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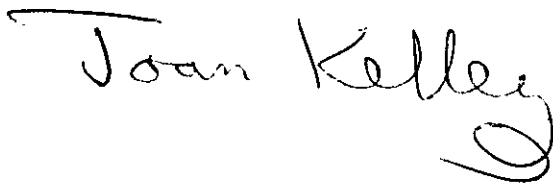
22 March 2004

Dear Ms McCarthy

**BBC CHARTER REVIEW**

Thank you for sending a copy of the consultation document. Here are our comments on it.

Yours sincerely

A handwritten signature in cursive script that reads "Joan Kelley". The signature is written in black ink and includes a large, stylized flourish at the end of the name.

MISS J KELLEY

## **BBC CHARTER REVIEW**

This is the response of two retired professional women to the questions set out in the BBC Charter Review consultation paper. Our comments reflect a lifetime of listening to and later watching BBC programmes and a fair exposure to broadcasting in some other countries when working or travelling abroad.

### **1. What we most value about the BBC**

The thing we prize most about the BBC is its independence. There is a risk that people take this for granted. A short exposure to state-controlled radio, or to those where the output and views expressed reflect pressure from politicians, advertisers and sponsors, makes one realise just how valuable is the BBC's independence. After independence comes the range and quality of the programmes. You are aware of this when you look at a programme schedule. You can relish it when you have more time than usual to watch, or listen, because of injury or something else which restricts your mobility.

Our listening and viewing are necessarily selective. We are largely listeners of Radio 4 and 3, and watch BBC2 more than BBC1. There are more programmes which interest us than we have time to tune into. Special pleasures are series of programmes on a common theme, where the pleasure is cumulative e.g. the programmes celebrating the life and work of a particular person, such as Kathleen Ferrier or a particular subject. One cannot imagine this sort of programme on a commercial channel as it would not have "ratings" appeal. The enjoyment of the programme would anyway be much diminished if it was interrupted by advertising slots. Sports coverage is enormous. Tennis enthusiasts are well served by the extensive coverage of the Wimbledon fortnight. But for those who do not want to spend the afternoon watching tennis, there is usually an acceptable alternative. The range of BBC programmes means that there is always a choice. This cannot be said to the same extent about other broadcasters.

### **2. How should the BBC adapt to cope with changes in technology and culture**

"Be flexible" is probably the best motto, in the rapidly-changing landscape summarised in pages 11-13 of the Review document. Digital switchover will obviously be a major factor. Switchover will certainly not be successful if consumers are not ready. The history of decimalising the currency probably has some useful lessons for those responsible for handling the switch to digital. Resistance to change can provoke all sorts of time consuming controversy over small matters which capture the public imagination, such as the retention of the sixpence coin. The switchover to digital may free channels for new services but it is not axiomatic that the best use of freed channels is more BBC services. They might be better deployed in quite different fields.

### **3. What do you think of the television, radio and on-line services which the BBC provides**

The response to question one has covered this in general terms. More specifically we would like to see:

(a) a less insular coverage of news items and current events. The British public is woefully ignorant about how the European Union works. There are frequent allegations that Brussels has ditched something or other to which the speaker objects. It is not made clear that the UK took part in the discussions which led to the decision in question, and perhaps did not press its own preferences to the limit in order to secure a more favourable position on something else. This is not a difficult point to get over. It exists in other walks of life. The concept of robbing Peter to pay Paul is an old one. There is an understandable tendency for UK ministers to stress "wins" and downplay "defeats" in EU matters. But it would help general understanding if other speakers could be used to put individual events in a general perspective.

The forthcoming enlargement of the EU is also being presented in negative terms. Those who feel their interests are threatened in some way or other tend to get a better hearing than those who point to the benefits. This is partly because it is easier for, say, a blackcurrant grower to express his worries about market loss to producers with lower costs, than it is to explain how British goods generally would benefit from greater access to wider markets. But as a public service broadcaster the BBC could usefully do more to put events in a wider context without getting accused of taking sides in party political issues.

(b) The coverage of agricultural matters is very limited. "Farming today" on Radio 4 is now so early (5.45am) that it must only catch a limited number of general listeners. "Countryfile" on BBC1 at 11am on Sundays and the Good Food programme on Radio 4 at 12.30 on Sundays are the only two other regular programmes with an agricultural element. The material often portrays UK farmers as victims of EU agricultural policy. Less is said about the way in which support for sugar beet damages third world sugar growers who cannot compete on price or whose exports are subject to quantitative restrictions. What is needed is more factual stuff on agriculture and World Trade Organisation activities which again are often present negatively.

### **4. Should the BBC run commercial services**

Yes. The arguments put forward by the commercial sector in favour of breaking up the BBC and restricting its commercial activities can be made high-sounding. But they are in essence understandably self-serving. In a rapidly expanding communications world there is enough room for a vigorous private sector and a public sector provider on the understanding that the latter's commercial activities are clearly related to its core activities. The revenue obtained from Teletubbies amounts to harnessing the intellectual property from the programme. In the last resort this reduces income which might otherwise be raised from increasing the licence fee.

## **5. How should we pay for the BBC**

To our minds, the arguments for a licence fee remain overwhelming. The fee helps to pay for the infrastructure of the television industry as a whole, irrespective of which channels viewers use. It also finances radio services. These cost much less to provide but are as much part of the BBC's remit as television. The licence fee is moreover modest in comparison with what it costs to take a family for a day's outing to a theme park, or the price of cinema and theatre tickets. The licence fee is also relatively easy and cheap to collect. The arguments against direct funding and reliance on advertising set out on page 19 of the Review document are decisive.

### **Paying for the BBC World Service**

Expenditure on this service is about £220 million a year and is paid for by a grant-in-aid from the Foreign and Commonwealth Office from within their public expenditure budget. This is formal recognition of the fact that the aims of the World Service are largely foreign-policy ones. World Service output complements diplomatic activity at the local level, especially where broadcasts in foreign languages are concerned. It is therefore logical that the World Service should continue to be financed separately, rather than from the licence fee. There is, actually, a small bonus to the licence fee payer from the fact that some of the World Service programmes are available on domestic radio channels.

## **6. Is the BBC organised in the most effective and efficient way**

There is an American adage "If it is working, don't fix it.". The same can be said of BBC organisation and infrastructure. In a rapidly changing environment adaptation is usually better than radical reform, unless there is something badly amiss with the existing set up, which there isn't in the BBC case. In recent years the BBC has been amalgamating services, such as news gathering, for the sake of efficiency and economy. It would be perverse to reverse the process if all the existing activities were to remain in-house. There is scope for endless argument about the best balance between in-house production and commissioning from outside producers. The present 25% quota from television output from independent producers is probably high enough to provide an adequate challenge to the in-house team. A higher quota would no doubt please the independent producers but whether it would lead to higher quality programming overall is questionable. It is noticeable that there is not the same clamour for the BBC to increase the proportion of radio programmes coming from independent producers. This supports the argument that the pressure for a higher quota in the television sector is primarily profit-driven.

## **7. How should the BBC be governed and regulated**

There has been continuous evolution here, to reflect changing technology and the introduction of competition. The BBC Governors came out badly over the Andrew Gilligan affair. But that was an isolated incident and should not be allowed to prejudice discussion about the future. The responsibilities placed on OFCOM under the Communications Act 2003 are only just beginning to come into effect. It would be sensible to see how these work out before considering further changes in this field.

The role of the Governors was easier to define in the early days of the BBC when it was a small radio-only business operating in a new field than now when the BBC has a wider range of activity and a turnover of £3 billion a year. The Governors cannot be expected to play a more active role than the non-executive directors of a company of the same size. To fulfil that role properly their responsibilities should be narrowed rather than broadened. A new concordat may be needed between the to be appointed new Chairman of the Governors and new Director General about what matters should be referred to the Governors.

**8. How do we ensure that the BBC is properly accountable to the public and Parliament**

Accountability is a moving target in the same way as regulation and government. There is already a formidable framework of accountability. One could indeed argue that the BBC is accountable to too many masters, on too many individual points. This carries the accompanying risk that what is pleasing to one master, say the coverage of minority interests, may provoke criticism from the National Audit Office in terms of value for money. The amount of staff and other resources needed to handle the range of issues listed in paragraphs 50-58 of the Review document must be enormous. Consolidation of the accountability procedure needs to be considered, perhaps under the auspices of the National Audit Office, rather than increasing the range of items reported on regularly in an effort to satisfy the concerns expressed by individual interests.

Liliana Archibald

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22 March 2004