

RESPONSE TO DCMS GREEN PAPER ON BBC (by 31/05/2005).

BBC Charter Review Consultation,
Department for Culture, Media and Sport,
2-4 Cockspur Street,
London SW1Y 5DH.

Dear Consultation Team,

9th April 05

I would like to respond to the key proposals and questions in the DCMS Green Paper 'Review of the BBC's Royal Charter -- A strong BBC, independent of government'.

Question 1: Is it helpful to define the BBC in the way the Green Paper does?

I think the Green Paper is right to stress that the BBC's mission remains to 'inform, educate and entertain'. It then asserts that all BBC activities should contribute to some core public purposes: 'Sustaining citizenship and civil society; Promoting education and learning; Stimulating creativity and cultural excellence; Reflecting the UK, its Nations, regions and communities; and Bringing the world to the UK and the UK to the world.' I think these purposes are essential to the BBC's role and they demonstrate the value of the BBC to our society and the world.

Question 2: Are these the right purposes?

I believe they are right but that not all of them are sufficiently observed. In particular, it is important to stress, as you do, that the BBC should make us aware of different cultures in the UK through programmes that reflect the lives of different communities. However, I consider that BBC programming could do more to represent the diversity of British society – it does not sufficiently reflect the different communities in the UK or their contribution to our changing society. This needs to be addressed.

Question 3: Are the characteristics described in the key proposals the right ones?

You say that programmes should aim to be excellent, distinctive and entertaining, and that every BBC programme should display at least one of these characteristics: high-quality, challenging, original, innovative and engaging. These are important, but I believe there is a danger here. It is vital that the BBC is able to broadcast across the full range of programming, including light entertainment. I feel your definitions tend to exclude this category. My concerns over this are reinforced elsewhere in the Green Paper where it states that the BBC should not 'aggressively chase ratings ...' and suggests it stay out of 'bidding wars' for expensive foreign imports. This could be very damaging for the BBC, because if it is not able to compete in the field of light entertainment, it will inevitably lose audiences -- and the case for the licence fee continuing will be less and less sustainable.

Question 4: Do you agree the BBC should be in the forefront of developments in technology, including digital television?

Yes, and I think it is vital to make clear, as you do, that new technology risks creating a widening gap between digital 'haves' and 'have nots', and that the BBC has been at the forefront of maintaining universal access to high-quality broadcasting. But I think it is unfair to expect the BBC to pay for the 'roll-out' of the digital revolution. As the commercial sector will benefit from the roll-out, it should certainly help pay for it. And the government should also fund it directly, including helping the most vulnerable consumers switch to digital.

Question 5: Do you support the proposal for a further review of alternative funding methods, before the next Charter period?

The proposal in the Green Paper that the BBC should be funded by the TV licence fee for the next 10 years (from 2007) is most welcome. And it is important that the BBC's licence fee income should increase in real terms over the next period to allow it to sustain its services and expand as the overall market expands in TV, radio and online services. But I do not support your proposal for a further review of alternative funding methods, such as subscription TV. Subscription would destroy the universality of the BBC, and lead to the society of 'haves' and 'have-nots' that you warn against. I do not believe the licence fee is incompatible with the digital age. On the contrary, I believe it is essential that the BBC remain a publicly-funded broadcaster to allow its continuing independence and universality. The licence fee remains the best way of achieving this.

Question 6: Do you have a view on any aspect of the operation of the licence fee: concessions, its collection or its enforcement?

I welcome the plan to review existing licence fee collection policy to see whether new technology allows collection to be conducted in a more cost-effective way, for example through direct debit and internet payment. I would like to see the present concession policy for over-75s extended to other economically vulnerable groups such as the unemployed. And the government should pay for these. There should be an immediate end to the imprisonment of people who fail to pay the licence fee.

Question 7: Have we defined the roles of the BBC Trust and the Executive Board sufficiently clearly?

I understand the rationale behind the establishment of a BBC Trust to replace the Board of Governors, but think it unfortunate that the plans put forward by Michael Grade were not given a chance to prove themselves. And it would be quite wrong for the Executive Board to be chaired by a non-executive figure, as you suggest. The Board should obviously be chaired by the Director-General. You have defined the roles of the two bodies in outline terms, but clearly more detail is needed.

Question 8: Is this the right way to define the public interest remit of the BBC Trust?

Your definitions of the remit are along the right lines. However, there is a problem with your third point, that the Trust should ensure the BBC 'doesn't unfairly or unduly damage commercial media businesses'. I believe the BBC must be allowed to compete in areas where commercial businesses operate or might want to operate, and that it is not right that these businesses should be 'protected' from the BBC. The danger is that these businesses cry 'foul' whenever the BBC is ahead of them. I strongly believe that it is wrong to limit the BBC's freedom to compete.

Question 9: How many of these options would you like to see adopted in the BBC Trust's statement of values? Should other options be considered?

There is a danger of being over-prescriptive here, but I support the idea of a transparent BBC Trust, responsive to public opinion. Your proposal to reconstitute the regional Broadcasting Councils, with the option that they be elected by local licence fee payers and formally advise the Trust, is welcome. While I am in favour of transparency, I do not support the suggestion that the Trust should hold its regular meetings in public or webcast the proceedings. The BBC is quite frequently subjected to unfair populist attack (as in the recent 'Jerry Springer – the Opera' affair or by tabloid newspaper campaigns) and Board members must be able to speak freely in meetings without feeling they will be targetted by populist campaigns.

Question 10: Have you any views about how the Trust should handle complaints?

The suggestion that complainants should have fair and equal access to a transparent process is a good one. I do not support any extension of Ofcom's powers here.

Question 11: How many members do you think the Trust needs?

It should be a relatively small body, say between 12 and 16 members.

Question 12: What skills and expertise do they need?

Trust members need to have expertise in broadcasting and the wider industry. There should also be strong levels of financial expertise. Both sides of industry should be represented – there should be at least one seat for a trade union representative.

Question 13: Are there any particular communities or interest groups that you think the Trust should represent?

Yes there are, but firstly I must express disappointment that you have not asked how members of the Trust should be chosen. I believe that this new body gives us the chance, for the first time, to have a much more democratic body overseeing the BBC. I would like to see elections for Trust members. These could be organised in part through a series of interest groups, such as listeners and viewers councils or the regional broadcasting councils. There should be more discussion on this. I would also like to see at least one representative of the English regions on the Trust, and there should be representatives of the Nations and of ethnic minorities.

Question 14: Do you think a 'window of creative competition' can be made to work? If not, would you support a raised quota for independent production in BBC TV?

I am against raising the present 25% quota for TV commissions from outside production houses, so am opposed to the whole idea of a 'window of creative competition'. I oppose raising the quota because such a move is likely to threaten the future of the BBC's entire creative production base, and would lead to huge job losses and cuts in production facilities. It would also risk losing the in-house training and equal opportunity programmes that are intrinsic to BBC production – but are absent from most independents.

Question 15: Do you think a voluntary 10% quota for radio is sufficient?

Yes. I do not favour increasing this quota or making it compulsory, largely for the reasons outlined above.

Question 16: Do you agree that the BBC should be able to propose changes to its range of services over the course of the next 10 years?

It is essential that the BBC is able to continue to propose changes to its services in the fast-changing broadcasting environment. I am very worried by the suggestion that Ofcom should carry out 'market-impact assessments' on the 'harm' that new BBC services could do to commercial competitors. The BBC shoulders huge public service obligations – unlike for example Sky – and therefore must be allowed to compete with the commercial sector. I am appalled by your suggestion that the BBC's proposal for a new 'creative archive', which includes making clips available on the internet, should be subjected to 'market-impact' tests. The BBC has proposed opening its archives to all; they were after all created with public money. What are you implying is the alternative? You seem to suggest that commercial companies may be able to buy and sell these BBC archives to the public. This would be quite unacceptable.

Question 17: Do you agree with our proposals for handling new services?

I agree with the Public Value tests as outlined, but not with Ofcom conducting 'market impact' tests. Ofcom is a commercially-minded regulator and it has already shown bias in favour of the commercial sector.

Question 18: How strictly should the BBC's commercial services be restricted to businesses linked to public purposes and public services?

They should not be restricted. I fear the Green Paper may be bowing to pressure from commercial forces who want to move into areas the BBC has successfully developed or has the potential to develop. The BBC should be allowed to compete fairly.

Question 19: Is the existing fair trading commitment a useful addition to the arrangements for regulating the BBC's commercial services?

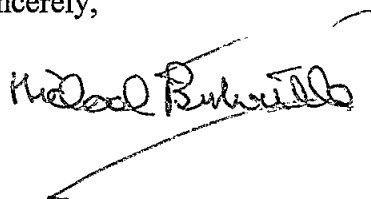
Yes it is. But I do not support any extension of Ofcom's powers here, including the suggestion that it might be required to approve the terms of BBC internal rules.

Question 20: Do you agree that the case for a plurality of public service broadcasters should be kept under review?

Possibly, but any development of a new public service broadcaster must not be at the expense of the BBC, C4 or S4C. I am alarmed by your suggestion that licence fee income might be distributed to other public service broadcasters to sustain plurality, or that it go to a Public Service Publisher. You even put forward the idea that this might happen within the term of the next Charter. Any 'top-up' on the licence fee to fund other public service broadcasters would be seen simply as a licence fee increase. This would certainly make this tax less popular. If there is to be a Public Service Publisher, it should be funded through a tax on all commercial broadcasters.

Finally, the debate over the Green Paper takes place against the background of savage job cuts announced by the BBC. A total of more than 6,000 jobs are to be axed across all areas of the Corporation, including through the selling off of vital services. I cannot accept that this is the way to build a strong and independent BBC! I believe the government must take a lead in opposing this damaging and unnecessary cull.

Yours sincerely,



Michael Birt