



Craig Whittaker MP

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Sky and 21st Century Fox Takeover Bid

Thank you for contacting me about 21st Century Fox's proposed purchase of Sky.

Under the powers set out in the Enterprise Act 2002, the Secretary of State for Culture, Media and Sport has a quasi-judicial role that allows her to intervene on the basis of specified public interest considerations. These considerations refer to the need for there to be a sufficient plurality of media ownership, for the availability of a wide range of high-quality broadcasting and for those with control of media enterprises to have a genuine commitment to broadcasting standards objectives.

On 16 March 2017, the Secretary of State issued a European Intervention Notice on the grounds of media plurality and commitment to broadcasting standards. This decision was made after hearing representations from Sky, 21st Century Fox and many other third parties.

This decision triggered action by Ofcom which reported on the public interest grounds specified and by the Competition and Markets Authority which reported on jurisdiction, the Secretary of State confirming receipt of both reports on 20th June.

Following this, on 29 June, the Secretary of State released her provisional - not final - decisions on whether to refer the merger to a full Phase Two investigation. More details of these can be found on the webpage below:

<https://www.gov.uk/government/speeches/skyfox-merger>

The Secretary of State then accepted representations on her provisional positions until 14 July and she will now consider the evidence received before coming to a final decision which will be based on considerations of media plurality and commitment to broadcasting standards.

In the interests of transparency, the Secretary of State gave a statement to the House on 20 July. The Secretary of State must fully consider all relevant representations before reaching a final decision while taking into account the merger parties' legitimate need for a prompt decision. The Secretary of State is acting in a quasi-judicial basis under the Enterprise Act which requires her to act without undue delay, in the interests of all parties. Therefore, it is expected that a final decision on referral will be made in the coming weeks.

The question of whether someone is fit and proper to hold a broadcasting licence is a different issue to those addressed under the Enterprise Act 2002, and one that quite rightly

sits with Ofcom. Ofcom had previously announced that it would conduct its assessment at the same time that it considered any public interest questions. I understand that Ofcom has recently published its report. Given the Secretary of State's current quasi-judicial role in the matter, the Government will not be commenting on the findings. Ofcom has an on-going duty to ensure that all UK broadcasters meet the fit and proper requirements for holding TV broadcasting licences; it is for Ofcom to take account of all relevant evidence.

Thank you again for taking the time to contact me.

Kind regards,

A handwritten signature in black ink, appearing to read 'Craig Whittaker', with a stylized flourish at the end.

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