For Distribution to CPs



11th July 2011

Moir Stewart Esq Director of Investigations Independent Police Complaints Commission 5th Floor 90 High Holborn London WC1V 6BH

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Dear Mr Stewart

I understand that you are the officer with responsibility for the investigation into alleged unlawful activities at News Corporation's newspaper business, News International Limited (known as Operation Elveden).

You may have seen several references in recent news reports to Ofcom's duties in relation to ensuring that persons who hold broadcasting licences are fit and proper. I am writing to you in this regard.

Ofcom is the communications regulator in the UK responsible for the licensing of television and radio services. We have a positive duty under the Broadcasting Acts 1990 and 1996 to be satisfied that any person holding a broadcasting licence is, and remains, fit and proper to hold those licences.

BSkyB holds licences from Ofcom under the Broadcasting Acts and therefore BSkyB is a person about whose fitness and properness Ofcom must be satisfied as a condition of continuing to hold those licences.

News Corporation currently holds 39.14% of shares in BSkyB and if its proposed takeover is authorised by the Secretary of State it will own 100% of the shares. In these circumstances Ofcom must take account of News Corporation's conduct (and that of its subsidiary companies) in assessing the continuing fitness and properness of BSkyB as a licence holder as well as the conduct of BSkyB itself.

I stress that we do not consider that it is for Ofcom to seek to investigate matters which properly lie in the hands of the police. Moreover we cannot and should not act on allegations that are unsubstantiated.

However, it appears to us that the progress and outcome of your investigation may be relevant to any assessment under our duty to be satisfied that BSkyB is and remains fit and proper to hold its broadcast licences.

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We would therefore be grateful if we could understand as far as is possible the likely timescales for your investigations and to discuss arrangements as to how we might properly be kept informed of any information which may assist us.

If it would be helpful, we would be happy to meet and discuss how we might be able to liaise in a way that is most effective and efficient for you and your staff.

I have also written in similar terms to Sue Akers in respect of the Metropolitan Police Service's investigations into related alleged unlawful activities.

Christopher Woolard Group Director Content, International & Regulatory Development Group