



House of Commons
Culture, Media and Sport
Committee

**Work of the
Committee in 2005–06**

First Report of Session 2006–07

Report, together with formal minutes

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The Culture, Media and Sport Committee

The Culture, Media and Sport Committee is appointed by the House of Commons to examine the expenditure, administration, and policy of the Department for Culture, Media and Sport and its associated public bodies.

Current membership

Mr John Whittingdale MP (*Conservative, Maldon and East Chelmsford*)
[Chairman]

Janet Anderson MP (*Labour, Rossendale and Darwen*)

Mr Philip Davies MP (*Conservative, Shipley*)

Mr Nigel Evans MP (*Conservative, Ribble Valley*)

Paul Farrelly MP (*Labour, Newcastle-under-Lyme*)

Mr Mike Hall MP (*Labour, Weaver Vale*)

Alan Keen MP (*Labour, Feltham and Heston*)

Rosemary McKenna MP (*Labour, Cumbernauld, Kilsyth and Kirkintilloch East*)

Adam Price MP (*Plaid Cymru, Carmarthen East and Dinefwr*)

Mr Adrian Sanders MP (*Liberal Democrat, Torbay*)

Helen Southworth MP (*Labour, Warrington South*)

Powers

The Committee is one of the departmental select committees, the powers of which are set out in House of Commons Standing Orders, principally in SO No 152. These are available on the Internet via www.parliament.uk.

Publications

The Reports and evidence of the Committee are published by The Stationery Office by Order of the House. All publications of the Committee (including press notices) are on the Internet at

http://www.parliament.uk/parliamentary_committees/culture__media_and_sport.cfm

Committee staff

The current staff of the Committee are Kenneth Fox (Clerk), Sally Broadbridge (Inquiry Manager), Daniel Dyball (Committee Specialist), Anita Fuki (Committee Assistant), Rowena Macdonald (Secretary), Jim Hudson (Senior Office Clerk) and Laura Humble (Media Officer).

Contacts

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1 Introduction

1. This is the Culture, Media and Sport Committee's report on its work during 2005-06 and covers the Committee's activities since its appointment in July 2005. It is designed to illustrate the ways in which the Committee's work has met the objectives for select committees drawn up by the Liaison Committee following a resolution of the House on 14 May 2002. It also provides a commentary on working methods used.

2. Information on the decisions of the Committee can be found in its Minutes of Proceedings, updated weekly and available on the Parliamentary website at http://www.parliament.uk/parliamentary_committees/culture_media_and_sport.cfm. A more detailed set of statistics on members' attendance, numbers of meetings, publications, staffing and other matters can be found in the Sessional Return for 2005-06, to be published shortly.¹

2 The objectives

Liaison Committee objectives

3. The objectives set by the Liaison Committee for departmentally-related select committees are rooted in the House's Standing Orders, which require those committees to examine the expenditure, administration and policy of the Government department concerned and its associated public bodies. The objectives are:

Objective A: to examine and comment on the policy of the Department

- proposals from the UK Government and European Commission in green papers, white papers, draft guidance etc.;
- areas of emerging policy, or where existing policy is deficient;
- any relevant published draft Bill;
- specific output from the Department expressed in documents or other decisions;

Objective B: to examine the expenditure of the Department

- the expenditure plans and out-turn of the Department, its agencies and principal non-departmental public bodies (NDPBs);

Objective C: to examine the administration of the Department

- the Department's Public Service Agreements, the associated targets and the statistical measurements employed;
- the work of the Department's executive agencies, NDPBs, regulators and other associated public bodies;

¹ HC 1, Session 2006-07

- major appointments made by the Department;
- the implementation of legislation and major policy initiatives;

Objective D: to assist the House in debate and decision, producing reports which are suitable for debate in the House and its committees, including Westminster Hall.

4. Table 1 in the Annex to this Report illustrates the various ways in which the Committee's work since July 2005 has carried forward these objectives. The following paragraphs provide some detail.

Policy

5. The four most substantial inquiries during the period covered by this report have each addressed areas where policy is being formulated. Our inquiry into analogue switch-off assessed a major policy initiative which will affect almost every household in the UK but which had, until recently, undergone surprisingly little evaluation. We commended the Government for its bold decision in setting a date for switchover rather than waiting for it to occur naturally, and we highlighted a number of concerns.² This is a long-term project, and detailed policy is still being developed.

6. Our investigation into the protection of the nation's built heritage tracked the evolution of policy proposals for reform of the heritage protection system and will inform a White Paper to be published in 2007. Our ongoing inquiry into the 2012 Olympic Games and Paralympic Games monitors another long-term project in which major developments are announced almost monthly; and our inquiry into new media and the creative industries has included an examination of copyright issues for creative works, a subject considered in depth by Andrew Gowers in a review of the intellectual property regime commissioned by the Chancellor of the Exchequer.³

7. The Committee has conducted three brisk inquiries (consisting of a single morning of oral evidence) into matters of significant interest to large sections of the public but for which primary responsibility for policy lies with bodies independent of Government or statutory regulators. In each case, the Committee judged that there was a public interest in undertaking a Parliamentary inquiry and that scope for a more active approach by Government or by regulators should be explored. Our First Report examined broadcasting rights for cricket and was prompted by the decision of the England and Wales Cricket Board (ECB) to award broadcasting rights for live coverage of Test matches involving the England team exclusively to BSkyB. This act was heavily criticised as being in breach of a "gentleman's agreement" reached in 1998 between the then Secretary of State for Culture, Media and Sport and the then Chairman of the ECB. While we recognised that this was primarily a matter for the ECB, the Committee criticised the Department for not announcing publicly its decision that the so-called "gentleman's agreement" was not

² *Analogue Switch-off*, Second Report of the Committee, Session 2005-06, HC 650-I

³ *Gowers Review of Intellectual Property*, published on 6 December 2006

binding and need not constrain the ECB from awarding exclusive rights for live broadcasts to a pay-TV broadcaster.⁴

8. Our Fourth Report, into women's football, concluded that the policy of the Football Association (as the sport's governing body) in setting a maximum age limit for children to take part in mixed-gender competitive football made it difficult for girls to continue participating in competitive football beyond primary school.⁵ We noted that there may be a direct negative consequence for adult participation in sporting activity, one of the Department's PSA targets. We also identified ways of making the distribution of public funds for football facilities and programmes – both through national schemes and through local government – more equitable between the sexes.⁶

9. In the remaining “short and sharp” inquiry, not yet concluded, we are considering whether the regime for regulation of the Call TV quiz sector – in which Ofcom, the Independent Committee for the Supervision of Standards of Telephone Information Services (ICSTIS) and the Gambling Commission form a trio of regulators – is sufficient to protect the public interest.

10. Our work in carrying out scrutiny of policy extends to the many public bodies which come under the Department's wing. Not all such bodies are directly accountable to Ministers: in the case of the BBC and Ofcom, it is almost entirely through select committees that internal policy can be tested in Parliament and a Parliamentary view can be expressed. We held one-off sessions with both bodies. We maintained our predecessor Committee's practice of holding an oral evidence session with the BBC to coincide with publication of its Annual Report; and in May 2006 we took oral evidence jointly with the Trade and Industry Select Committee on Ofcom's draft Annual Plan. Our intention is that such sessions should become an annual “fixture”. Ofcom has welcomed the initiative.⁷

11. The Department has not published any Green Papers or White Papers during this Committee's lifetime. Nor has it produced a draft bill, although it is expected that one will be published after Easter 2007: the Cultural Property (Armed Conflict) Bill.⁸ The Committee has yet to decide whether or how to build any assessment of the bill into its work schedule.

Expenditure and administration

12. The Committee took oral evidence from the Secretary of State and from DCMS officials on the Department's Annual Reports for both 2005 and 2006. In common with other Committees, our practice is to submit questions based upon the Report to the Department and then to treat the Department's response as a memorandum to inform questioning. We are grateful to the Committee Office Scrutiny Unit for providing much of the financial expertise and analysis to support this exercise. The evidence sessions themselves offer the

⁴ *Broadcasting Rights for Cricket*, First Report of the Committee, Session 2005-06, HC 720

⁵ *Women's Football*, Fourth Report of the Committee, Session 2005-06, HC 1357, paragraph 13

⁶ *Women's Football*, Fourth Report of the Committee, Session 2005-06, HC 1357

⁷ Ofcom Annual Report 2005/6, HC 1280, Session 2005-06, page 3

⁸ See www.commonleader.gov.uk

main opportunity each year to examine the Department's performance against PSA targets, its relationship with the many NDPBs under its wing, and staffing and general administrative matters. As one of the smallest Government departments to be represented by a Secretary of State in Cabinet,⁹ it is with some trepidation that we watch the Department take on two projects with a very high public profile – the London 2012 Olympic Games and Paralympic Games, and digital switchover. Although much of the programme management in each case is being carried out by arm's length bodies – the Olympic Delivery Authority and Digital UK respectively – the Department provides the strategic direction. The Committee will have a role throughout this Parliament in assessing whether the Department is succeeding in assigning enough staff of the necessary calibre to two such high-risk projects.

13. The Committee pursues an active exchange of correspondence with the Department on the content and presentation of Main and Supplementary Estimates and of Resource Accounts. As with examination of Departmental Annual Reports, we are assisted in this exercise by the Committee Office Scrutiny Unit. We welcomed an improvement in the format of memoranda accompanying Supplementary Estimates, although too much of the information is still presented without explanation.

14. Our monitoring of the Department's expenditure and administration takes place alongside detailed studies by the National Audit Office of Departmental administration, including use of office accommodation and procurement practices within DCMS and its sponsored bodies.¹⁰ We note with approval the introduction of an enhanced role for the National Audit Office in scrutiny of the value for money achieved by the BBC¹¹ as well as the intention that it should work closely with the Department on reviewing value for money in relation to the London 2012 Games.¹²

Informing debate in the House

15. Table 2 in the Annex gives an indication of the various ways in which the Committee's work has informed the work of the House.

⁹ In terms of both staffing and expenditure. See *Civil Service Statistics 2005*, available on the Cabinet Office website; also Budget 2006: Economic and Fiscal Strategy Report and Financial Statement and Budget Report, HC 968 (Session 2005-06), Table C13, page 274

¹⁰ Procurement in the Culture, Media and Sport sector, HC 596, Session 2005-06; The office accommodation of the Department for Culture Media and Sport and its sponsored bodies, HC 942, Session 2005-06.

¹¹ Clause 79 of the Agreement between Her Majesty's Secretary of State for Culture, Media and Sport and the British Broadcasting Corporation, Cm 6872

¹² QQ 138 and 173, evidence taken before the Committee on 21 November 2006, to be published as HC 69-II, Session 2006-07

3 The Committee in context

Relations with other committees

16. The Secretary of State told us in July 2006 that there were many ways in which the Department could add value to the work of other departments, to “make a health pound worth more and an education pound worth more”.¹³ The complementary nature of the Department has been evident in the regular submission by Government of cross-departmental memoranda to our inquiries; we, in turn, have worked in conjunction with other Committees where there was a common interest. Both of our major broadcasting inquiries, for example, into analogue switch-off and into new media and the creative industries, elicited a joint submission from the Department for Culture, Media and Sport and the Department of Trade and Industry. We have referred above to the oral evidence taken jointly with the Trade and Industry Select Committee on Ofcom’s draft Annual Plan.

17. We have also formed part of a collective effort by select committees to monitor preparations for the London 2012 Olympic Games and Paralympic Games. The present Secretary of State at the Department for Culture, Media and Sport has been designated as the minister with primary responsibility for overseeing the Games project. It therefore makes sense that this Committee should take the lead in scrutiny by select committees. We have already held two series of evidence sessions examining preparations for the Games, one in the autumn of 2005 and another in late 2006, and we have recently published a report. We recognise, however, the interests of other committees, given the impact of the Games on transport networks, the supply of skills in the construction industry, local regeneration, and other areas. Our recent report on the Games has drawn on work by both the Transport Committee and the Scottish Affairs Committee. We anticipate that a joint approach can, given liaison between Committee Chairmen and between relevant staff, continue to offer the most thorough and effective scrutiny by select committees of preparations for the London 2012 Games. Committee staff are also in regular contact with staff of the London Assembly scrutiny committees in order to share knowledge.

18. The Department’s remit is not one which is dominated by legislative or regulatory proposals from the European Commission. The draft Audio Visual Media Services Directive, however, which seeks to amend the Television Without Frontiers Directive, is directly relevant to our inquiry into new media and the creative industries. In particular, the Commission has proposed the regulation of not just “linear” television broadcasting services, i.e. programmes delivered to a schedule fixed by a broadcaster, but also “non-linear” services, delivered on demand to the consumer at a time of their choosing. Shortly before a key Council of Ministers meeting in November, the DCMS minister with responsibility for broadcasting (Shaun Woodward MP) wrote to the Chairman of the European Scrutiny Committee setting out his proposed negotiating position at the forthcoming Council. Liaison between the two Committees enabled us to obtain a copy of the letter and to tailor our questioning accordingly. We regard this as a good example of a co-ordinated approach.

¹³ Q1, evidence taken before the Committee on 25 July 2006, on the DCMS Annual Report and the responsibilities of the Secretary of State, HC 1551-i, Session 2005-06

19. Our inquiry into the built heritage revisited some of the ground covered by the former Committee on the Office of the Deputy Prime Minister in its report on the role of historic buildings in urban regeneration.¹⁴ The potential for historic buildings, whether residential, municipal or commercial, to serve as focal points for local communities, was of common interest to both committees, as was the role played by the Commission for Architecture and the Built Environment, funded jointly by the two Government departments. The former ODPM Committee reached the conclusion that the imposition of VAT on the repair of historic buildings but not on new-build projects was a clear disincentive to the maintenance and re-use of historic buildings.¹⁵ The Government response rejected the ODPM Committee's findings on VAT. Our inquiry explored the same ground and found the Government's response unsound; we therefore followed up by reiterating and strengthening the ODPM Committee's conclusion, citing what we saw as flaws in the Government response.¹⁶

House of Lords Select Committee on Broadcasting, Media and Communications

20. The House of Lords agreed, on 29 November 2006, to a recommendation by the House of Lords Liaison Committee that a select committee on broadcasting, the media and communications should be established for the remainder of this Parliament.¹⁷ When speaking to the motion to set up the Committee, the Chairman of Committees in the Lords said that "the Liaison Committee [of the House of Lords] is firmly of the view that Lords Select Committees should complement and not duplicate the work of the Commons and that their remits should be cross-cutting rather than departmental". He has also acknowledged this principle in correspondence with this Committee's Chairman. We welcome this recognition that the respective committees' work should not overlap, although we wait to see how the Lords Committee's intentions will work in practice. We are aware that accountability to a multiplicity of select committees can impose pressure on key witnesses such as the BBC, or on other less well-resourced bodies. We also note that the Lords appear to have carried forward their initiative without seeking to consult this House.

Working methods

21. The majority of our work is conducted through oral evidence sessions, approximately once weekly when the House is sitting. The benefits of formal oral evidence are that sittings are almost invariably held in public; a record is taken and is made available to the public, normally within days; and the session is a formal proceeding in Parliament and affords protection to witnesses for statements that they make. Almost all of our sessions have taken place at Westminster, although we held one very productive session in March 2006 at the offices of Liverpool City Council, when senior officials from Liverpool and Manchester City Councils gave evidence on the value of heritage assets in regeneration.

¹⁴ HC 47-I, Session 2003-04

¹⁵ *The Role of Historic Buildings in Urban Regeneration*, HC 47-I, Session 2003-04, paragraphs 112 to 114

¹⁶ *Protecting and Preserving our Heritage*, Third Report of the Committee, Session 2005-06, HC 912-I, paragraphs 174 to 177

¹⁷ *HL Deb*, 29 November 2006, cols. 756-9

22. One witness at the session in Liverpool described it as “incredibly refreshing” that the Committee “had come out of London” and urged us to do so more often.¹⁸ There are two good reasons for doing so: travel away from Westminster as a Committee helps to extend the regional perspective which we gain as constituency Members; and the Committee can increase public awareness of what select committees are and what part they play in parliamentary scrutiny. Besides the evidence session in Liverpool, held in public, our visit to Lincoln in January 2006 (also to discuss the potential for local regeneration through use of the built heritage), which consisted largely of a guided walk around key public sites in the city’s historic centre, attracted considerable interest from the local press. We are in no doubt that increasing the visibility of select committees around the UK can assist people in understanding the work of the UK Parliament and can help to communicate its activity to the world outside, an aim articulated by the Select Committee on Modernisation of the House and endorsed by the House itself.¹⁹

23. Our public work is complemented by private visits, such as those to Wembley National Stadium in January 2006, the site of the Olympic Park in February 2006, the British Library in March 2006, and the British Museum in December 2006. The Committee has also travelled overseas, to Berlin (in December 2005), Beijing and Seoul (in May 2006) and Athens (in December 2006). The visits to Seoul and Athens allowed us to gain direct knowledge of legacy use of Olympic venues; and the visit to Berlin enabled us to meet all the main players in the project to move from analogue to entirely digital broadcasting of television services. The Berlin area was the first in the world to complete such a move.

24. Our inquiry into new media and the creative industries, triggered by the rapid emergence of new technology and new media platforms for the distribution of creative content, led us to attend a number of displays of new communications technologies by industry leaders and broadcasters including BT, Microsoft and BSkyB. A further meeting is planned with Channel 4, to see a demonstration of planned Video on Demand services. Meetings with Samsung, Nexon Corporation, and TK Media in Seoul also gave us a glimpse of the possibilities for future media consumption in the UK.

¹⁸ Ms Toms, Head of Cultural Strategy, Manchester City Council, Q150, HC 912-III, Session 2005-06

¹⁹ *Connecting Parliament with the Public*, First Report of the Select Committee on Modernisation of the House of Commons, HC 368, Session 2003-04; see also *HC Deb*, 26 January 2005

Annex

Table 1: Relationship of inquiries to Liaison Committee criteria (July 2005 to December 2006)

Inquiry	Government policy proposals	European Commission proposals	Deficient or emerging policy	Expenditure	PSA targets	Work of Executive Agencies and related public bodies	Major appointments	Implementation of legislation
BBC Annual Report for 2004-05						X		
Analogue switch-off	X	X						
DCMS Annual Report 2005				X	X	X		
London 2012 Olympic Games			X	X		X		
Broadcasting rights for cricket			X					
Protecting and preserving our heritage	X				X	X		
Ofcom Annual Plan 2006-07	X	X		X		X		
New media and the creative industries		X	X					
Women's football			X		X			
BBC Annual Report for 2005-06						X		
DCMS Annual Report 2006				X	X	X		
Caring for our collections			X		X			

Table 2: Inquiries and outcomes

Inquiry	Outcome
BBC Annual Report 2004-05 (evidence session)	BBC unveiled its Licence Fee bid at the oral evidence session on 11 October 2005
Analogue switch-off	Report tagged to debate on the future of the BBC, 21 June 2006; debated in Westminster Hall, 6 July 2006; commended by Minister for Broadcasting in debate on Second Reading of the Digital Switchover (Disclosure of Information) Bill, 18 December 2006
London 2012 Olympic Games and Paralympic Games	Significant announcement on costs made by Secretary of State in oral evidence to the Committee, 21 November 2006; subsequent Parliamentary Questions answered by reference to oral evidence
Broadcasting rights for cricket	One of the Report's main conclusions directly supported by Early Day Motion 2147 of Session 2005-06, signed by 115 Members from four political parties
Protecting and preserving our heritage	Government has acknowledged that the Committee's report would be taken into account in preparation of the forthcoming Heritage Protection White Paper; recommendation relating to church maintenance commended by DCMS Minister in Adjournment Debate on historic churches, 14 December 2006
New media and the creative industries	Minutes of Evidence tagged to debate on the floor of the House, 21 June 2006

Formal minutes

Tuesday 16 January 2007

Members present:

Mr John Whittingdale, in the Chair

Janet Anderson
Philip Davies
Mr Nigel Evans
Paul Farrelly

Mr Mike Hall
Rosemary McKenna
Mr Adrian Sanders

The Committee deliberated.

Draft Report [*The work of the Committee in 2005-06*], proposed by the Chairman, brought up and read.

Ordered, That the draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 24 read and agreed to.

Annex read and agreed to.

Resolved, That the Report be the First Report of the Committee to the House.

Ordered, That the Chairman do make the Report to the House.

[Adjourned till Wednesday 17 January at 10.30 a.m.]

Reports from the Committee since 2005

Session 2005–06

First Special Report	Maritime Heritage and Historic Ships: Replies to the Committee's Fourth Report of Session 2004-05	HC 358
First Report	Broadcasting Rights for Cricket	HC 720
Second Report	Analogue Switch-off	HC 650 I, II
Third Report	Preserving and Protecting our Heritage	HC 912 I, II, III
Fourth Report	Women's Football	HC 1357
Second Special Report	Women's Football: Replies to the Committee's Fourth Report of Session 2005-06	HC 1646

Session 2006–07

First Report	Work of the Committee in 2005-06	HC 234
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