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BBC Charter Review:
Focus on the BBC Trust and the Enforcement and Collection
of the Licence Fee

FINAL REPORT

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1. Executive Summary

The Green Paper "Review of the BBC's Royal Charter, *A Strong BBC, independent of government*" was published in March 2005 and sets out a number of areas where the Government sought additional evidence. This project addressed two of these areas: the proposed governance model (BBC Trust) and accountability; and issues around the licence fee concerning payment methods and enforcement. Using the questions set out in the Green Paper, a qualitative approach was utilised with 12 mixed gender discussion groups conducted across Britain.

BBC Trust

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

When prompted, a majority recognised the need for separating the role of setting the organisation's aims and that of monitoring performance and achievement of those aims.

They largely approved of the idea of the BBC Trust acting as a 'watchdog' and 'auditor' for the BBC. There was general approval of the new structure but questions emerged concerning the following:

- The functions of the two bodies (e.g. powers vested in them, how the Trust would be monitored)
- The cost implications of the re-organisation (e.g. would it add cost to licence fee-payers without improving the service?)
- The motives behind the re-organisation

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

Green Paper Question 9: How many of these options would you like to see adopted in the Trust's statement of promises? Are there any other options that you would like to see considered?

Participants agreed with the way the Green Paper suggests the Trust looks after the public interest.

- However, many noticed that the word 'entertainment' was missing from the list of the BBC's purposes

There was some confusion over the differences with the current arrangements:

- Some believed that the Board of Governors already undertake all of the options suggested

Participation with the public was believed to be imperative. A lot of respondents saw participation in this research project as evidence that the BBC and the Trust were eager to listen to the public's views and take their opinions into account when structuring the BBC Trust:

- Ongoing research and consultations with the viewers were seen favourably and considered to be pivotal in giving the public a voice in an organisation that they fund
- Everyone would like to see the system become more open and transparent and agreed with the proposals to web-cast meetings and publish results
- However, there was some discrepancy between agreeing with the ideas in theory and the perceived practical viability and feasibility of the proposals

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

When discussing complaints, most participants were confused – particularly when the role of Ofcom was presented:

- A majority could not understand why there were two bodies for complaint procedures
- Many saw it as unnecessarily complicated

Green Paper Question 11: How many members do you think they need?

Green Paper Question 12: What skills and expertise do you think they need?

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

A majority found these questions difficult as they had no previous experience of this and had no models on which to base their 'ideal' structure. As such, there were no definitive answers, but key ideas and concerns did emerge.

The structure of the Trust had to satisfy almost irreconcilable demands:

- Size of the Trust, should be small in number but represent a diverse range of interests and skills
- Knowledge of the workings of the BBC and broadcasting industry
- Whether members should be part-time or full-time

Fundamental questions were raised over who should select the Trust members and the Trust's accountability:

- Issues mainly surrounded the need to maintain a level of independence from the Government

Licence Fee

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

The issue of concessions was not specifically discussed but comments did arise spontaneously.

As previous research has shown, discussion mainly revolved around the cost and legitimacy of the licence fee:

- Almost all were simply resolved to the fact that they had to pay

Issues surrounding concessions were mentioned spontaneously by many as unfair:

- Particularly for students, blind people and pensioners

There was some debate about the fairness of the licence fee enforcement and penalties – most agreed that the enforcement and penalties were necessary.

- There were some questions, however, about the relative severity of the penalties.

Information about alternative payment and refund schemes was received with relative disinterest.

- Although some found the instalment system unfair and confusing, especially for the first year of a change to the instalment payment method.

The issue of complaints about the licence fee raised little discussion. It was only of interest if people needed to complain or cancel their TV licence, and few respondents could imagine why they would want to.

2. Background, Objectives and Methodology

The BBC has been established by Royal Charter from the early days of its existence. The current Charter period ends on the 31st December 2006 and is due for renewal. The review of the Charter every ten years or so allows the government to consider the BBC's role, functions and structure and the new Charter and Agreement sets out how the BBC will be shaped in the next ten years.

After extensive research and consultation with the general public, the Green Paper "Review of the BBC's Royal Charter, *A Strong BBC, independent of government*" was published in March 2005 by the Department for Culture, Media and Sport (DCMS). The Green Paper sets out firm policy decisions and areas where the Government sought additional evidence – these included the BBC's governance, its accountability and issues surrounding collection and enforcement of the licence fee.

The overall objective of this research is to inform the development of the Green Paper by answering the questions that the Green Paper sets out by:

- Exploring participants' immediate response to the Governance issues
- Exploring participants' considered response to the BBC Trust model once provided with information on how it may operate in practice (including examining/generating possible titles for the BBC Trust)
 - *Green Paper Question 7: "Have we defined the roles of the BBC Trust and the Executive Board sufficiently clearly?"*
 - *Green Paper Question 11: "How many members do you think the BBC Trust needs?"*
 - *Green Paper Question 12: "What skills and expertise do you think they need?"*
 - *Green Paper Question 13: "Are there any particular communities or interest groups that you think the Trust members should represent?"*

- Exploring how participants feel the Trust should operate, interact and communicate with the licence fee payer
 - *Green Paper Question 8: "Is this the right way to define the public interest remit of the BBC Trust?"*
 - *Green Paper Question 9: "How many of the options set out would you like to see adopted in the Trust's statement of promises? Are there are any other options that you would like to see considered?"*
 - *Green Paper Question 10: "Have you any views about how the BBC Trust should handle complaints?"*
- Exploring levels of awareness and perceptions of the licence fee payment methods and enforcement.
 - *Green Paper Question 6: "Do you have a view on any aspect of the operation of the licence fee: refunds, concessions, its collection or its enforcement?"*

The study used an entirely qualitative approach by conducting 12 mixed-gender discussion groups split by:

- **Lifestage** (pre-children, with children, empty nester, older people)
- **Class** (AB, C1C2, DE)
- **Geography** (South England, North England, Midlands, Scotland, Wales and Northern Ireland)

Groups	Location
1. 4 men, 4 women, C1C2, 25-50, with children 2. 4 men, 4 women, AB, 18-30, no children	Birmingham
3. 4 men, 4 women, C1C2, 65+ 4. 4 men, 4 women, DE, 18-30, without children	London
5. 4 men, 4 women, AB, 65+ 6. 4 men, 4 women, DE, 25-50, with children	Belfast
7. 4 men, 4 women, C1C2, 45-65, empty nesters 8. 4 men, 4 women, AB, 25-50, with children	Edinburgh
9. 4 men, 4 women, DE, 45-65, empty nesters 10. 4 men, 4 women, C1C2, 18-30, without children	Cardiff
11. 4 men, 4 women, DE, 65+ 12. 4 men, 4 women, AB, 45-65, empty nesters	Manchester

The groups comprised of 8 participants and lasted for 90 minutes. Further sampling criteria included quotas on:

- Access to digital television
- Responsibility for licence fee payment
- Frequency of television viewing
- Frequency of BBC viewing
- The inclusion of respondents from minority ethnic groups where appropriate

Stimulus boards detailing the Green Paper proposals around the BBC Trust, accountability and the licence fee were used throughout the discussion to ensure respondents held an informed discussion following capture of their spontaneous opinions (attached at Appendix B).

3. Key Findings

3.1 Context

3.1.1 Attitudes to the BBC

Attitudes to the BBC were not fundamental to this research but were discussed as an introduction in order to assess general attitudes.

Generally, participants were favourably disposed towards the BBC. This was particularly the case for older respondents and those in higher socio-economic groups. This may be because older respondents were brought up watching three channels and both older respondents and those in higher socio-economic groups were favourable to the more traditional and 'quality' output of the corporation.

"It's part of the heritage of this country."

Female, 45-65, C1C2 Empty Nesters, Edinburgh

"(I would rate the BBC) 8 out of 10"

Male, 45-65, AB Empty Nesters, Manchester

"Yes, BBC provides value for money [...] which is why we don't want to mess with it [...] It's brilliant"

Female, 45-65, AB Empty Nesters, Manchester

"I feel that the BBC in its present state has a difficult job but does quite a good job"

Male, 45-65, C1C2 Empty Nesters, Edinburgh

"[I] think they have got a very high standard for their broadcasts"

Female, 65+, C1C2, London

Where respondents, especially younger ones, had a great deal of viewing choice and access to a wide variety of channels through digital television, they were more likely to make comparisons with other stations, particularly Sky and Channel 4. Those in lower socio-economic groups were

generally less favourably disposed towards the BBC mainly because of the cost of the licence fee and their perception that they did not receive value for money. However, those that were critical of the BBC acknowledged that the breadth of BBC remit made it difficult to please everybody.

"But they know they're not going to make everyone happy [...] it's working out on averages isn't it?"

Female, 18-30, DE, London

"Well you'll never please everybody all the time anyway will you?"

Female, 65+, DE, Manchester

The BBC was known and respected for:

- **News output:** A majority believed that BBC news sets the standard for other news programmes and the regional news output was widely considered to be of a high quality.

"BBC News I prefer to any other"

Female, 65+, DE, Manchester

"I usually watch the BBC news [...] I like the regional thing"

Female, 25-50, C1C2 with children, Midlands

- **Drama output:** Some noted the number of dramas they had enjoyed which the BBC produced, particularly period dramas and historical dramas.

"(I think there are) decent dramas, I think drama has definitely improved"

Female, 45-65, AB Empty Nesters, Manchester

- **Cutting-edge comedy:** Young people in particular noticed the higher output of quality, cutting-edge comedy and often referred to programmes such as 'The Office' and 'Little Britain' originally screened on BBC Digital channels.

"[In reference to Little Britain on BBC 3] BBC's very edgy isn't [...] it's (a) daring channel"

Male, 18-30, DE, London

- **Radio:** There was general agreement that BBC radio offered a good variety of stations and programmes, catering for a wide range of needs.

"You can't fault BBC radio can you? They cover everything, my husband has Five Live on Sport and I have the talking on Radio 4 and then you've got music if you want it."

Female, 45-65, AB Empty Nester, Manchester

- **Not showing advertisements:** People particularly noticed the lack of advertising in sports and dramas. They thought that advertisements interrupted the flow of the programmes and almost all commented that on other channels, advertisements were shown at 'crucial' times in the programme. The lack of advertisements on the BBC maintained the 'magic' of the programme.

"That's what I like about the BBC, you can see a programme right through."

Female, 65+, AB, Belfast

"That is the beauty of the BBC, you don't get adverts"

Male, 18-30, DE, London

"You don't get any adverts, which are a pain"

Male, 45-65, AB Empty Nesters, Manchester

Those that were critical of the BBC had specific issues with:

- **Perceived bias in news reporting** – although there was uncertainty about the way that the BBC was biased and what impact it had.

"The trouble is I'm just a bit worried that politics are taking over too much, getting involved [...] politicians (are) following them too much and getting involved in the BBC"

Male, 65+, DE, Manchester

- **Paucity of Sports Coverage:** Those who liked sport mourned the loss of major sporting events on the BBC. Many commented on how Sky shows the Premiership football now, and big sporting events such as the Ashes are shown on other channels, such as Channel 4.

"I think they're miserable when it comes to sport."

Male, 25-50, DE without children, Belfast

"I love sport and they lost a lot of mega, mega sports situations, the BBC over the last ten years and it's all gone astray, for some reason, money. And I've got Sky, cos I love sport"

Male, 65+, C1C2, London

- **Number of repeats:** For all of the positive views on dramas and comedies on the BBC, a significant majority still commented on the number of repeats shown. Regardless of the quality of the programme, numerous repeats were viewed unfavourably. A considerable number would like to see the licence fee spent on developing new programmes and concepts.

"[I want them to] stop them from putting repeats on"

Male, 45-65, C1C2 Empty Nesters, Edinburgh

Disposition to the BBC seemed to be broadly dependent on age and class. Younger respondents and those in lower socio-economic groups tended to:

- Be more promiscuous with their viewing habits – they flicked through a variety of terrestrial and digital channels and were more likely to view BBC's digital channels (e.g. BBC 3, BBC 4) than BBC's terrestrial channels.
- Listened to some BBC radio output but generally listened to commercial and independent radio channels
- Be more likely to want to scrap the licence fee (even though it meant having advertisements)

Older respondents and those in higher socio-economic groups tended to

- 'Stay' with terrestrial channels
- Listen to both national and regional mainstream BBC radio output
- Have more emotional attachment to the BBC
- Believe that the licence fee was good value for money
- Feel that BBC output was generally good but believe that it must remain independent.

Inevitably, across the sample there were a range of opinions regarding the BBC – some felt that the Corporation was 'losing its way', whilst others had noticed an improvement, particularly in programming, in the past year. It is important to stress, however, that nobody within the sample spontaneously mentioned the governance or management of the BBC as an issue or concern in the discussions. Whilst voicing their opinions about BBC output there was no discussion about what improvements may be made and there was no unprompted connection between governance and output. The BBC as a corporation was of less interest than its output.

The levels of understanding amongst the public of the management and governance of the BBC appeared to be very limited. As previous research on the Green Paper conducted earlier this year suggests, there 'appears to be low involvement in and understanding of governance issues'¹. Governance was simply not an issue that concerned the average licence fee payer.

¹ Cragg Ross Dawson "BBC Charter Review: Qualitative Research on Key Issues" Feb 2005 pg. 8

3.2 Governance arrangements

3.2.1 Awareness of current arrangements

Very few of the sample were aware that the Royal Charter was being renewed. Indeed, few were aware that a Royal Charter existed. Those that knew about the current debate mainly linked it to the recent media coverage on the proposed increase in licence fee.

Even fewer of the sample had any awareness of how the BBC was run and governed, or that the BBC's structure was being changed. Only a handful of people knew that the Governors had responsibility for the BBC – some knew current Chairman of the BBC Governors, but none knew the name of the current Director General. Interestingly, the previous Director General still seemed to be part of the consciousness of a sizeable minority.

However, the dual role of the BBC Governors (who both set and monitor standards) was not mentioned as a cause of concern without prompting:

"I haven't woken up in a hot sweat wondering how it was run. I don't think I'll bother either"

Male, 25-50, DE with children, Belfast

BOARD 1: CURRENT GOVERNANCE ARRANGEMENTS

At the moment, the BBC has a board of governors that decides what the BBC's aims should be.

This same board looks at whether the BBC has met its aims.

In many ways, it is regulating itself.

However, when people were prompted with Board 1 they voiced some concerns about the current system of governance – everyone initially commented that the current system seemed unfair and biased.

"If you regulate yourself, how is it fair?"

Male, 25-50, AB with children, Edinburgh

"It's like judging your own competition isn't it really."

Female, 18-30, DE, London

"That's not good enough. Why should BBC regulate itself when every other organisation in the country's regulated by somebody else?"

Male, 65+, AB, Belfast

"But I mean this is what I'm saying, this Board of Governors regulates itself. Surely you're going to look at that and think [...] come on, that's ridiculous."

Female, 25-50, DE with children, Belfast

3.2.2 Response to the BBC Trust Model

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

BOARD 2: PROPOSED NEW ARRANGMENTS

In the new arrangements, the two roles (of setting aims and seeing if they have been met) will be separated.

An **Executive Board** will run the BBC day-to-day. It will

- Decide on programmes
- Provide services
- Make financial decisions on budgets for programmes, hiring staff etc.

A new body called the **BBC Trust** will 'oversee' how the BBC is run. It will

- Have overall responsibility for how the licence fee is spent – to make sure it is good value for money
- Represent the views of the public
- Ensure the public interest is met
- Set top-level budgets

After Board 2 was shown, the roles of The Trust and the Executive Board appeared to be clearly defined and understood, but there was some uncertainty about the functions of the two bodies and the motivation behind the re-structuring.

Initial responses to the proposed arrangements were positive. This alternative seemed more logical and fair than current arrangements. The Trust was seen as a good way to surmount the problems of having a self-regulating Board of Govenors:

"Yeah [this Trust idea is] better than what we've got at the moment, where you're self-regulated."

Female, 45-65, C1C2 Empty Nesters, Edinburgh

"I think it would be better having separate people doing those two jobs. Cos you can't have the same people setting the aims (and monitoring them)"

Male, 25-50, C1C2 with children, Midlands.

"Should be someone else regulating it."

Female, 18-30, AB no children, Midlands

Prompted by Board 2, many people saw the role of the BBC Trust as 'watchdog' and 'auditor' of the BBC. As such, people expected the Trust to tell the BBC whether it was performing adequately or not, and saw the Trust as the licence fee payer's representative. This perception was reinforced by the introduction of the next board:

BOARD 3: HOW THE BBC TRUST AND THE EXECUTIVE BOARD WOULD WORK TOGETHER

The BBC Trust will

- Check the performance of the BBC and the Executive Board
- Question the Executive Board

- The Trust would be looked after by its own staff and not the BBC staff
- The Trust would be in a building away from the main BBC buildings i.e. not in Television Centre
- Each BBC service will have a licence drawn up by the Executive Board. The Trust would check how the services are doing against this
- The Trust would check that any changes to service or new services are in the public interest

The main point to which people responded favourably was that the Trust was wholly independent from the BBC. However, almost everyone questioned the additional cost of having separate staff and its own building – particularly if it translated to higher licence fees.

Whilst the different roles of the Trust and the Executive Board were clearly defined, fully understanding the proposed arrangements brought up a myriad of questions about the practical functions and motives of the two bodies:

- Would the Trust have any power? Did the Trust have the power to sack members of the Executive Board? There were worries that the Trust would end up being a 'good idea' but not implemented practically. The general agreement was that having a Trust with little or no power was pointless.

"Will they have teeth and be able to do something, or do they just all meet in the restaurant later on and [...] have discussions over a few wines and a nice meal, at our expense."

Male, 45-65, C1C2 Empty Nesters, Edinburgh

"What's the point in regulating someone if you don't have any power?"

Female, 45-65, DE Empty Nesters, Cardiff

- Who would pay for the Trust? How much would it cost? Or, more specifically, would it cost the licence fee payer more? – Worries were voiced across the groups, but particularly by younger respondents and those in lower socio-economic groups who were already sceptical about the licence fee and its cost.

"It's (just an) excuse to get more money."

Male, 25-50, DE with children, Belfast

"Cos it's on about value for money for the public, if it's making more jobs that don't need to be made. Could it cost us more money in the long run? Well it's not really value for money then is it?"

Male, 25-50, C1C2 with children, Midlands

"So the Trust is an extra burden on the taxpayer?"

Male, 65+, C1C2, London

"It seems a bit expensive to me."

Female, 65+, C1C2, London

These questions, particularly questions about the added cost to the licence fee payer, instigated discussions about the motives for the change and the actual necessity for changing the current arrangements. Most people could see that the proposed arrangements of having two separate boards 'made sense', yet their concerns about the re-structuring and proposed arrangements went some way to overrule any objections to the Board of Governors regulating themselves:

- **Why did they need to change the structure?** Whilst they saw that the concept of having the BBC Trust seemed fairer, a majority did not link BBC programming output with the way the corporation was governed and therefore could not see how changing the system would benefit them. In practice, many people could not see why the system needed changing.

"It's all very well them regulating themselves but it really doesn't have a day-to-day effect on the way that I live my life. If regulating themselves did have an effect... I would do something about it."

Female, 25-50, AB with children, Edinburgh

"So as far as I'm concerned if I'm having to pay more money towards this ... fix something that's not broken in my eyes. Why do we need this?"

Male, 18-30, AB no children, Midlands

- **Isn't this adding to the bureaucracy?** Most questioned the legitimacy of creating more jobs, and the increased bureaucracy added to the perceptions of some that the BBC was an organisation that looked after 'their own' and creates 'jobs for the boys'.

"It's making more jobs that don't need to be made. It's splitting into two so somebody else has got a job that didn't exist before, there's a position that wasn't there"

Male, 25-50, C1C2 with children, Midlands

"It's just for BBC fat cats who are scratching each others backs"

Male, 45-65, DE Empty Nesters, Cardiff

- **Who would watch the watchdog?** There was a sense that the process was self-perpetuating, creating the need for a monitoring body to monitor the BBC Trust to make sure that they were carrying out their job effectively:

"It goes on forever this, yeah and who are they responsible to?"

Male, 45-65, AB Empty Nesters, Manchester

- **Who would appoint the members of the Trust?** This was brought up spontaneously and was considered to be as important as who would be on the Trust. There were some worries that government involvement would compromise the independence of the BBC.

"If the government hire the Trust it means they run the BBC so the government will get what they want out of it, but the public may not."

Female, 18-30, DE, London

- **Would it change anything anyway?** Regardless of the fact that people believed the Trust to be a good idea, some were cynical about what difference the re-structuring would make.

"I can see what the idea is of what they're trying to do, but I just wonder if, to me, sitting watching these programmes, whether I would see the difference once they did this. It all sounds sort of laudable, good reasoning behind it, but I don't know if I would see a difference really."

Male, 25-50, AB with Children, Edinburgh

"I don't think it will make any difference at all. Everything will just go according to the way it's been done in the past [...] they're all in each other's pockets"

Male, 45-65, C1C2 Empty Nesters, Edinburgh

Interestingly, those that largely supported the BBC also questioned the motives behind the re-organisation. A few perceived the re-structuring to be “revenge” for the events leading up to the Hutton inquiry. They thought that the removal of the Board of Governors eliminated the buffer between the Government and the editorial team, therefore decreasing the independence of the BBC. Without the Board of Governors, some felt that the Government would be in a position to exert pressure on both the BBC and the Trust. Whilst a small minority made this point, the idea was not dismissed by the rest of the group. This was more a reflection of the general distrust of the government rather than a criticism of the BBC.

3.3 The composition of the Trust

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

Green Paper Question 12: What skills and expertise do you think they need?

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

These were all questions that almost all of the participants asked spontaneously when they were first told about the BBC Trust. Those that were more cynical raised concerns that any 'independent' body would simply become politicised:

- A significant number of respondents believed that a number of Governors would re-emerge as members of the Trust – this linked to the perception of BBC as a bureaucracy full of 'fat cats', creating 'jobs for the boys'. This concern was mainly voiced by those in lower socio-economic groups.
- There was general agreement that the Government would want to choose BBC Trust members in order to gain control and influence. The term 'appointed by the Crown' was not differentiated from 'appointed by the Government'. People generally saw the Crown and the Government as one.

3.3.1 Ideal Trust Structure

Participants were asked to devise an 'ideal' Trust structure. Most found the task difficult, as there were no existing models or structures on which they could base their answers. Whilst many of the questions they were answering were brought up by the groups spontaneously, most found the exercise of devising an ideal structure for the Trust very difficult.

Groups started the exercise with enthusiasm but soon realised that the conflicting demands that they wanted to place on the Trust were irreconcilable:

- **Small vs. Large Trust:** People wanted a small Trust to avoid waste, prevent unnecessary bureaucracy and to keep the costs down. On the other hand, they thought the Trust must be large enough to represent everybody's views.
- **Lay people vs. Experienced people:** Initially people believed that it was imperative to have members of the general public on the Trust. Conversely, they thought that the BBC was such a complex and large organisation it was thought that the Trust must include people with experience (in broadcasting, finance, business, etc). The concerns about having a mixture of lay people and those with relevant experience mainly revolved around authority – numerous people did not believe that 'lay' people would be allowed the chance to express their opinions. The perception was that the more experienced members of the Trust would dominate discussions and sideline 'everyday' people with less knowledge and experience:

"I think probably sort of people in the public might be out of their depth with that class of people, it's a bit intimidating to be in that group isn't it really"

Male, 65+, DE, Manchester

- **People with knowledge of the media and the BBC vs. Independence:** Most people wanted to have members on the Trust who knew the 'ins and outs' of the BBC because they believed that this knowledge and expertise was vital to performing the job of the BBC Trust. However, everybody saw the fact that the Trust would be removed and independent from the BBC as a cornerstone of the new BBC Trust. Independence from the BBC, particularly in staff, for the Trust was seen to be fundamental to its integrity as a watchdog and auditor. When asked to consider possible names for members of the Trust, however, some suggested BBC or ex-BBC names.

"I think it should be mandatory (that) nobody in the Trust has any connection with anybody on the executive, the BBC, because it could be that it's a friend or a relative, or somebody they've worked with in the past, and it does influence their decisions."

Male, 45-65, C1C2 Empty Nesters, Edinburgh

"Don't have people on the Trust that are in the pockets of the BBC."

Female, 45-65, C1C2 Empty Nesters, Edinburgh

The complexities of reconciling conflicting demands meant that there were no definitive answers to the questions laid out in the Green Paper. However, key criteria and guiding principles did emerge.

- **How many members?** This number ranged significantly. On one hand, some people wanted the Trust to consist of as few people as possible to avoid wasting licence fee payer's money. In these cases, the ideal structure would consist of 3 to 8 members. Conversely, some participants suggested 50 people or more should be on the Trust to represent each region, or each BBC department.
- **What type of people?** There was a split between those who wanted to see the ordinary man or woman on the street on the Trust and those who felt that very specific 'media' or business expertise was needed. Generally, those who felt that it was necessary to have everyday people on the board were younger and lower socio-economics respondents that were less trusting of the BBC and wanted to see it become more representative. Older respondents and those in a higher socio-economic group were more likely to believe that media, business or 'inside knowledge' was needed.
- **Desirable qualities** of Trust members included:
 - Good communicator
 - Good listener
 - In touch with the people

- **What people, communities, groups should be represented?** Everybody agreed that all people should be represented. Any group or community that might be affected by the media in some way should be represented:
 - All ages
 - All lifestages
 - Different gender
 - Different sexual orientations
 - All ethnicities
 - All religions
 - All regions

National (Wales, Scotland and N.Ireland) and regional representation was universally considered to be crucial:

"Because I wouldn't want somebody from another region telling our region, who didn't have a representative, what we're going to have."

Male, 45-65, AB Empty Nesters, Manchester

- **Full time or part-time? Paid or unpaid?** A mixture was possible in this instance. The main reasoning for having part-time or volunteer members would be to keep the cost down. This reason was mainly put forward by those who believed that the BBC was wasting licence fee payer's money, mainly lower socio-economic respondents:

"[Someone needs to] make sure the free lunches and the taxi fares that are coming in, a million and a half or something it was [are stopped]."

Male, 45-65, C1C2 Empty Nesters, Edinburgh

On the whole, people agreed that the complexity of the BBC and its output required full-time members who were completely dedicated to the importance of the job. However, this

depended on the number of members, as the more members, the larger the bill. Some suggested that all options could be covered by having a rolling membership scheme where members served for a specified tenure to keep the membership from going stale. Many suggested a period of at least a few years (three or four years) in order for the Trust members to be able to make a difference but not grow 'stale'.

- **Who should choose the members?** The following were given as possible options:
 - Ofcom
 - The Crown – however there was general agreement that this would mean the Government choosing members. Whilst there was cynicism and distrust about the Government choosing members, there was a view that there was no other viable option. Also, some believed that regardless of who chose the members, the Government would continue to exert pressure and influence the BBC.
 - Independent Panel – some suggested that people should submit applications to an independent panel to decide who should be a member. Yet this suggestion did little to answer the question of who would choose the panel.
 - Judges and barristers (QCs)
 - The Assembly in Northern Ireland (but there was concern whether any action would be taken mainly because The Assembly is currently suspended)
 - Us, the public – the suggestion that the general public could vote on who to have as Trust members was met with little enthusiasm. There was general apathy about voting for members for a number of reasons. The main reason was that people were not interested, engaged or passionate enough to make an effort to vote – with voting numbers at local elections so low, there is nothing to suggest that people would make any more effort to vote for BBC Trust representatives. Also most people brought up the practicalities of voting for representatives.

"Sounds like something like a building society board. You know every year or so you get all this bumph through the post. And it's vote this, and tick this who you want. You don't know the guy from Adam."

Male, 45-65, C1C2 Empty Nester, Edinburgh

Northern Ireland respondents expressed their fears that voting for Trust members would simply split along sectarian lines.

- People wanted to see a good cross-section of people on the Board with a wide range of skills. Potential members suggested had some common qualities – there was a desire to include members that:
 - Had the 'common touch' – it was imperative that potential members were in touch with the general public and their needs.
 - Were good communicators and would not be afraid to speak their mind
 - Had business acumen
 - Had knowledge of the BBC and the media but were impartial

Some suggestions included:

- High profile business figures
 - Politicians
 - High profile public figures
 - BBC and ex-BBC personalities
-
- Some organisations suggested included:
 - CRE
 - Religious institutions, particularly Church of England
 - Charities
 - 'Professionals' from the arts, business, finance, law, entertainment, sport, politics
 - The general public

3.4 Accountability to the public

3.4.1 Looking after the public interest

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

Green Paper Question 9: How many of these options would you like to see adopted in the Trust's statement of promises? Are there any other options that you would like to see considered?

BOARD 4: LOOKING AFTER THE PUBLIC INTEREST

The BBC Trust should make sure that the BBC:

- Looks after public interest by making sure that it
 - Increases people's understanding of the world
 - Educates people
 - Encourages creativity
 - Reflects the UK nations and regions
 - Brings the world to the UK and UK to the world
- Is independent of Government or private companies
- Doesn't compete unfairly with other media companies
- Sets the standard for other broadcasters
- Ensures licence fee payers get value for money
- Talks to licence fee payers and listens to their views

People universally agreed with the list outlined by the Green Paper on Board 4 above. However, numerous respondents noticed that the word 'entertain' was missing from the list of how the BBC Trust should look after public interest.

"There's one word, actually, left out of all that. It has no aspiration to entertain. Or is that not a role they see themselves in?"

Male, 65+, AB, Belfast

There was also discussion about the difference between this list and the current arrangements. With the exception of 'talks to licence fee payers and listens to their views', numerous people assumed that the current Board of Governors undertook all of the tasks outlined already.

3.4.2 Responding to public opinion

BOARD 5: RESPONDING TO PUBLIC OPINION

- Ongoing research with the public to get their views about the BBC's performance and to feed into decisions
- Consultations with viewers and listeners through regional Broadcasting Councils, e-forums, open meetings or Annual General meetings
 - The Broadcasting Councils are regional groups that could be elected by local licence fee payers and they will advise the Trust

On the whole, this research and the public consultation surrounding the Green Paper was evidence that the Government, the BBC and the Trust were willing to listen to the views of the public. Respondents hoped that their involvement in this research would lead to results that would affect the structure of the Trust.

There was overwhelming agreement that ongoing research with its audience was vital for any modern organisation and particularly one like the BBC Trust that represents the public. A significant majority perceived that responding to public opinion was not just desirable, but absolutely necessary:

"If I could give one piece of advice to the BBC I would say listen to the public more"

Male, 18-30, C1C2 without children, Cardiff

"I do agree the BBC needs to be more accountable to the general public that pay the licence fee and any steps they can take to improve that involving the public and getting more, just members of the general public would be a good idea"

Male, 25-50, C1C2 with children, Midlands

"If something is wrong then the people should have the right to express this and make a change."

Female, 45-65, DE Empty Nesters, Cardiff

Consultations with viewers were supported. Consultation through e-forums was widely supported and most liked the idea of open meetings and AGMs as these provided an opportunity for everyone and anyone to put across their point of view. However, whilst consultations were supported in theory, participants believed that in practice open meetings would be met with general public apathy and were likely to be sparsely attended. Respondents believed that a majority of people would not be interested enough to “make an effort”, and no-one could provide any ideas to overcome this apathy. Also, respondents noted that those that did attend were ‘likely to be the usual suspects’ and not a cross section of the general public.

“I think a lot of us would whinge about the type of programmes, either repeat programmes or programmes that we’re not interested in, but maybe a lot of people are like myself, they couldn’t be bothered being part of these groups or giving their opinion about it, we just like to whinge ... rather than be specifically interested in either being on the Board or on the panel or whatever.”

Male, 65+, AB, Belfast

“I think for me that sounds like throwing money into a drain because I think that I don’t think the majority will be represented in something like that. Because it’s not easily accessible to people. People aren’t going to take time out from their weekends or their days at work to go to these places.”

Male, 18-30, AB no children, Midlands

Those who lived outside of London were adamant that they would not travel to London for these meetings. The more cynical participants observed that open meetings would be tightly stage-managed.

A minority of respondents had heard of Broadcasting Councils and a few brought them up spontaneously in discussions. A very small minority had had contact with them, or knew how they worked in any detail. Representation through Broadcasting Councils was seen as an interesting idea but people ran into the same difficulties raised with choosing members for the Trust. Again, most people would not bother voting because there would be no knowledge of the candidates

"It's just a meaningless vote if you don't know who you've voting for isn't it?"

Female, 65+, DE, Manchester

Some suggestions included:

- Local authorities or Councils nominating members to a local Broadcasting Council
- Having a viewers' panel or a similar type of approach.

3.4.3 Openness and transparency

BOARD 6: MAKING THE SYSTEM MORE OPEN

Some possibilities are:

- For the Trust to meet in public
- To web-cast meetings
- To publish the minutes of meetings and the results of its research
- To publish the voting records of each member
- For the Trust to be 'audited' – the licence fee payers could give their views of the performance of individual members of the Trust and any who aren't felt to be doing well could be replaced

It was widely agreed that the system should be made more open. This would benefit both the public and the BBC, as more people could see exactly what the BBC was doing.

"People may have more faith in things like that because then obviously you can see it happening."

Female, 25-50, C1C2 with children, Midlands

"It [would be] nice to see that people are actually listening to what we're saying and taking action from our viewpoints"

Male, 45-65, DE Empty Nesters, Cardiff

The favourite options were for the Trust to meet in public and to web-cast meetings. There were several suggestions that the Trust should also televise the meetings. However, few people believed that the public would watch these meetings. A large majority of respondents liked the idea

of a compromise where there was a five-minute summary slot on the television every month or quarter that told the public what the Trust was doing, any problems they were having, details of open meetings, etc.

Publishing the minutes of meetings, the results of research carried out and the voting records of each member were also viewed favourably. There was a general sense that there was no reason not to have this information in the public realm.

The idea of the Trust members being 'audited' was agreed with in theory. However, in practice a majority of people felt uneasy about this proposal:

- Apathy – would people be bothered enough to give their views?
- This system would be more biased – likely to favour the more televisual, media-savvy members
- There was room for abuse – the auditing process could be hijacked by a pressure or campaign group.

3.4.4 The system of complaints

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

BOARD 7: OFCOM AND THE BBC TRUST

Ofcom is a regulator for the communications industry as a whole but does not regulate the BBC in the same way. The BBC does have to meet Ofcom's code on fairness and some of the programme codes to do with taste and decency. Ofcom has the final say on complaints to do with harm, offence, privacy and fair treatment.

The Trust would have the final say on standards of accuracy and impartiality and all other complaints.

Adding the role of Ofcom to the discussion only served to strengthen concerns about the proposed arrangements and the need for two separate bodies.

“Well actually I would be in favour of them (Ofcom) regulating the BBC altogether rather than in part.”

Male, 65+, AB, Belfast

“What’s suitable, what the guidelines are, like parental guidance, universal, it’s Ofcom that decide all that. So why can’t they decide what BBC does as well?”

Female, 25-50, DE with children, Belfast

“Why should the BBC be different to every other channel? [...] I think I’d be happier ... going to Ofcom as you say with the complaints [...] because that’s what they’re supposed to do and they’re unbiased and you’d be more trusting that they’d then go and sort it out for you to the BBC.”

Female, 18-30, AB no children, Midlands

There was a dominant view that the proposed complaint procedure was unnecessarily complicated. Generally, people could not understand why there had to be two separate organisations to which they could complain.

This was an incredibly complicated issue for the general public and they had little grasp of the wider issues at stake. Hence, people did not fully understand the role or function of Ofcom. Some held the view that Ofcom was too close to the government to regulate the BBC (as outlined in the Green Paper) and the proposal was met with disbelief – could the proposed Trust really be completely independent and free from Government interference? On the other hand, interestingly, some perceived Ofcom to be more independent than the proposed BBC Trust.

For younger respondents and those from lower socio-economic groups, this was also linked to worries about cost implications. If a pre-existing body (such as Ofcom) could do the job then why add cost by creating a whole new body (such as the BBC Trust)?

3.5 The Licence Fee

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

There was little to no knowledge of which organisation enforced TV licensing. A majority of people had never thought about it and when they did, they assumed it was the BBC.

Initial discussion about the licence fee inevitably revolved around:

- Cost
- Compulsion
- Penalties of not paying
- Unfairness – whilst the research did not explicitly address the concessions issue, it was raised spontaneously by respondents. Specific examples cited by respondents included the £5 reduction for a blind person which was considered to be too little, the fact that students in halls of residence each had to pay to have a TV in their room and that free licences should be given at pension age rather than at 75. The perceived unfairness of the concessions led many to believe that the BBC were *“just trying to scheme money off you”* (Male, 25-50, DE with children, Belfast).

3.5.1 Current Payment Methods

Across the groups there was a range of different methods that people used to pay their TV licence. People paid annually, quarterly, monthly and by using weekly stamps at the Post Office. The most popular methods of payment were annually and monthly. A majority guessed that there were a variety of ways to make payments. There were no issues here and people found the system easy and user- friendly.

BOARD 8: INSTALMENT PAYMENT SCHEMES

Option a)

- Pay one quarter on the date of issue
- And then payments after 3,6 and 9 months
- But pay £5 more for the licence overall

Option b)

- Pay each month
- Payments start 6 months before the current licence ends
- Ends 6 months after the new licence is issued
- Do not pay any extra

When Board 8 was shown to the groups there was a general sense of confusion and bafflement at the payment schemes outlined. Almost none of the respondents understood the options and thought that it was overcomplicating the payment system.

"It's a bit complicated, isn't it?"

Female, 45-65, C1C2 Empty Nester, Edinburgh

"They shouldn't make it so complicated cos [...] people have to pay loads of different bills"

Female, 18-30, DE, London

Those that paid quarterly were entirely unaware that they were paying an additional £5. People felt that this was unfair and did not believe that the extra £5 covered administrative costs.

"What will they do with the extra fiver? I think it's really out of order. I think whether you pay it monthly, whether you pay it one lot, it should stay the same."

Male, 25-50, C1C2 with children, Midlands

"Most people pay like that and they want more money"

Female, 18-30, DE, London

A majority believed that whilst there may be administration costs, people who could not afford to pay all at once should not be penalised.

"It's an easy way for some people who perhaps can't afford to pay the full amount, it's not their fault really financially, then you're penalising them again by making them pay that extra £5.00."

Male, 65+, DE, Manchester

'Option b', the monthly payment option, caused the most confusion – people could not understand why you had to pay twice in the first year of making payments.

Overall, neither option was popular with the groups and there was a feeling that both options incurred a cost penalty to some extent. Also, people questioned why there was a penalty for not paying everything at once, but there was no discount for those paying annually (like council tax payments and insurance premiums).

The refund system caused some debate but in reality was something people rarely thought about. The three month minimum refund period was seen as a bit 'mean'. People compared the refund system to other organisations such as car licence tax where you could get a 'full' refund for the complete amount that you did not use, not just the full quarter that you did not use.

"It's a bit greedy isn't it?"

Female, 18-30, DE, London

In reality, discussions about alternative licence payment methods and the refund system were unlikely to change respondents' current behaviour and actions. In discussions, people were happy with their method of payment and could not think about when the licence refund would be relevant to them. However when prompted, for the reasons outlined above, people believed the concept of the refund system to be greedy.

3.5.2 Enforcement issues

A large majority of respondents knew about the penalties for being caught without a licence. Most knew that there was a 'fine up to £1000' and then possibly a jail sentence for owning a TV without a licence. Some made reference to the recent advertising campaign.

Most felt that the punishment was acceptable, particularly the older respondents and those in higher socio-economic groups:

"I think really if people are paying it, I think they're quite in order to get the people who are dodging paying it"

Male, 65+, DE, Manchester

Respondents believed that punishment worked as a deterrent and felt that if 'I have to pay then everyone should play' and others should be penalised for not paying. However they believed that the punishment was only acceptable if people who were genuinely unable to pay were given every opportunity to try to pay:

"(Say for example) her husbands just left her or whatever and then next thing you know she's in court cos she hasn't paid TV licence and she can't cope. I reckon they should sort something out for people like that."

Female, 18-30, DE, London

A few people complained about the relative severity of the punishment, particularly younger and lower socio-economic respondents:

- Some wondered why not having a TV licence was a criminal offence and not a civil offence.
- People compared the punishment to other perceived 'more serious' offences such as motoring infringements.
- Others did not understand why you were made to feel criminalised for something as minor as not paying for a TV licence.

"The fact that you are criminalised if you don't pay your TV licence is stupid [...] there are real criminals out there"

Female, 18-30, C1C2 without children, Cardiff

Very few people had previously complained to the TV Licensing Authority. Those that had complained did not have any comments except that when they had a complaint, it was easy to find

out who to contact. Generally nobody knew who to complain to but a majority believed they would find the information on the back of their TV licence.

However people found the topic unimportant – a majority were slightly incredulous when asked who they would complain to about the TV Licensing. This was because:

- People did not understand why you would have to complain
- It was easy to find out who to complain to– most people knew that if they had any problems they could get into contact with the right people by looking at the back of the licence itself
- Where the BBC Licence Fund Unit was located was of minimal interest to the participants

4. Conclusions

Governance and Accountability

Overall, the governance of the BBC was not an issue that concerned the average licence fee payer.

There was general approval of the new structure for the BBC, although a few questioned whether a change was necessary at all. Most saw the Trust acting as a 'watchdog' and an 'auditor' for the Executive Board. However, the Trust:

- Must have power to influence the BBC Executive
- Must be seen to be independent and unbiased
- Must be prepared to listen to and take on board the views of the public

The 'ideal' structure for the BBC Trust was an issue on which the public could not provide definitive answers, but could flag up broad key issues:

- Who appointed the Trust was equally as important as who was on the Trust – independence was important and the Trust should not be seen to be working for anybody but the general public
- There was a strong desire for regional representation
- It was necessary to include people who have 'expertise', for example those with broadcasting, media, finance skills
- Members needed to be good communicators and in touch with the public

The Trust needed to be more open and transparent than current arrangements:

- There was no reason not to implement a large majority of suggestions proposed in the Green Paper.
- There was some unease about 'auditing' Trust members – aside from general public apathy, most understood that this was likely to favour those who knew how to use the media to their advantage

Public consultation was imperative and expected from an organisation such as the BBC:

- Ongoing consultative research with the public was the most favourable option
- But there was little desire for the public to actively participate in the system

Licence Fee: Collection and Enforcement

Discussion of the licence fee revolved around the cost and legitimacy of the fee. Other licence fee issues raised little debate:

- People were simply resigned to the fact that for the time being they had to pay
- Everyone was content with the variety of ways that they could pay for the licence fee now, although once the methods were explained, there was a feeling that current instalment methods were confusing and unfair
- Enforcement and penalties were generally considered to be both necessary and fair with the caveat that those who genuinely had difficulty paying the licence fee should be given help and every opportunity to try to pay.
- Concession issues were brought up spontaneously. The current concessions were seen to be unfair, particularly for students in halls of residence, blind people and older people.

Key Learning for the DCMS

A majority of respondents could not pinpoint a key learning for the DCMS about the development of the BBC Trust and often, participants reverted to commenting on other aspects of the BBC such as programming or the cost of the licence fee. Those that did respond re-iterated points that they had discussed earlier in the groups:

- Keep the BBC Trust independent and unbiased
- Think about what is best for the public
- Make the Trust accountable to the public
- Make the Trust representative of Britain, and regionally and nationally inclusive (not just representative of London or England)

Appendix A: Discussion Guide

BBC Charter Review Draft Discussion guide October 2005

The aim of the groups is to explore spontaneous and prompted responses to the governance of the BBC, including discussions around how the BBC Trust model might operate in practice. There will also be some exploration of levels of awareness and perceptions of licence fee payment methods and enforcement. References to Questions relate to those outlined in the Charter review document.

Introduction (5 mins)

- Introduce self and Opinion Leader Research
- Explain purpose of group
- Explain group discussion
 - No rights or wrongs
 - Need to hear from everyone
 - Tape recording
 - Mobile phones
- Get permission for taping
- Respondents to do paired introductions – some brief personal information

Establish context (10 mins)

- Which broadcasters they mainly listen to / watch
- Which of the BBC's channels and services they use / view / listen to regularly

Explain the fact that the BBC's Royal Charter is being reviewed – *“The BBC was set up by a Royal Charter from the start of its existence and every 10 years the Charter is reviewed. The current Royal Charter for the BBC will be renewed at the end of 2006. The Charter establishes the role of the BBC and details its functions and structure for 10 years. At the moment a review of the BBC is being conducted by the Department of, Culture, Media and Sport. This review will result in a new Charter detailing the BBC's role, functions and structure for the next 10 years. This research is part of that review”.*

- Awareness of this review? *Probe just whether happening and not content*
- Awareness of how the BBC is currently run and managed and regulated? Probe on awareness of governance arrangements and any proposed changes
- Provide some information on current arrangements – specifically the fact that the Board of Governors both run the BBC and assess how it is performing

Board 1

BBC Trust (25 mins)

Moderator to outline proposals relating to BBC Trust model and talk through briefing notes.
Briefing notes to be produced on the concept, proposed role and options in statement of promises

Note that previously the Governors represented both the licence fee payer and the BBC. Now the BBC Trust will only represent the licence fee payer. Stress the organisation's independence. Position as follows - the Trust is representing you and it is your chance to let us know how you would like to be represented

Introduce briefing note on concept of BBC Trust model - Reference back to the current arrangement of the Governors both running and assessing the BBC and reiterate that this was a key rationale for the change. Stress that it has been decided to introduce the BBC Trust model but how it should work in practice has not been decided.

Board 2

- Gauge initial impressions of the BBC Trust model
 - Positives
 - Negatives
 - Can they foresee any problems?

*Introduce **Board3** proposals for BBC Trust roles and remit (Q7)*

- Perceptions of the role
 - Does this make sense? Are the roles of the BBC Trust and the Executive Board clear? Does this sound like a better system than the current one?
 - If the Trust fulfils these roles, will they be looking after the public interest?
 - Should they be doing anything differently?
- How should the Trust represent the public interest? What are the key things that it should do?
 - What actions would reassure that the Trust is representing the views and interests of listeners / viewers

*Introduce **Board 4** proposals for representing the public interest (Q8)*

- Response to detail of public interest representation

Introduce **Boards 5 and 6** on options (Q9)

- Discussion of each of the options for licence fee payer engagement / research and openness and transparency
 - Positives and negatives
 - Is this something the Trust should be doing
 - How much of a priority is this?
 - Should they be doing anything else to engage with the public and ensure that they collect viewer / listener feedback
 - How do they want to get communications from the Trust?
 - Should they be doing anything else to ensure that they are open and transparent?

- Show and discuss proposed role of Ofcom and BBC Trust (**Board 7**)

- Given the relationship between Ofcom and the Trust, how should the Trust handle complaints? (Q10)
 - Who should viewers / listeners be able to complain to in the first instance (Ofcom, BBC Trust, or others such as programme makers, programme commissioners, editors?)
 - Should the Trust set up an independent complaints system?
 - How should the complaints system work for them – should it be different for different sorts of complaints, what sort of feedback do they want, should there be time limits for a response?

Developing an 'ideal' structure (25 mins) (Q11, 12, 13)

Split into 2 groups; each groups to be given a brief to develop their own 'ideal' structure ie

- How many members the Trust needs?
- What skills and expertise do you think they need?
- What type of people should become members? Should it include experts in broadcasting / communications industry, research, legal issues, business management or would they include viewers / listeners? What is the ideal mix? Ask for their priorities i.e. the 5 bodies / groups that have to be represented
- Are there any particular communities or interest groups that the Trust members should represent?
- Should it be a full time role that is paid or should it be something that members do in addition to their full-time jobs / other interests
- Who should be responsible for appointments / selection (test response to members being selected by the 'Crown' – what do they think of this; what do they understand by this?)

Note – each group asked to think about the demands placed on the members and the roles that the Trust will be expected to fulfil

Each group to present back their ideal structure and give details on why they have made their choices

Discuss similarities and differences across the two groups

Licence fee issues (20 mins) (Q6)

Introduce session by reiterating that the BBC will continue to be funded by the licence fee, but will be reviewed by 2016. The current cost of a colour licence is £126.50. We will not be talking about whether having a licence fee is right or wrong but purely about methods of payments and how it is enforced.

In future BBC Trust will have specific responsibility for collection or enforcement, as well as how the licence is spent.

- Awareness of which organisation is currently responsible for collection and enforcement
 - Prompt with information on TV Licensing

Payment methods

- Awareness of current payment methods (post, phone, on-line, post office, direct debit, Pay Point outlet)
 - Current and future use of different methods
 - How easy is it to pay through these methods
 - Should there be any other methods available for paying the licence fee?
- Awareness of instalment payment scheme
 - Spontaneous and then prompted awareness
 - **Board 8** (To pay a quarter on date of issue with instalments after 3, 6 and 9 months but pay £5 more on monthly payments – that start six months before current licence ends and ends six months after the new licence is issued)
 - How fair are the schemes? Probe – is the system fair for those on low incomes? If not felt to be reasonable, probe for suggested changes

Moderator note: the old system consisted of collecting savings stamps or paying the whole amount upfront. The instalment schemes have been designed to try to ensure that those paying by instalments do not have an unfair advantage over those who have paid the full amount (if the £5 was not charged or the six monthly system did not operate in the same way, it would be much more beneficial to pay using the instalment scheme – the intention is to even out). A comparable example is insurance schemes which give a discount when lump sums are paid rather than monthly payments.

- Awareness of the refund system
 - Spontaneous and then prompted awareness
 - Refunds are currently available on unused quarters of a licence. Is this the right minimum period for a refund? If not, what should be the minimum?

Enforcement issues

- Awareness of the enforcement system
 - What are the penalties for not having a valid TV licence?
 - What organisation is responsible for enforcement?
 - Knowledge of how the enforcement system works?
 - Probe response to concept of using public money to chase licence fee evaders (if does not emerge spontaneously)
 - Is the current system fair – ie the fact that evaders are criminalised, fines can be up to £1,000 and those who fail to pay their fines are occasionally jailed

- Awareness of the complaints system
 - Currently complain to TV Licensing initially and if not satisfied to BBC Licence Fee Unit
 - Should this system be changed under the BBC Trust arrangements? Probe: should there be a separate organisation that individuals can complain to? (link back to previous discussion on the complaints system)

Moderator note: Current complaints tend to focus around correspondence (tone, content and frequency of letters; or the fact there is an assumption that those without a tv do actually have one) or around home visits (perceptions of powers of enforcement officers who in fact can only enter premises with a warrant or the fact that home visits are part of the process at all).

Key learning for DCMS (5 mins)

- Each respondent to give DCMS one piece of advice when they are thinking about the development of the BBC Trust

Thank and close

Appendix B: Stimulus Boards

BBC Charter Review: Group Discussion Boards

Board 1: Current Governance arrangements

At the moment, the BBC has a board of Governors that decides what the BBC's aims should be.

This same board looks at whether the BBC has met its aims.

In many ways, it is regulating itself.

Board 2: Proposed new arrangements

In the new arrangements, the two roles (of setting aims and seeing if they have been met) will be separated.

An **Executive Board** will run the BBC day-to-day. It will

- Decide on programmes
- Provide services
- Make financial decisions on budgets for programmes, hiring staff etc

A new body called the **BBC Trust** will 'oversee' how the BBC is run. It will

Moderator – explain that the BBC Trust is a 'working title' and may change

- Have overall responsibility for how the licence fee is spent – to make sure it is good value for money
- Represent the views of the public
- Ensure the public interest is met
- Set top level budgets

Moderator – explain that the Charter will set out how the members of the Trust should behave and what their powers are (in how they deal with the Executive Board and the public)

Board 3: How the BBC Trust and the Executive Board would work together

The BBC Trust will

Check the performance of the BBC and the Executive Board

Question the Executive Board

The Trust would be looked after by its own staff and not BBC staff

The Trust would be in a building away from the main BBC buildings i.e. not in Television Centre

Each BBC service will have a licence drawn up by the Executive Board. The Trust would check how the services are doing against this

The Trust would check that any changes to service or new services are in the public interest

Board 4: Looking after the public interest

The BBC Trust should make sure that the BBC:

Looks after the public interest by making sure that it

- Increases people's understanding of the world
- Educates people
- Encourages creativity
- Reflects the UK nations and regions
- Brings the world to the UK and the UK to the world

Is independent of Government or private companies

Doesn't compete unfairly with other media companies

Sets the standard for other broadcasters

Ensures licence fee payers get value for money

Talks to licence fee payers and listens to their views

Board 5: Responding to public opinion

There could be

On-going research with the public to get their views about the BBC's performance and to feed into decisions

Consultations with viewers and listeners through regional Broadcasting Councils, e-forums, open meetings or Annual General Meetings

- The Broadcasting Councils are regional groups that could be elected by local licence fee payers and they will advise the Trust

Board 6: Making the system more open

Some possibilities are:

For the Trust to meet in public

To web-cast meetings

To publish the minutes of meetings and the results of its research

To publish the voting records of each member

For the Trust members to be 'audited' – the licence fee payers could give their views of the performance of individual members of the Trust and any who aren't felt to be doing well could be replaced

Board 7: Ofcom and BBC Trust

Ofcom is a regulator for the communications industry as a whole but does not regulate the BBC in the same way. The BBC does have to meet Ofcom's code on fairness and some of the programme codes to do with taste and decency. Ofcom has the final say on complaints to do with harm, offence, privacy and fair treatment.

The Trust would have the final say on standards of accuracy and impartiality and all other complaints.

Board 8: Instalment payment schemes

Option a)

Pay one quarter on the date of issue

And then payments after 3, 6 and 9 months

But pay £5 more for the licence overall

Option b)

Pay each month

Payments start 6 months before the current licence ends

Ends 6 months after the new licence is issued

Do not pay any extra

Briefing note handout: BBC Trust structure

How many members should there be?

What type of people should become members?

What skills and expertise should they have?

Are there any people, communities or groups that should be represented?

Should it be a full time, paid job?

Who should choose the members?