



In Conversation with John Whittingdale MP
Online Event
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TRANSCRIPT

A video of this event is available to watch at <https://youtu.be/XuKolloQrg0>

Colin Browne: Good morning everybody. And thank you for joining us this morning. I'm Colin Browne, I'm chairman of the Voice of the Listener & Viewer. It's very good to know that so many of you are there. Just a couple of house-keeping points - worst case scenario, if we lose the connection or you lose the picture, just turn off, and then dial in again using the same link that you used to get on first time. If you want to ask a question, submit one using the Q&A symbol and we'll try and get to your questions if we can, although we have had a lot of questions already put in in advance, and I'll be trying to cover those with the Minister.

We welcome the Minister. We're delighted that he's able to come and talk to us. It's such a busy time for the department. As we all know this is John's second stint at the Department of Culture, Media and Sport, having previously been Secretary of State there. He also had a long stint - 10 years - as the Chairman of the Culture, Media & Sport Select Committee.

So, welcome, John. Can I just actually start by asking you, I realise that sports is not actually precisely part of your brief, but were you at Wembley last night?

John Whittingdale MP: No, certainly not. I was lucky enough to go to the game against the Czech Republic last week, but no I was working yesterday. It was slightly earlier in the day, but I definitely had it on in the background.

Colin Browne: Yes, I'm sure everybody else will have had a great time watching that but a good way to start the session, I think. There's a lot going on at the moment, as I mentioned in my brief introduction. Is there anything you want to say by way of introductory comments John or shall we move straight to the questions?

John Whittingdale: Well I will just say, I'm delighted to be able to come and speak to the Voice of the Listener & Viewer. As Colin said, I've been doing media policy a long time but we've always had a good relationship and I value the contributions you and your friends have made. I wanted to spend this session, just for a short while, as, obviously, there are things happening, and now we're able to talk about, for instance the consultation we're launching on Channel Four; we're in the middle of the discussion with the BBC about the level of licence fee, and of course we're having a more general view of the future of public service broadcasting where we have a panel that are providing advice. So, there's quite a lot going on in the sort of media space. And so now I think it's a good time to have this discussion.

Colin Browne: Yes, indeed, I think also, in addition to the ones you mentioned there's on demand regulation. There's the PSB Review generally, there's the HFSS ban, which, obviously, will impact the

revenues of the commercial PSBs, you've got hopefully legislation for prominence, etc. Can I just check. All of this will it come together in a White Paper in the autumn, John?

JOHN WHITTINGDALE: Most of those items you've mentioned, yes. The PSB panel is working its way through the process and will be providing advice to us, as of course will Ofcom in their next stage of their examination of the future of PSB. And we had a useful Select Committee report so there's a lot of different strands, and we'll be having the consultation as you know, which we're launching very soon about the future of Channel Four, so yes I think we will be hopefully in a position to bring a lot of these things together by the autumn. But one of the areas which you mentioned which is separate and actually is being introduced by the Department of Health rather than us are the HFSS measures.

COLIN BROWNE: Okay. You mentioned there is a consultation on Channel Four and all these issues? From our point of view it is extremely important that viewers, citizens have the opportunity to input into these decisions.

JOHN WHITTINGDALE: Oh absolutely. I mean the Channel 4 Consultation is actually an invitation to people to submit views and there is a process for that. Some of the other issues like I mean prominence are being discussed over quite a lengthy period and Ofcom has been doing quite a lot of work around that, but we would be always interested to hear your views about that. VOD potential regulation again it's a relatively new area where we have said we are looking to see what kind of regulatory requirements we might wish to place on the streaming services and again, that will always be keen to hear your views on that.

COLIN BROWNE: You mentioned the Channel 4 privatisation that's been, arguably, the highest profile announcement in the last couple of weeks. And not surprisingly members have submitted quite a few questions on the subject. For example, Professor Sylvia Harvey, asked simply, 'What are the arguments for and against the privatisation of Channel Four? And what would be the benefits of citizens, if Channel 4 were privatised?' Then Professor Vincent Porter has asked about the remit and several members have asked about this. Would we expect that the privatised Channel 4 would have the same remit as the existing Channel 4? Is that a reasonable expectation in the context of a privatised channel, which obviously would be focused on making profits for shareholders, rather than investing in content? So how will a remit be effective in the event of a privatisation?

JOHN WHITTINGDALE: Well, these are all questions which are part of consultation. I mean if we decide that it is right to change the ownership structure of Channel Four. The reason for doing so is to strengthen Channel 4. Now, the first question raised, what are the arguments for what are the arguments against? One of the arguments against which has been put by some commentators is, 'If it ain't broke, don't fix it.' And it is true that Channel has performed extremely well in the past, it has actually managed to weather the difficulties caused by the COVID pandemic pretty effectively by taking action to cut the amount they were spending on content – writers, staff - so that the drop in advertising revenue, which inevitably took place didn't sort of push them into a deficit. But the reason we're looking at it is not because Channel 4 is performing badly now, but because we do think that in the longer term model will come under increasing pressure. Channel 4 only has essentially one form of revenue, which is advertising income.

And as you've seen, linear TV viewing is falling, there are more and more new entrants coming on board, you know, you've now got at least four or five big streaming services with more potentially about to arrive. And that is going to compete for viewers, which inevitably is going to affect the advertising so it's over the longer term. And one of the things we think any of the broadcasters are going to need to do to hold on to their viewers, is to be able to invest in content. Now, it is unlikely that Channel 4 and indeed the BBC are ever going to be able to spend the kind of sums that Amazon are now spending or Netflix are now spending in terms of TV content. But what if Channel 4 and the

BBC - both have a good record of providing very distinctive and successful programming - need investment to do so? And one of the reasons why we're considering the future of Channel 4 is because potentially if they were no longer publicly owned that, firstly, they'd be free from the constraints, which inevitably exist on a publicly owned company from borrowing. So as a privately owned company they'd be free to go into the market for it, but also they could become part of a company which is able to invest in content in a way that they simply can't at the moment. This is not in any way decided - there are a number of different options and I'd point out for instance, Channel 5 was UK owned and did not spend a great deal of money on content and wasn't terribly successful; it was acquired and since its acquisition it's been able to invest in programming and as a result has become a much more successful channel.

COLIN BROWNE: Indeed Channel 5 has done well and produced a lot of good PSB material, absolutely. But it's arguably somewhat more populist, in its offering than some of Channel 4. I come back to my question about the remit. That remit is greatly valued by viewers, I think it should be greatly valued by citizens as well. And one wouldn't want that particular remit to be lost and are there other red lines for example, things that couldn't, couldn't be changed by a new owner?

JOHN WHITTINGDALE: Well, I mean, the remit comes in several parts. There are the quantitative requirements placed on Channel 4 and indeed on other public service broadcasters which are around things like the amount of content that is commissioned from production companies outside of London. So there are very strong requirements which at Channel Four are generally exceeded in most areas. Then there is on top of that, the much more qualitative part of the remit which is this requirement to be edgy, innovative, distinct appealing to minority audiences, but it's quite hard to measure that. Both aspects of remit are part of the consultation, but that's not necessarily because we want to abandon them. I mean it may be that you know the remit was set at a time when essentially the BBC, ITV channel 4 were serving a completely different purpose than now when you've now got a wealth of content. And so, it may well be that the remit needs to evolve, and that's something we are keen to hear people's views and to complete a consultation. It might even be that we would wish to strengthen the remit in some areas, because there really is part of the discussion. But there's no question in my mind of abandoning... Channel Four is going to remain a public service broadcaster. And part of being a PSB is that there are these obligations placed on them and Channel Four has very specific ones.

COLIN BROWNE: Just looking at the potential reasons for changing it, moving into the private sector. Is there a risk of actually thinking of Channel Four as in just as a linear terms, because it's been very successful in developing its digital offering, arguably, the most successful of the UK broadcasters and indeed, growing its digital revenues, so it doesn't follow that just because linear is declining over time that advertising revenues will therefore decline, because it is proving at the moment it is very successful in developing new advertising streams through digital?

JOHN WHITTINGDALE: It's true. But, you know, linear TV is only a relatively small number of content providers, as people move more and more into the digital world, as more and more people switch to IPTV, then they are suddenly presented with this wealth of content. And so I think it is inevitable. Now I would not argue with you that Channel 4 has invested in digital platforms, and has proved relatively successful in attracting audiences to its digital channels, but there is no doubt that every broadcaster is going to have to make that adaptation and that requires investment, and you know it's going to be ongoing investment and I've been talking to other broadcasters who will equally recognise that you need to invest in digital, if you are to remain competitive in this new sort of landscape where we're working in. And so all of them are looking for finance to do that. And obviously the BBC has been very successful in developing the i-player which has achieved a lot of success but when I'm talking to other broadcasters, like for instance S4C who equally have digital ambitions. So, this is the new world, you cannot remain linear.

COLIN BROWNE: Yep. Understand that particularly. And so well I think on Channel 4 we'll certainly look forward to the consultation with great interest. But you're talking about the new world, and you mentioned the move to IPTV and so on, and it makes me wonder: Where do you stand on digital terrestrial television because we feel that within the context of PSB in particular now in the context of BBC, the concept of universality is extremely important - that is delivered primarily at the moment by Digital Terrestrial Television. And obviously, the move to IPTV is by definition potentially a move away from universality. So, what's the government's commitment to the future of digital terrestrial?

JOHN WHITTINGDALE: Colin, in the introduction you said, I've been doing this job a long time in one capacity or another and you're absolutely right. And when I first became chair of the DCMS select committee which was back in 2005, the very first inquiry I conducted was into analogue switch off and all sorts of sort of forecasts of the disaster. Analogue switch off actually was reasonably successful, but as you'll remember the government did have to pay to send the sales engineers round because they found it difficult to retune their TVs or boxes or whatever. The move to IPTV, which is happening, because people are generally more and more connected to broadband, buying Smart TVs. But the stage at which we reach such a high penetration that you can even contemplate switching off the DTT is, in my view, still a long way away, because if you switch off DTT, it means that you have to have an internet connection in order to still be able to access TV, and you know there are, the government is rolling out our digital broadband package which hopefully is going to make broadband universal, but of course, not everybody has chosen to adopt it.

There are some people who feel that they need it, or they're perfectly happy with, you know the existing channels they can get on DTT and they don't want to pay whatever may be 20 pounds per month for a broadband connection. So I think we're still quite a long way from that. I think the time will come, but you know we, we certainly aren't setting a date at this stage. And we'll have lots of people keep saying to me; 'Why can't the BBC be funded by a voluntary subscription model?' Well one of the answers I was getting, is you couldn't even think about that until we moved to IPTV because Freeview doesn't allow it. So, I mean there are all these are issues, but before we can even contemplate it we would need to have reached the point where everybody could get fast broadband and essentially chosen to do so.

COLIN BROWNE: So does that mean you will be awarding the next 10 year DTT multiplex licences?

JOHN WHITTINGDALE: Yes, we're, we're, we're sort of looking at that, but absolutely at the moment but I don't see any possibility of switch off for at least, probably 10 years or so.

COLIN BROWNE: Okay, we've come by slightly circuitous route to talking about the BBC as well. In terms of the universal availability of the BBC as a free to air service, which we regard as important. Can I just clarify your views? You said very clearly that it's not possible in the short term to think in terms of voluntary subscription, or any other kind of subscription for the BBC, but is that something in the longer term you do have in mind? What would be the implications for the concept of a universally funded universally available service, which seems to have worked pretty well for 100 years?

JOHN WHITTINGDALE: Well, I mean I've always thought the licencing has all sorts of drawbacks but you know we looked at it, when I was Chairman of the Select Committee and I looked at it as the Secretary of State who oversaw the CharterReview, and we concluded that, for all its flaws, it was still the best way of funding BBC and therefore the licence fee is sort of set until the time of the next Charterreview, which will be in 2027. As part of that I think there will be a debate about the future of the licence fee, but as I just said, you can't move towards a subscription model until you have the technology in every home, which allows you to have a system whereby you can choose whether or not you want to receive the BBC and that doesn't exist at the moment so while there are various other options for funding at the moment the licence fee is set. And the model won't change, but I

think inevitably as more and more people do acquire IPTV, then that is a debate that is bound to take place.

COLIN BROWNE: You mentioned the licence fee and of course, you are pretty well in the middle of discussions with the BBC at the moment as to the level of the licence fee for the second five year period of the present charter. Like I said, how is that going and when, when can we expect to hear something?

JOHN WHITTINGDALE: Well, I would hope, you can expect to hear something quite soon, I mean, you know, obviously we are talking to BBC. The BBC have ambitions which we share. And the BBC is an extremely important asset to this country. And not only is it much valued by viewers in the UK. It also has an international reputation which is probably stronger than almost any other broadcaster, and we do want to support and sustain the BBC. Equally, you have to recognise that these are extremely difficult times, when many people are having to accept that they're not going to get a pay rise because the country, obviously, has had to incur huge costs in order to deal with the COVID pandemic, and you have to take account of the context when reaching a decision. So we aren't yet there yet, but we are engaged with the BBC and I hope that we will reach an agreement will open reasonably soon.

COLIN BROWNE: Reasonably soon being before the parliamentary recess?

JOHN WHITTINGDALE: Well, I mean, there is a process that has to be undertaken and it may require some parliamentary approval in due course but yes I mean I, whether or not we're able to do it before the recess, which actually is not that far away, I'm not sure, but I hope that we can do so relatively soon but I don't want to sort of make firm commitments yet.

COLIN BROWNE: Okay. And also, in context of the BBC we've got the Midterm Review coming up. At the time when the new Charter came in it was stated the Midterm Review would be essentially a review of governance and whether governance was working. Is that still the case?

JOHN WHITTINGDALE: It is still the case. When we drew up the Charter, as you know we put in place a completely new governance structure, we created the BBC board. And at the same time, we put in place an external regulator of performance of the BBC in the form of Ofcom. That was the first time that it happened and we said we would want to check to see whether it was working. And that was the purpose of Midterm Review. Now of course what has happened since then, is that we have had the report by Lord Dyson, which has exposed some quite serious concerns around the way in which in the past, governance of the BBC has been in place. When I made a statement in Parliament about this, I said that I think we hoped that the changes we made in 2015-16 would have meant that the failures that undoubtedly did occur wouldn't could not have occurred under this new structure but that's something which we can't be absolutely certain of. Tim Davey and Richard Sharpe have quite rightly, set up a review under Nick Serota, the senior independent board member. That review is under way at the moment, and it may well result in recommendations to change the governance structure so there is a very good reason why we need a Midterm Review, I think, to make sure that some of these problems, that did occur in the past cannot occur in the future.

COLIN BROWNE: One of the, one of the points that has been raised I think in the context of Dyson was the establishment of a separate editorial committee, that might be created, as suggested by Lord Bread, I think, among others, which would investigate independence and content before and after transmission and be separate from the management structure. Is that the kind of idea that you would be interested in?

JOHN WHITTINGDALE: I mean I've talked to Michael about it, and I think it's an interesting idea. I mean there is a sort of parallel in the way that Ofcom operates, where you have an Ofcom board, which oversees all of Ofcom's activities you know which would range from allocation of spectrum to

wholesale pricing of telecommunications right through to content regulation of broadcasting. But beneath the Ofcom board is the Ofcom Content board, which is specifically tasked with looking at difficult editorial matters around TV content. So that works reasonably well. I'm not saying that necessarily is the best way for the BBC to structure itself but that's something which I'm sure Nick Serota and it seems Ian Hargreaves and Robbie Gibb will be looking at to see whether or not there needs to be greater oversight of the editorial decision making because the Bashir interview of Princess Diana is not the only failure in recent years by the BBC on editorial matters. We can look back to the Saville time, Lord McAlpine, and there have been a succession of editorial problems so it may well be that they will conclude that stronger editorial insight is necessary, but in the first instance, it is right that the BBC look at that, which they are doing, and then we'll wait to see what is the outcome of the Serota review, and whether or not, for instance, that it might require some tweaks to the Charter.

COLIN BROWNE: Mentioning Michael Grade reminds us he's on your PSB panel, your advisory panel which you chair which the Secretary of State set up. There's been some concern among the PSBs I think that the membership of that panel doesn't contain, if you like, a spokesman for the PSBs. It looks as if it may be made of people with perhaps vested commercial interests, to an extent. I wouldn't want to exaggerate that too much. But the concern is I think principally that all the hearings, the discussions with you and the meetings are in private.

We're not really clear exactly what the terms of reference are, and there'll be no report published on the basis of the outcome of their conclusions. And as you know we at VLV are very keen on greater transparency, greater accountability. This seems to be a fairly unaccountable opaque arrangement.

JOHN WHITTINGDALE: Well, what I would say is the PSB panel is not taking any decisions. The PSB panel is a group of people who bring considerable knowledge and experience. We deliberately decided it wouldn't be right to have as a member anybody who has a current job, or role with any other PSBs. But having said that several members of the panel have got a lot of experience of having worked for or alongside PSBs. I mean, you mentioned Michael Grade obviously who was a former Chief Executive of Channel 4 and former Chair of the BBC and former Chair of ITV. So he has pretty much been all around the PSBs. There are other people like John Hardy who was editor of ITN for for a long time. So they do bring a lot of knowledge and experience but they are there to provide advice to the Secretary of State and myself. The actual decision making will be by us, you know, listening to the PSB panel but also listening to the Select Committee who produced a very good report and listening to Ofcom who are doing a lot of detailed work. There are a lot of different inputs, but at the end of the day, it will be ministers who decide and there will be debates in Parliaments and further opportunities for people to comment when we eventually decide.

COLIN BROWNE: More generally on transparency, I mean we've been very keen once again looking at BBC funding for it to be a more open and transparent process. The Select Committee indeed also calls that to be a more open and transparent process. It looks like the process has improved a bit this time around. It's not last minute meetings behind closed doors, in the dead of night or whatever, but nevertheless there hasn't really been any element of public consultation at all. Is that something that you regret?

JOHN WHITTINGDALE: Well, I, I think it is a lot more open than it was last time because, of course, obviously it was me who did it last time. When I became Secretary of State in 2015 and within a couple of weeks George Osborne came along to me and said, 'I'm facing a significant challenge in terms of bringing down the deficit. So now the BBC is going to have to play a part, which is why we had the decision which was taken at that time around the funding of the over 75's concession. This time, it has been a much more structured process at the beginning of it, the Secretary of State set the criteria and asked for the BBC to provide evidence to us in terms of the funding they require in order to meet each of the public purposes which is set out in the charter. And there has been a

much more structured engagement with the BBC over that. But at the end of the day, you know this is a negotiation which can't be conducted with an audience sort of sitting, watching every, every part of the debate, but we have endeavoured to ensure that people have had the opportunity but we've set out clearly what are the major criteria which will be used to decide the level that is appropriate, and there will be a lot of people who've expressed views about that.

COLIN BROWNE: You know, I think we've done some research and it's now public that public revenues, licence fee revenue for the BBC has basically declined by 30% over the last 10 years. And I think there's been calculation by Enders consulting and others, that the BBC would need an RPI plus 2% settlement, just to fulfil the plans that it is set out for the future and not to have to cut services further is that. Is that a reasonable kind of figure to be thinking about?

JOHN WHITTINGDALE: I mean I didn't want to sort of get into figures. I would say the BBC, obviously went through a period when the licence fee did not increase and at the time that we reached the [2015] settlement we agreed that we would go back to an RPI increase, but at the same time there are other measures taken alongside - supporting BBC like for instance the closing the i-player loophole; others of which have imposed some cost on them like the over 75s. The BBC still benefits from huge amounts of revenue from the licence fee, you know- three and a half to 4 billion pounds comes from then TV licence and then you've got the income from commercial activities on top of that. So, this is a well-funded broadcaster. Now, people will say 'Yes, but look at how much money Netflix or Amazon have to spend or Sky?', but equally, one has to keep in mind that this is a compulsory tax, which people are required to pay in order to fund the BBC, overwhelmingly to fund the BBC. And therefore, you cannot look at it with that, keeping in mind that you are going to be asking people to pay more at quite difficult time in many people's economic situation.

COLIN BROWNE: That sounds like nothing above RPI then to me.

JOHN WHITTINGDALE: Well, I don't want to I don't want to speculate at this stage. I mean we are involved in the negotiation with the BBC and I hope you'll be in a position to say something about that relatively soon.

COLIN BROWNE: Thank you. We mentioned, Ofcom, and one of our members, John Clark says the process for reappointing the chair of Ofcom seems to be a bit of a mess. It would appear that the selection panel put forward names but none were deemed appointable and there is now going to be a further process, possibly with one of those candidates who is deemed not appointable, being included again. Can you just let us know what's happening? It hasn't been a very edifying process, has it?

JOHN WHITTINGDALE: Well I mean part of the problem actually I think more arose before that, in that the number of applicants we received was relatively limited and didn't sort of achieve the ambition. We had to have quite a wide and diverse range of candidates from whom to choose. So, the Secretary of State felt that, particularly because the Oversight Committee had flagged up the need for a diverse range. It is one of the requirements that we wanted to undertake the process again in order to get as wide range of possible applicants as we could. And so that that's why they decided to reopen the process. But again I don't want to sort of comment beyond that because we're in the middle of it, as we speak.

COLIN BROWNE: Can I just take a couple of specific questions that have been sent in before I take some of those that have been sent in at the moment. Jeanette Steemers is one of our trustees Professor Steemers says, 'Can you explain why funding for the young audiences content fund pilot was cut by 25% this year when there's evidence that has helped support increased production of PSB content for children?'

JOHN WHITTINGDALE: Well, the audience content fund was in a way my sort of brainchild and I was very keen that we have a pot of money funded by the licence fee to support the content which was under provided, and that specifically was children's programming, and also a smaller chunk which is used for audio content - radio commissions. I mean it was always there for a period and it has been very successful in my view, and it still represents quite a significant intervention now, but again that's going to be something which looking forward we're going to have to think about as it is licence fee payers money.

COLIN BROWNE: Yes and top slicing of the licence fee has been one of the issues the BBC has faced over the last decade or so. We would prefer this to be new money, not robbing the licence fee.

JOHN WHITTINGDALE: I understand that but you know we have to accept that the financial constraints on government are considerable we have a huge deficit somehow to try and pay off and it can take us a very long time. But you know, obviously, COVID has imposed costs on government, unlike anything that any government has had to bear since probably the last war. And so that is the economic climate in which we are operating. So, I don't think sadly DCMS is going to suddenly find a pot of money. So the licence fee was used last time. And we also have to bear in mind that the licence fee, as I said is primarily there to fund the BBC, but also S4C is funded by the licence fee and that is a part of the separate negotiation that we're having in order to determine the appropriate level of funding for them to.

COLIN BROWNE: Yes indeed, Tim Wilson sent in a question about S4C funding – This is the first it's been looked at separately. Can S4C expect a good settlement which will stimulate the further growth of the Welsh culture and the Welsh creativity?

JOHN WHITTINGDALE: While the government is absolutely committed to Welsh language, broadcasting and S4C. Now, in a sense you set a licence fee, which is a single payment into a pot and if you give more money to S4C that obviously takes more money out of the pot, which leads less for the BBC, so it is a balance. But as I say that that's all part of the negotiation. We are having separate discussions about what is the appropriate level of funding for them but you have to keep in mind that, as I say every extra pound as S4C gets is one less time for BBC. And so it's quite a complicated process, but we are absolutely committed to sustaining S4C and that that's something which I've had regular discussions with them with my colleagues in the Welsh Government and in Whitehall.

COLIN BROWNE: Thank you, I could go on with this for a long time but let me now take some of the questions that have been sent in by participants in the audience.

Looking at these Holly Aylett says that in Germany and Norway oversight of funding of the main public service broadcaster is done by an independent body, not the government. I think in the past the VLV has suggested something a little bit similar. We have suggested this should be at the very least, an independent body that advises government in a public kind of way, what the funding should be is that something you would consider?

JOHN WHITTINGDALE: Well I mean I think I certainly I went to look at the way in which Germany funds its public service broadcasters when I was in the Select Committee and actually they moved to a kind of household tax, but it is the case that, ultimately, this is a tax, which people have to pay. And, you know, I think it right, that in setting a level of the licence fee is done by elected representatives in the form of government. And I don't think you can hand it over to an independent body, which is not elected and more accountable. And we ultimately have to determine what we think is right to ask people to pay. So I don't see that as being any likelihood of changing that.

COLIN BROWNE: And I understand completely that ultimately it will be the government's decision, but the concept of an independent body to recommend something that could then be debated in Parliament. In the interest of transparency is not, is that not an idea that commends itself?

JOHN WHITTINGDALE: Well, I mean I don't, I don't think necessarily adds anything, because, you know, the BBC put up the case as to how much they think they need to fund whatever ambitions they have. And then we obviously scrutinise that - we talk to them about whether or not there is opportunity for greater efficiency, whether or not their strategy is the correct one, and that is that is a very detailed discussion. Some of it is obviously quite commercially confidential because commercial activities of the BBC make quite significant contributions to their funding and I'm not sure they would be able to open the books and allow an independent body just to crawl all over them. I mean they already do have audit by the National Audit Office. So, to that extent, they do have an external body, looking at the way in which they spend their money.

COLIN BROWNE: Okay, question here from John McVey, the chief executive of PACT. When the government publishes its consultation on the future of Channel 4 will this include the government's evidence and Market Impact Assessment on its potential personalization consultation?

JOHN WHITTINGDALE: It's a consultation so, a lot of the potential impact, if you like, will be the consequence of whatever decision is taken. I mean, John, who I know extremely well and has been an outstanding advocate for the independent production sector, will be very conscious of the support that Channel 4 gives to indies across the country. That is part of the remit. And the remit is part of the consultation. So, at this stage, we can't conduct an impact assessment because we haven't reached any decisions about what is the appropriate way forward. At some future point, as a result of consultation, we will come back and say, right, these are the changes of the remit which we think are appropriate that is the outcome indeed, this is the ownership model which we are thinking of as the best way forward but at this stage. None of these decisions have been taken.

COLIN BROWNE: Yes I mean presumably there needs to be a market impact assessment before we even determine what the best route is, and it seems to go together.

JOHN WHITTINGDALE: Well obviously we have you know our own internal government advisors, but the most basic questions about if an alternative ownership model is appropriate and what changes should take place to the remit are issues that we are inviting expressions of view. We are not in any way close to reaching a decision on that.

COLIN BROWNE: Adam Sherwin of the I Newspaper: 20 million people watched the game on BBC One last night. Does that show the importance of terrestrial channels having access to national sporting events, free to air, even when they might not be the highest bidders?

JOHN WHITTINGDALE: Well, the government has you know it's always had a list of sporting events, which are reserved for free to air broadcasters. We're not proposing to remove anything from the list but nor at the moment are we proposing to add to it. I mean I think you have to bear in mind that sports broadcasting has provided an enormous amount of money into sport, which, wasn't there before. And also, there is there is no compulsion. If you say to a sport, 'You are not on the list, which means you don't have to sell to a free to air broadcaster. It doesn't mean that they have to sell to a pay per view or a subscription channel, but ultimately it's up to the sport, and it is a balance. We've always recognised our sporting bodies, always recognised that, on the one hand, they want to maximise the revenue which they can invest in developing that particular sport, but against that, you know sports need big audiences to sustain them and to attract people into the sport, and that is a balance, and in each case it is for the sporting bodies to decide what is the appropriate balance. Now the Premier League has been able to achieve enormous revenues from a succession of deals. We've been pressing them over many years to invest more into grass roots football and they are doing that. That would not have been possible if they hadn't had access to the kinds of money which they've been able to raise from sports broadcasting. I've always felt that whilst there are a limited number of events which it is appropriate to have free to air, beyond that, well actually the best people to decide are the sporting bodies themselves.

COLIN BROWNE: Question from Bob Usherwood: does the minister think that GB News meets the due impartiality and due accuracy guidelines, as set out by Ofcom.

JOHN WHITTINGDALE: Well, I mean I was listening to a discussion of GB news, I think, about a week ago, which Kevin Bakhurst was taking part in as you know he now looks after content regulation for Ofcom. And he said that he had seen nothing which caused him any concern over GB news meeting the impartiality requirements. As we know, impartiality is a difficult concept which you need to reach a judgement over. It does not require you to stop any broadcaster expressing views but that does need to be balanced over the course of the transmission but if you look at, let's say LBC, you have broadcasters on LBC with very strong opinions, which they express but they've got a range of commentators who are all widely different views. And I think viewers actually probably appreciate having provocative views expressed as long as it doesn't turn into a propaganda station. I don't think there's any sign of GB news doing that and Ofcom will step in as we've seen, for instance over broadcasters like RT and of course, most three most recently CGTN which has had its licence actually removed.

COLIN BROWNE: I guess the question is whether you need impartiality in a particular programme, across a programme or whether you achieve impartiality or balance by having a range of different programmes, but of course the issue there then is that the viewing figures or listening figures may vary a lot so it's a potential I guess it's a slippery slope.

JOHN WHITTINGDALE: I mean you're obviously right but that is one of the debates, and Ofcom have experience doing this, I mean, not always, I didn't always agree with the decisions they've come to about programmes.

But equally, I think that, you know I would not want to have broadcasters prevented from having people express strong views as long as they are challenged properly and that there is a broad impartiality. I think the PSBs have a greater duty, and particularly the BBC which has impartiality written into the top line of its public purposes. The standards there are, perhaps, even stricter going beyond the Ofcom requirements, but when every broadcaster in the UK requires a broadcasting licence from Ofcom and impartiality is one of the requirements in that licence.

COLIN BROWNE: Steven Barnett of Westminster wants to go back to the appointments process for Ofcom. Stephen says that the government knew who the candidates were when interviews are being conducted, and if the concern was about diversity, why was the process not abandoned? At that point, when the candidate names were already known? and can we therefore be confident that the successful candidate will not be an older white middle class, privately educated man?

JOHN WHITTINGDALE: Well, no, I mean, we want a wide range of candidates from which to choose. You know, we don't want necessarily to decide the outcome before we've even undertaken the interviews. But as I say this is an ongoing process and I don't want to get drawn into with a discussion of potential applicants and what might be the outcome. There is a process, we have an external commissioner who will make sure that the process is conducted properly which it has been and is being, and I hope we will be able to reach an appointment, relatively soon.

COLIN BROWNE: Okay, thank you. Martin Stott, goes back to Channel 4 consultation. And asks will maintaining the status quo, be an option in the channel for a consultation?

JOHN WHITTINGDALE: Well, I'm not saying that decision has been taken. So, yes, that is, that if we decide that, you know, the Channel 4 model is sustainable going forward. But, I mean the government has made it clear that we are minded to move to an alternative ownership model because we are very conscious of the constraints that public ownership places on Channel 4. It prevents Channel 4 from having access to markets to borrow money. It doesn't have an owner that is likely to be in a position to invest in it. You know at the moment it's entirely dependent on

advertising revenue under its present ownership structure, which is very limited. So the government has indicated that we think there's a strong case for an alternative ownership model but and then that doesn't mean that we have absolutely decided that that is the case otherwise we wouldn't be having a consultation.

COLIN BROWNE: Chole Harcroft mentions something which perhaps I should have raised as well. But you sort of you touched on this slightly earlier. Can you please explain the key areas of outcomes proposals to regulate streaming platforms and increase PSB prominence in the UK? And just on the prominence point I think Ofcom actually made its recommendations best part of a year ago. So, waiting for government to actually turn those to page?

JOHN WHITTINGDALE: I very conscious of that and indeed every time I talk to the PSB channels - be that ITV, Channel 4, BBC - they raise it with me. I mean part of the difficulty is that to make amendments to the requirements on prominence requires primary legislation. As you know, Government always has huge number of competing issues which need to be addressed by Parliament and it's a question of finding legislative space now; but we have said that we hope to be able to introduce a Media Bill in the next session and that will address both of these two issues for one around prominence, where undoubtedly the fact that the way in which people access TV is changing. You know I was having a discussion yesterday about the fact that Smart TVs, you know, in particularly some manufacturers, the PSB channels are not right up the top and it's actually quite hard to find them. So prominence is not working if you have a smart TV and use that. So that's something which is part of the need to address the issue around prominence.

And in terms of streaming services. Certainly we felt that there are quite strict requirements on the PSBs in terms of things like age appropriate warnings; around the complaints process for harmful content etc; and none of those apply for the streaming services which obviously are attracting more and more viewers in the UK so we think there is a case for putting, not necessarily as strict requirements the PSB channels have, but at least some requirements on the streaming services as well. You've got a channel like or a service like Netflix, which does use the British Board of Film Classification rating system, which is very welcome and commendable for them to do so but they it's their choice to do so. Not all of the other services do that, and they don't have to do it, so they could drop it tomorrow. I think there is a case for requiring some kind of age-appropriate labelling services and that would be for instance, one possible area where we would be looking to impose some requirements on the streamers.

COLIN BROWNE: Just looking at requirements and we're almost at the end of our time. But, obviously, there's something of a deal between the PSBs and Government - if they get prominence, the PSBs are expected to deliver the obligations, to deliver the quotas. We've had some concern that the PSBs seem to be pushing a bit towards instead of having quantitative quotas, having more qualitative assessment of whether they're meeting quotas or not. I can understand the arguments for it but the great thing about something quantitative is you've able to absolutely measure whether they are doing enough education programmes, etc, etc. I wondered whether you had any concerns about that move as well.

JOHN WHITTINGDALE: Well that's a matter which primarily is the responsibility of Ofcom, but I do talk to Ofcom about it. I mean I, I am also conscious that, particularly around the BBC, for instance - they are operating in a in a world where there are commercial competitors who are very sensitive to the BBC trampling into their space, which is why there are particular requirements imposed on the BBC and which require them to assess you know the market impact of any new services. Now the way in which Ofcom measure the delivery of the PSB obligations is ultimately for Ofcom but it is also one where Parliament's been very clear - the requirements which it expects the PSBs to meet. And so far, and I'm and I've not seen any evidence of it failing to do that, but obviously that is something which we will keep under review.

COLIN BROWNE: Thank you John, I think we're at the end of our time. As you know, we at the VLV support the PSBs strongly, so we'll be following the consultations, the various consultations over the next few months with great interest. We'll be maintaining our good liaison, which we have with officials and regulators and trying to make sure that at all times that the citizens' view, the viewers' view, the listeners who are affected by these decisions as, ultimately, that I think is what matters most and certainly what matters most to the VLV. Was there anything that you wish to say by conclusion of John yourself?

JOHN WHITTINGDALE: No, I mean, I do think we have to recognise this; I mean this is an incredibly exciting time if you want to be a listener or a viewer, but we haven't talked about listeners. What's happening in radio - that too and that there are massive changes taking place, but ultimately it is the listener and the viewer who benefit, because I know we have a greater range of outstanding content from which to choose than at any time. As somebody who enjoys both radio and TV, that is a fantastic benefit to all of your members and the wider population. Sure, I would encourage your members to get in touch with us over these ongoing consultations if you have particular concerns which we will aim to reflect.

COLIN BROWNE: I would encourage those of you who are on this call this morning to consider joining the VLV, and I just like to conclude by thanking you John for the time you've given us this morning, and the great open and full way in which you've answered our questions. Thanks for watching, bye. Thanks very much.