

TOM PURSGLOVE MP
CORBY & EAST NORTHAMPTONSHIRE



HOUSE OF COMMONS
LONDON SW1A 0AA

15th August 2017

Jean Castaigne

RE: SKY TAKE-OVER BID.

Thank you for your recent correspondence in respect of 21st Century Fox's proposed purchase of Sky.

As you are probably aware, Sky has received an approach from 21st Century Fox to acquire the 61 percent share of Sky that it does not yet already own.

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 media 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 the 16th 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 to assess and report on the public interest grounds specified and for the Competition and Markets Authority to report on jurisdiction by the 20th June.

Following this, on the 29th June the Secretary of State released her minded-to - not final - decisions on whether to refer the merger to a full phase two investigation. More details of these can be found on the below webpage: <https://www.gov.uk/government/speeches/skyfox-merger>.

The Secretary of State then accepted representations on her minded-to positions until the 14th July and she will now consider the evidence received before coming to a final decision on both grounds of media plurality and commitment to broadcasting standards.

In the interests of transparency, the Secretary of State gave a statement to the House



on the 20th July. The Secretary of State must fully consider all relevant representations before reaching a final decision, and so she will take the time needed to look at the many received, balancing the need for careful consideration of relevant evidence, with the merger parties' legitimate need for a prompt decision. The Secretary of State is acting in a quasi-judicial basis under the *Enterprise Act*, and one of the things she is required to do is 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 consideration to those outlined in the *Enterprise Act 2002*, and one that quite rightly sits with Ofcom. Ofcom had previously announced that it would conduct its fit and proper assessment at the same time it would consider any public interest test; meaning following the intervention decision, Ofcom has conducted its assessment within the same timeframe it has to report on the specified public interests. I understand that Ofcom has recently published its report. Given the Secretary of State's current quasi-judicial role in the merger, the Government will not be commenting on the findings. Ofcom has an on-going duty to ensure all UK broadcasters are fit and proper to hold TV broadcasting licences and if any evidence comes to light then it is for Ofcom to take account of that evidence.

Once again, thank you for having taken the time to contact me and if I can ever be of any further assistance to you then please do not hesitate to contact me again.

With best wishes,

**TOM PURSGLOVE MP
MEMBER OF PARLIAMENT
CORBY & EAST NORTHAMPTONSHIRE**