

[GB] Ofcom Continues to Regard Sky as a Fit and Proper Person to Hold Broadcast Licences

IRIS 2012-9:1/25

*David Goldberg
deeJgee Research/Consultancy*

Ofcom, the UK Regulator, has a duty, under the Broadcasting Acts 1990 and 1996, Section 3(3), to be satisfied that any person holding a broadcasting licence (i.e., the licensee) is (and remains) 'fit and proper' to hold that licence.

When considering whether a licence holder is fit and proper, Ofcom will take into account 'any relevant misconduct of those who manage and control the licensee.'

As part of its on-going duty under Section 3(3) of the Acts, Ofcom has recently considered whether the broadcaster Sky remains fit and proper to hold broadcast licences in the light of information that has become available regarding unlawful activities at newspapers owned by News Group Newspapers Limited ("NGN").

Ofcom determined that Sky was, indeed, still a fit and proper person to hold broadcast licences,' notwithstanding our views in relation to James Murdoch's conduct.....Whilst we consider that James Murdoch's conduct in various instances fell short of the standard to be expected of the chief executive officer and chairman, we do not find that James Murdoch's retention as a non-executive director of Sky means that Sky is not fit and proper to hold broadcast licences. We recognise that whether it is appropriate for James Murdoch to be a director in light of the events is a matter for the Board and shareholders of Sky.'

Fit and Proper Assessment Decision concerning British Sky Broadcasting Limited, published on 20 September 2012

<http://stakeholders.ofcom.org.uk/binaries/broadcast/tv-ops/fit-proper/bskyb-final.pdf>

Frequently asked Questions: 'Fit and Proper' in relation to broadcast licensees

<http://stakeholders.ofcom.org.uk/binaries/broadcast/tv-ops/fit-proper/FandPFAQ-update.pdf>

