DCMS Secretary of State's oral statement on the licence fee settlement

With permission, Mr Speaker, I would like to make a statement.

Under Article 43 of the BBC's Royal Charter, I am required to determine a funding settlement for the level of the licence fee for a period of at least five years from 1 April 2022.

I am legally required to make my determination as far in advance of April as possible.

I'd also like to highlight that this year, the licence fee settlement has featured S4C prominently for the first time.

In line with the recommendation from the Independent Review of S4C completed in 2018, the licence fee will be the sole source of public funding for S4C.

Negotiations began back in November 2020, and both I and my predecessor have met with the BBC on several occasions during this period to discuss this settlement.

As part of those negotiations, the Charter requires that I assess both the BBC's commercial income and activities and the level of funding required so that the BBC can effectively fulfil its Mission and Public Purposes.

In addition, this government set out our own relevant factors to consider during the Charter Review in 2015/16:

Evasion. Commercial income. Household growth. And industry costs.

Mr Speaker, as the Prime Minister has said, the BBC is a great institution.

It has a unique place in our cultural heritage.

And, beyond our shores, the BBC broadcasts our values and identities all over the world — reaching hundreds of millions every day.

Likewise, the Welsh broadcaster S4C plays a unique and critical role in promoting the Welsh language, and in supporting our wider public service broadcasting landscape.

However, Mr Speaker, in reaching this settlement, I had to be realistic about the economic situation facing households up and down the country.

The global cost of living is rising — and this Government is committed to supporting families as much as possible during these difficult times.

Given that climate, we had to think very carefully about imposing any potential increase on the TV licence — particularly given that any increase would expose families to the potential threat of bailiffs knocking on their door, or criminal prosecution.

When it comes to monthly bills, this is one of the few direct levers we have in our control as a government.

And in the end, Mr Speaker, we simply could not justify putting extra pressure on the wallets of hard-working households.

Every organisation around the world is facing the challenge of inflation.

I simply do not believe that those responsible for setting household bills should instinctively reach into the pockets of families across the country for just a little more every year to cover those costs.

So today, I am announcing that the Licence Fee will be frozen for the next two years and that it will rise in line with inflation for the following four years.

The BBC wanted the fee to rise to over £180 by the end of this settlement.

Instead, it will remain fixed at £159 until 1 April 2024.

That's more money in the pockets of pensioners; in the pockets of families who are struggling to make ends meet.

Mr Speaker, we are supporting households at a time when they need that support the most.

And this settlement sends an important message about keeping costs down while also giving the BBC what it needs to deliver on its remit.

This approach to funding will be the same for the BBC and for S4C.

However I can also announce that S4C will receive an additional £7.5m per annum in funding from 2022 to support the development of their digital offering.

This is a 9% increase for S4C, following 5 years of frozen funding.

Mr Speaker, we believe that this is a fair settlement for the BBC. It is a fair settlement for S4C and, most importantly, it is a fair settlement for licence fee payers all across the United Kingdom.

And let's not forget: The BBC will continue to receive billions in annual public funding, allowing it to deliver its Mission and Public Purposes, and to continue doing what it does best.

And to support the BBC even further in what is a fast-changing broadcasting landscape, the Government will more than double the borrowing limit of the BBC's commercial arm to £750 million.

This will enable the BBC to access private finance as it pursues an ambitious commercial growth strategy — boosting investment in the creative economy across the UK.

But as Tim Davie said in his first speech as Director General of the Corporation, the BBC "must" be a "simpler, leaner organisation" that offers "better value" to Licence Fee Payers. And we agree with this.

Ultimately, this settlement strikes the right balance: between protecting households and allowing broadcasters to deliver their vital public responsibilities whilst also encouraging them to make further savings and efficiencies.

Mr Speaker, the Licence Fee Settlement is only one step in our roadmap for reform of the BBC.

In the last few months, I've made it clear that the BBC needs to address issues around impartiality and groupthink.

Those problems were highlighted definitively by the recent Serota Review.

And the BBC's own leadership rightly recognised those findings in full, and committed to deliver all of the Review's recommendations in its 10 Point Action Plan on Impartiality and Editorial Standards.

And I have had constructive discussions with the BBC about these issues in recent months.

But the BBC now needs to put those words into action.

It needs to convince the British public that those changes are in fact being made, and to provide regular and transparent accounts of its progress.

We will shortly begin the Mid-Term Review of the BBC's Charter, which will consider the overall governance and regulation of the BBC.

And a key part of that review will look at whether the BBC's 'Action Plan' on impartiality has in fact materially contributed to improving the internal governance of the organisation.

But it's also time to look further into the future.

Mr Speaker, as any serious commentator will tell you, the broadcasting landscape has changed beyond all recognition over the past decade.

We're living in a world of streaming giants, of on-demand and pay-per-view and smart TVs.

Technology is changing everything.

97% of homes already have superfast broadband. A family in Cumbria can stream five different movies in five different rooms in its house at any one time.

And our gigabit rollout is transforming those networks even further.

Over 65% of UK households now have access to the fastest connection on the planet.

As the tech has changed, so have audience habits — particularly amongst younger viewers.

So it's time to begin asking those really serious questions about the longterm funding model of the BBC, and whether a mandatory Licence Fee with criminal penalties for individual households is still appropriate.

As we have said before, we will therefore undertake a review of the overall Licence Fee model and those discussions will begin shortly.

Mr Speaker, the BBC has been entertaining and informing us for 100 years — and I want it to continue to thrive and be a global beacon for the UK in the decades to come.

But this is 2022, not 1922.

We need a BBC that is forward-looking and ready to meet the challenges of modern broadcasting.

A BBC that can continue to engage the British public, and that commands the support from across the breadth of the UK — not just the London bubble.

A BBC that can thrive alongside Netflix and Amazon Prime and all of its other challengers which attract younger viewers.

This licence fee settlement represents a significant step in that journey, and in our wider reform of the BBC.

I look forward to continuing working with the BBC and others across the industry over the coming years to secure the future of these vital British services.

I commend this Statement to the House.

TV licence fee frozen for two years

- Fee will remain at £159 until 2024 before rising in line with inflation for four years
- Households will not see any change to the licence fee until 1 April 2024
- New agreement gives broadcaster certainty while protecting public from price hike

Culture Secretary Nadine Dorries today announced the fee will remain at £159 until 2024 and then rise in line with inflation for the following four years.

The plans for the new licence fee settlement cover a period of six years and will take effect from 1 April 2022 until 31 March 2028.

The settlement will give the corporation the financial certainty it needs and a clear funding stream to deliver effectively on the <u>Mission and Public</u>

<u>Purposes</u> set out in its <u>Royal Charter</u> while protecting households at a time when many are facing financial pressures.

It means the BBC is expected to receive around £3.7 billion in licence fee funding in 2022 and £23 billion over the duration of the settlement period. The BBC also receives more than £90 million per year from the government to support the BBC World Service.

The Welsh language broadcaster S4C plays a unique role promoting the Welsh language, and supporting our wider public service broadcasting landscape. It will receive a similar settlement and is also allocated an extra £7.5 million a year to develop its digital offering. This will help it reach more Welsh language speakers including younger audiences.

Culture Secretary Nadine Dorries said:

The BBC is a great national institution with a unique place in our cultural heritage. It broadcasts British values and identities all over the world and reaches hundreds of millions of people every day.

But at a time when families are facing a sharp increase in their living costs we simply could not justify asking hard-working households to pay even more for their TV licence.

This is a fair settlement for the BBC and for licence fee payers. The BBC must support people at a time when their finances are strained, make savings and efficiencies, and use the billions in public funding it receives to deliver for viewers, listeners and users.

The BBC's Royal Charter sets out that the current licence fee model should remain in place until the Charter concludes on 31 December 2027 and the Culture Secretary is required to set out funding for the corporation for the remainder of the period.

The Charter requires the Culture Secretary to assess the BBC's commercial income and activities and the level of funding required for effective fulfilment of its Mission and Public Purposes.

Following a period of negotiation she has concluded the settlement must shield licence fee payers from the current inflationary pressures for the next two years while providing billions of pounds and secure funding for the BBC for the next six years.

She believes the settlement strikes the right balance between protecting

households and allowing broadcasters to deliver their vital public responsibilities while also encouraging them to make further savings and efficiencies.

Using current economic estimates it is expected that under this settlement the cost of the licence fee will increase by only around £3.50 in 2024 to £162.50. While inflation can change, by the final year of the settlement it is anticipated the licence fee will cost less than £175.

Further government support

The government has committed to support the BBC in what is a fast-changing broadcasting landscape by more than double the borrowing limit of the BBC's commercial arm to £750 million.

This will enable the BBC to fund a commercial growth strategy which can benefit the creative economy across the UK. The UK's creative industries are a vital part of the economy and in 2019 contributed £115.9 billion to the country.

Next steps

The licence fee settlement is only one step in the government's roadmap for reform of the BBC.

Later this year, as part of the Mid-Term Review of the BBC's Charter, the government will start to consider the overall governance and regulation of the BBC, whether the current arrangements are working effectively and whether reforms are necessary.

Following the BBC's <u>10-point action plan</u> on impartiality and editorial standards in response to the <u>Serota Review</u>, the Mid-Term Review will also look at whether the plan has contributed to improving the internal governance of the organisation.

Looking further into the future and, in light of the huge changes in the broadcasting landscape over the past decade with the arrival of streaming and video on demand, the government will also separately consider whether the licence fee will remain a viable funding model for the BBC. No decision on the future of the licence fee has been made.

Notes to editors

S4C's settlement will consolidate S4C's current £74.5m annual Licence Fee funding with its current £6.8m annual DCMS grant income. It will also award S4C a further £7.5 million per annum from the Licence Fee to support its digital development. This follows a five-year funding freeze.

In total, this will provide S4C with approximately £88.8 million in Licence Fee funding per annum, which will rise in line with increases to the Licence Fee linked to inflation after the second year of the settlement period.

An article by the Defence Secretary on the situation in Ukraine

I have lost count of how many times recently I have to had to explain the meaning of the English term "straw man" to my European allies. That is because the best living, breathing "straw man" at the moment is the Kremlin's claim to be under threat from NATO. In recent weeks the Russian Defence Minister's comment that the US is "preparing a provocation with chemical components in eastern Ukraine" has made that "straw man" even bigger.

It is obviously the Kremlin's desire that we all engage with this bogus allegation, instead of challenging the real agenda of the President of the Russian Federation. An examination of the facts rapidly puts a match to the allegations against NATO.

First, NATO is, to its core, defensive in nature. At the heart of the organisation is Article 5 that obliges all members to come to the aid of a fellow member if it is under attack. No ifs and no buts. Mutual self-defence is NATO's cornerstone. This obligation protects us all. Allies from as far apart as Turkey and Norway; or as close as Latvia and Poland all benefit from the pact and are obliged to respond. It is a truly defensive alliance.

Second, former Soviet states have not been expanded 'into' by NATO, but joined at their own request. The Kremlin attempts to present NATO as a Western plot to encroach upon its territory, but in reality the growth in Alliance membership is the natural response of those states to its own malign activities and threats.

Third, the allegation that NATO is seeking to encircle the Russian Federation is without foundation. Only five of the thirty allies neighbour Russia, with just 1/16th of its borders abutted by NATO. If the definition of being surrounded is 6% of your perimeter being blocked then no doubt the brave men who fought at Arnhem or Leningrad in the Second World War would have something strong to say about it.

It is not the disposition of NATO forces but the appeal of its values that actually threatens the Kremlin. Just as we know that its actions are really about what President Putin's interpretation of history is and his unfinished ambitions for Ukraine.

We know that because last summer he published, via the official Government website, his own article "On the Historical Unity of Russians and Ukrainians". I urge you to read it, if you have time, because while it is comprehensive on his arguments it is short on accuracy and long on contradictions.

We should all worry because what flows from the pen of President Putin

himself is a seven-thousand-word essay that puts ethnonationalism at the heart of his ambitions. Not the narrative now being peddled. Not the straw man of NATO encroachment. It provides the skewed and selective reasoning to justify, at best, the subjugation of Ukraine and at worse the forced unification of that sovereign country.

President Putin's article completely ignores the wishes of the citizens of Ukraine, while evoking that same type of ethnonationalism which played out across Europe for centuries and still has the potential to awaken the same destructive forces of ancient hatred. Readers will not only be shocked at the tone of the article but they will also be surprised at how little NATO is mentioned. After all, is NATO 'expansionism' not the fountain of all the Kremlin's concerns? In fact, just a single paragraph is devoted to NATO.

The essay makes in it three claims. One: that the West seeks to use division to "rule" Russia. Two: that anything other than a single nation of Great Russia, Little Russia and White Russia (Velikorussians, Malorussians, Belorussians) in the image advanced in the 17th Century is an artificial construct and defies the desires of a single people, with a single language and church. Third, that anyone who disagrees does so out of a hatred or phobia of Russia.

We can dispense with the first allegation. No one wants to rule Russia. It is stating the obvious that just like any other state it is for the citizens of a country to determine their own future. Russia's own lessons from such conflicts as Chechnya must surely be that ethnic and sectarian conflicts cost thousands of innocent lives with the protagonists getting bogged down in decades of strife.

As for Ukraine, Russia itself recognised the sovereignty of it as an independent country and guaranteed its territorial integrity, not just by signing the Budapest Memorandum in 1994 but also its Friendship Treaty with Ukraine itself in 1997. Yet it is the Kremlin not the West that set about magnifying divisions in that country and several others in the Europe. It has been well documented the numerous efforts of the GRU and other Russian agencies to interfere in democratic elections and domestic disputes is well documented. The divide and rule cap sits prettiest on Moscow's head not NATO's.

Probably the most important and strongly believed claim that Ukraine is Russia and Russia is Ukraine is not quite as presented. Ukraine has been separate from Russia for far longer in its history than it was ever united. Secondly the charge that all peoples in Belarus, Russia and Ukraine are descendants of the 'Ancient Rus' and are therefore somehow all Russians. But in reality, according to historian Professor Andrew Wilson in his excellent essay for RUSI entitled "Russia and Ukraine: 'One People' as Putin Claims?" they are at best "kin but not the same people". In the same way Britain around 900AD consisted of Mercia, Wessex, York, Strathclyde and other premodern kingdoms, but it was a civic nation of many peoples, origins and ethnicities that eventually formed the United Kingdom.

If you start and stop your view of Russian history between 1654 and 1917 then

you can fabricate a case for a more expansive Russia, perhaps along the lines of the motto of the Russian Tsar before the Russian Empire "Sovereign of all of Rus: the Great, the Little, and the White" — Russia, Ukraine and Belarus respectively. And crucially you must also forget the before and after in history. You must ignore the existence of the Soviet Union, breaking of the Russian-Ukrainian Friendship Treaty, and the occupation of Crimea. Far more than footnotes in history, I am sure you will agree.

Ironically, President Putin himself admits in his essay that "things change: countries and communities are no exception. Of course, some part of a people in the process of its development, influenced by a number of reasons and historical circumstances, can become aware of itself as a separate nation at a certain moment. How should we treat that? There is only one answer: with respect!" However, he then goes on to discard some of those "historical circumstances" to fit his own claims.

Dubious to say the least, and not in anyway a perspective that justifies both the occupation of Crimea (in the same way Russia occupied Crimea in 1783 in defiance of the Russo-Turkish Treaty of Kuchuk-Kainarji in 1774) or any further invasion of modern Ukraine, as an independent sovereign country.

The last charge against the West by many in the Russian Government is that those who disagree with the Kremlin are somehow Russophobes. Leaving aside that GRU officers deployed nerve agents on British streets or that cyber hacking and targeted assassinations emanate from the Russian state, nothing could be further than the truth.

Russia and the UK share a deep and often mutually beneficial history. Our allegiances helped to finally defeat Napoleon and later Hitler. Outside of conflict, across the centuries we shared technology, medicine and culture. During the 18th Century Russia and Britain were deeply tied. Between 1704 to 1854, from age of Peter the Great through Catherine the Great and well into the 19th Century the British were to be found as admirals, generals, surgeons, and architects at the highest level of the Russian Court. The father of the Russian Navy — one Samuel Greig — was born in Inverkeithing in Fife.

That shared admiration is still true today. The British Government is not in dispute with Russia and the Russian people — far from it — but it does take issue with the malign activity of the Kremlin.

So, if one cold January or February night Russian Military forces once more cross into sovereign Ukraine, ignore the 'straw man' narratives and 'false flag' stories of NATO aggression and remember the President of Russia's own words in that essay from last summer. Remember it and ask yourself what it means, not just for Ukraine, but for all of us in Europe. What it means the next time...

<u>Skills Advisory Panels: S31 grant</u> determination letters

Published 28 March 2019 Last updated 18 January 2022 + show all updates

1. 18 January 2022

Updated Details to reflect the fact that LSIPs and SAPs are now interlinked.

2. 17 January 2022

Added Non LSIP area and LSIP area S31 Grant Determination Letters for Skills Advisory Panels: 2021 to 2022.

3. 2 March 2021

Added 'S31 grant determination letter for Skills Advisory Panels: 2020 to 2021'.

4. 28 March 2019

First published.

Sellafield Ltd invests £1.8 million to transform community mental health support

The West Cumbria Mental Health Partnership is part of a £1.8 million investment by Sellafield Ltd's <u>Social Impact</u>, <u>Multiplied</u> (SiX) programme.

It will operate under the <u>Transforming West Cumbria</u> programme, led by Cumbria Community Foundation (CCF).

The partnership aims to create a co-ordinated and collaborative approach to community mental health provision in the boroughs of Copeland and Allerdale, in West Cumbria.

It was developed in response to the closure of Mind West Cumbria in 2019.

That left a void in community support for people experiencing mental health

issues.

Sellafield Ltd stepped in to support a short-term solution, funding one-toone and group support services.

Working with CCF, the focus soon switched to creating a long-term sustainable model and the new partnership was born.

It built on work already started by CCF to encourage mental health providers to work together while identifying and addressing gaps in provision.

As well as providing much-needed funding, the partnership will support community organisations to improve their resilience, capability, and financial sustainability.

The partnership has chosen today, Blue Monday, said to be the most depressing day of the year, to launch.

Its new <u>website</u> has also gone live. It provides details of mental health and wellbeing support, allowing users to choose the right provider for them.

Gary McKeating, head of community and development for Sellafield Ltd, said:

Poor mental health is an issue that can affect all of us.

Ensuring high quality services are available for our workforce and our community is incredibly important to us.

We're fortunate to have such a diverse range of community-based support available in West Cumbria but provision was patchy and in need of co-ordination following the closure of Mind West Cumbria.

That's what the partnership is all about: building a strong platform so organisations can collaborate, develop their skills, and thrive in the long term.

This will be a game-changer for mental health provision in West Cumbria.

Annalee Holliday, senior grants, programmes, and communications officer for CCF, said:

The closure of Mind West Cumbria highlighted the fragility of organisations delivering such critical services.

We were pleased to work with Sellafield to address this through the development of the West Cumbria Mental Health Partnership.

The launch couldn't be more timely as demand for support in West Cumbria continues to grow and statutory mental health services are stretched to capacity.

Tamsin Beattie, West Cumbria Adult Mental Health Partnership lead for Groundwork NE & Cumbria, said:

We're delighted to be leading the adult mental health programme.

The funding will allow us to deliver far more high quality support services to people in West Cumbria than we have ever had in the past.

We're aiming to support a minimum of 2,000 people over the threeyear programme, although we expect we'll be able to support many more.

Together we're determined to make a positive difference to the lives of as many people as we can.

Four initial programmes have been established by the partnership, each led by a strategic partner.

They are:

Adult mental health, led by Groundwork NE & Cumbria

Delivery partners:

- Together We
- iCan
- Healthy Hopes
- Always Another Way
- Mental Health North West
- Mind in Furness
- Cumbria Youth Alliance

Services include: talking therapies, counselling, fitness and exercise support, drop-in support groups, alternative and complementary therapies and coping strategies, walking for wellness, and fun activity sessions.

Youth mental health, led by Cumbria Youth Alliance

- Together We
- Spiral
- CADAS
- Always Another Way
- iCan Health and Fitness

Services include: talk support, bullying support, body image, gaming, gambling, and addiction support, support for LGBTQ community, health and fitness.

For more information, visit the Cumbria Youth Alliance website.

Financial wellbeing, led by Citizens Advice

- Copeland Citizens Advice
- Allerdale Citizens Advice

Services include: crisis response, and general financial advice and support.

For more information, visit the Citizens Advice <u>website for Copeland.</u> and Allerdale

Recovery College, led by Together We

- Mental Health North West
- Happy Mums
- iCan Health & Fitness
- Blue Jam
- Always Another Way
- Every Life Matters

Services include: courses and workshops to help people develop coping strategies and mental health symptom management.

For more information, visit the Recovery College website.

Sellafield Ltd is also funding a suicide prevention project via Every Life Matters.

For more information, visit the Every Life Matters website.

Mental health in West Cumbria

- 1 in 4 people will be affected my mental health in their lifetime
- 1 in 6 adults are diagnosed with a mental health problem every year
- 1 in 10 children are estimated to have an emotional wellbeing problem that's 3 pupils in the average school classroom