with what we are increasingly aware the future is likely to contain (probably fewer new toys and idle distractions).

*3. Are there additional areas where Ofcom should reduce regulation and minimise administrative burdens? Please provide specific examples.*

Abandon spectrum market thinking. Professor Martin Cave is entirely wrong (and he knows it) – spectrum use involves both a transmitter and a receiver. Look again at your modeling: spectrum use is a 'conjoint use'. Spectrum is not an asset controlled by the service provider. If no one receives the communication the spectrum used is wasted (and varying degrees of waste for TV depending on numbers receiving). If encouraged the market will ensure that much of the spectrum will be made to stay fallow – wasted because the left-over areas with the low population densities will be too transmitter hungry to serve in terms of commercial efficiency - not in terms of spectrum efficiency.

Start to ask why the commercial muxes should get away with using spectrum wastefully. Apply spectrum wastage and efficiency in terms of services delivered and then say honestly – that satellite is far more efficient for delivering national services. Work your way openly around the spectrum compromises you want to make by way of operator efficiency. Spell these out and then ask the public to decide if they will forego services to enhance operator efficiency and profitability. Markets will pick their consumers – the public will pick the services they want. Once picked by the public (citizens) work out how to best deliver the requires services spectrum efficiently.

Disclose what the balance of spectrum not used by the commercial muxes will be used for – explain how the commercial muxes can take up that spectrum if they wish to expand coverage (Ofcom spokesperson BBC Reporting Scotland).

Compare the command and control management of the regions and nations with the urge to leave command and control behind in regulating spectrum. Command and control remains to defend spectrum against those (in the regions and nations) with a legitimate demand for spectrum in their areas ...

Dave Rushton  
Institute of Local Television  
Public Interest Fellow University of Strathclyde

