



11th July 2011

Ms Emily Commander
Clerk, Culture, Media and Sport Select Committee
7 Millbank
London
SW1P 3JA

Christopher Woolard
Group Director
Content, International & Regulatory
Development Group
Direct line:
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Dear Ms Commander

You may have seen several references in recent news reports to Ofcom's duties in relation to ensuring that persons who hold broadcasting licences are fit and proper. I am writing to you in this regard.

Ofcom is the communications regulator in the UK responsible for the licensing of television and radio services. We have a positive duty under the Broadcasting Acts 1990 and 1996 to be satisfied that any person holding a broadcasting licence is, and remains, fit and proper to hold those licences.

BSkyB holds licences from Ofcom under the Broadcasting Acts and therefore BSkyB is a person about whose fitness and properness Ofcom must be satisfied as a condition of continuing to hold those licences.

News Corporation currently holds 39.14% of shares in BSkyB and if its proposed takeover is authorised by the Secretary of State it will own 100% of the shares. In these circumstances Ofcom must take account of News Corporation's conduct (and that of its subsidiary companies) in assessing the continuing fitness and properness of BSkyB as a licence holder as well as the conduct of BSkyB itself.

We understand that the Select Committee has three times taken evidence relating to allegations of unlawful conduct at News Corporation publications. In this context, we note that members of the Culture, Media and Sport Select Committee spoke in the recent emergency debate on phone hacking in terms which indicated that they had concerns about the evidence that individuals within the corporate group had given to the committee in 2007 and 2009.

I stress that we do not consider that it is for Ofcom to seek to investigate matters which properly lie within the Committee's hands. Moreover we cannot and should not act on allegations that are unsubstantiated.

We would however be grateful if you could inform us of any evidence that may be relevant to any assessment under our duty to be satisfied that BSkyB is and remains fit and proper to hold its broadcast licences – for example, any evidence on which the comments mentioned above were based. We would also like to discuss arrangements as to how we might properly be kept informed of any information coming to you in future which may assist us.

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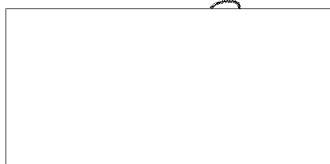
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If it would be helpful, we would be happy to meet and discuss how we might be able to liaise in a way that is most effective and efficient for you and your staff.

I would be grateful if you could make this letter available to the members of the committee. Ed Richards will also be writing to Mr Whittingdale as chairman of the committee.

Yours sincerely



Christopher Woolard
Group Director
Content, International & Regulatory Development Group