

BPO 6/13/11 20 pvt

[Redacted]

From: [Redacted]
 Sent: 13 June 2003 12:38
 To: 'mpst.hewitt@[Redacted]'; 'mpst.timms@[Redacted]'; [Redacted]
 [Redacted] BUSH BILL; Sarah Hunter (E-mail); [Redacted]
 Subject: Comms Bill handling

Yesterday's meeting produced the following conclusions:

Nominated news provider

Officials must talk to the ITC to clarify their view and put up a further submission. The SoS is minded to agree that the ownership rules be removed, but is concerned that we are making a change only for tactical reasons, without proper consideration of the arguments. Further advice is needed urgently, to explain:

- why we are now convinced that regulation of quality and investment is enough
- how there are no longer term problems if the ownership of ITV changes
- how this would affect C5 policy - how could we justify ownership rules in a NNP system for C5 if we're removing them for ITV?

Action: [Redacted]

Subtitling

In principle, it was agreed to introduce a 60% minimum interim target (after 5 years), with all channels required to show at least a 20% increase over that 5 year period even if that took them well over 60%.

However, before this is confirmed, SoS asked for advice on:

- costs
- how exemptions would work
- potential ECHR problems
- likely industry and public reaction

Action: [Redacted]

Channel 5/Plurality tests

The SoS's instinctive position is:

However, she would be willing to look further at a plurality test and requested a further paper that details all the arguments for and against, considers the likely industry reaction and assesses the sort of further consultation that may be required to make a change.

Action: Stuart/Tony/Chris

There will need to be further Ministerial discussion before any decision is made on the timing of amendments/concessions. [REDACTED] we spoke further about the tactics involved here and you have now submitted some advice.

Foreign ownership

The argument on reciprocity needs to be made more forcefully. Action: [REDACTED]

General Duties

A change of the sort Puttnam wants would undermine some of the Bill's core principles - a converged regulator with no hierarchy of duties. This must be resisted, and the argument better made.

Officials will look, though, at the possibility of a change that defines 'the community as a whole' more closely.

Action: [REDACTED]

Timing

If we are to make concessions at Report stage, we need to have them ready by next Friday. It was agreed that officials should work with Parly Counsel to have all possible amendments drafted and ready.

Please give me the further work commissioned above by Tuesday at the very latest. We will arrange further discussions as necessary next week.

In general, SoS feels we have to argue our case better, in more holistic fashion. We need to get back to first principles and make the detailed arguments that are the basis for our policy, rather than just defensive/headline bullet points.

She asked me to write a note of the key arguments made at yesterday's meeting. I will send a summary later today.

[REDACTED]
[REDACTED]
Private Secretary
[REDACTED]