[GB] Ofcom calls for urgent action to secure and sustain UK public service media

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The UK's public service broadcasters (PSBs) – the BBC, ITV, STV, Channels 4 and 5, and S4C – remain central to public service media (PSM). Yet Ofcom, the UK's communications regulator, warns that their survival, and with it a cornerstone of UK culture, is threatened by mounting financial pressures, technological change, and global competition.

Ofcom's July 2025 review presents stakeholder proposals, weighing their benefits and practical implications, building on its statutory five-year assessment under section 264 of the Communications Act 2003. In December 2024, Ofcom concluded that, taken together, the PSBs had fulfilled the public service broadcasting purposes for 2019–2023 (delivering programming that informs, educates, entertains, and reflects UK society) but that growing challenges threaten the long-term sustainability of the PSM model. The new paper looks ahead, examining what must change.

Key challenges faced by PSM in the UK

In a media ecosystem increasingly dominated by global players and platform algorithms, Ofcom has raised a number of challenges faced by the UK's PSM.

First, the UK audiovisual sector is undergoing profound change. Global content platforms like Netflix, fuelled by advanced personalisation technology, dominate attention spans and advertising revenue. Younger audiences, in particular, gravitate toward user-generated and bite-sized content, typically consumed on video-sharing platforms (VSPs). Moreover, linear television is in retreat: less than half of in-home viewing now occurs on traditional channels. PSBs increasingly use third-party platforms like YouTube to distribute content, but these platforms' opaque algorithms tend to weaken the reach and consequently the impact of PSBs (especially among young audiences).

Second, recent legislative updates alone appear insufficient to secure the future of PSM. The 2024 Media Act introduces a broader public service remit and public service requirements, enabling PSBs to fulfil their obligations not only via linear channels but across their full portfolio, including video-on-demand (VOD) and digital services. Although this evolution provides flexibility, Ofcom concludes that it will not, on its own, address the deeper structural challenges confronting PSM.

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The pace of change necessitates a broader strategy that addresses systemic vulnerabilities and spurs PSBs, platforms, regulators, and government into coordinated action.

A third challenge concerns financial strains as licence fees and advertising revenues have dropped over 25% since 2016. Diversification into digital and premium content has yet to offset these losses, while the cost of serving multiple platforms, rising production expenses, and competition from global giants add pressure. The impact extends across the UK creative sector, which relies on PSB commissions for independent production and regional talent. Meanwhile, universal service obligations require continued investment in Digital Terrestrial Television (DTT), now shifting from asset to liability as audiences increasingly move online.

Finally, maintaining visibility in a saturated market remains challenging. As audiences shift online, PSBs compete with global streamers and vast content on video platforms, where Ofcom notes their share is minimal. This threatens key genres like news, children's and educational programming, all of which are central to civic engagement and cultural cohesion. With nearly half of adults relying on social media for news, amid low trust and high misinformation, Ofcom warns that PSM content must remain accessible and prominent.

Recommendations for securing the future of PSM

To address these interlocking challenges, Ofcom identifies six pillars of reform that require immediate attention and action.

First, ensure the prominence of PSB content online: PSBs must adapt strategies to audience behaviours, including innovating for platforms like YouTube. Ofcom urges cooperation with platform operators to secure visibility on fair terms, while noting that government legislation may be needed. Ofcom also calls for an exploration of prominence rules for news on social media and VSPs, despite the complexities of implementation.

Second, secure sustainable funding which is crucial to maintaining content with public value but lacks commercial viability such as local news and children's programming. Potential policy tools include levies, tax credits, and AI copyright reforms. Ofcom highlights the importance of fair returns for creators whose content or data is used by Generative AI (GenAI) models and search engines.

Third, clarify the future of DTT: universal availability remains a statutory requirement, but the value of DTT is diminishing as audiences migrate online. Ofcom calls for a government decision by 2026 to enable an orderly transition toward hybrid distribution; freeing funds from costly DTT transmission to multi-platform delivery could help PSBs better engage digital audiences.

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Fourth, encourage broadcaster collaborations: to compete with global platforms and boost reach, UK broadcasters must increase their scale through deeper partnerships and technology sharing. Ofcom supports a regulatory approach for mergers and alliances that prioritises long-term sustainability.

Fifth, invest in media and digital literacy: as the information ecosystem becomes more fragmented and influenced by AI and algorithms, improving media literacy is central to civic participation. PSBs, particularly the BBC, are encouraged to support public understanding of how to critically assess news and content. Online platforms must also design their services with media literacy in mind. Ofcom will issue new recommendations under the Online Safety Act later this year.

Finally, modernise regulation to match today's digital-first environment, moving beyond frameworks rooted in linear broadcasting. Ofcom is implementing reforms under the 2024 Media Act that allow PSBs more flexibility to meet obligations across online and broadcast platforms. By late 2025, the regulator will also issue a broad call for evidence to guide future rules for television and radio in the digital era.

Transmission critical: the future of Public Service Media

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