



Review of the BBC's Royal Charter

What you said about the BBC

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1 Foreword by the Secretary of State

The BBC is an integral part of British life. That's beyond dispute, but, like anything that is a part of our daily scenery, it risks becoming so ingrained in our lives that we take it for granted. Inevitably, this means we can develop a tendency not to question it.

But question it we should. Firstly, because it is essential we examine our great institutions from time to time. The BBC is part of what defines us as a nation. It is a window through which we view the outside world. It has a big reputation to live up to. It is in all our interests for that reputation to remain intact.

Another good reason is that we all pay for the BBC. We are all, in effect, shareholders in it – so we have an interest in making sure it provides us with services of the very highest standard, meeting the purposes for which the money is intended and doing so efficiently.

In December 2003, we asked the public to take a step back and take a look at the BBC, as we began the process of reviewing its Royal Charter. We asked them what they did and didn't like about the BBC and how it should be run and funded. And we asked them to think about its role in the multi-channel, digital age.

This was the first time the public had been consulted at such an early stage in a Charter review and we received an astonishingly wide and varied range of responses. This report doesn't capture every single point that was raised. You can read them for yourselves in the raw data we have published alongside it. But what we have done is try to provide a summary of what the public and industry told us were the key issues. It does not convey the full incisiveness of individual consultation responses, or the enormous divergence of views – which is why we've published as many of those responses as we can.

Nevertheless, the results are illuminating.

In this document you will find both high praise and trenchant criticism. Most people indicated that they value the BBC and hold it in high esteem, but a significant minority disagreed. To those who like the BBC it was generally seen as the best broadcaster for news, documentaries and features about personal interests. But even to many supporters it is seen as being by no means perfect. Although satisfaction levels are high, most people want to see changes. However, there is a clear view that the BBC should continue to remain independent of Government, Parliamentary and commercial pressures.

People believe the BBC should keep up with developments in new technology and should be a leading partner in new markets – this will be particularly relevant as we make the journey towards switchover from analogue to digital broadcasting.

Contributors clearly felt that there was room for improvement in the way the BBC is run and regulated, although there is more debate to be had about exactly what changes are needed.

And on the vexed question of how we should pay for the BBC, the licence fee was widely considered to be the best – or rather the “least worst” – method for the time being, although questions were raised about how it is set, collected and distributed.

The findings contained in this report will feed directly into the review of the BBC's Charter. As I have said on numerous occasions, the only certain outcome of Charter Review will be a strong BBC, independent of Government. The rest really is a blank canvas.

This report represents the first splashes of colour on that canvas. There is a long way to go before the picture is complete. Along the way we will publish a Green Paper, which will set out the options for the future of the BBC. This will be followed by a White Paper, which will firm up these options. Both documents will be published for consultation and the public, industry and Parliament will have a chance to contribute to the debate.

I thank every person who contributed to the initial consultation, whether by giving us their views by e-mail, post or telephone, attending one of the public meetings we held throughout the UK, or by taking part in our extensive programme of survey research amongst the general public.

They will all have made their mark on the BBC of the future. I have every confidence the BBC will, over the coming years, do justice to the contribution each and every one of them has made.



Tessa Jowell.

TESSA JOWELL

2 Summary of key findings

“What do you value about the BBC?”

- The public values the BBC across a wide range of areas. It has an overall satisfaction rating from quantitative research of 75%
- However, most people say they have things they would like to see change
- And there is a small but significant minority who value the BBC very little, if at all
- There was a marked, but not universal, perception in focus groups and consultation responses that BBC programmes have declined in quality – although it was balanced in opinion surveys by those who saw improvements

“How should the BBC adapt to cope with changes in technology and culture?”

- People think that the BBC should ‘keep up with’ developments in technology
- Organisations representing a broad range of interests believe that the BBC should use new technologies to bring benefits to society
- Some organisations recognise the BBC as a ‘trusted guide’, and believe it should introduce people to new technological experiences
- There is a strong sense from some parts of the broadcasting sector that the BBC should not act as an ‘aspiring monopolist’ in new markets

“What do you think of the television, radio and online services the BBC provides?”

- 75% of those surveyed said they were generally satisfied with the BBC’s services – but the public holds a wide range of criticisms
- BBC 1 and BBC 2 are the two services that most people think of when they think of the BBC
- There is very low public awareness of some licence-fee funded services, particularly the BBC’s newer services

“Should the BBC run commercial services?”

- There is widespread support for the idea that the BBC should make money on behalf of the licence fee payer out of assets paid for by the licence fee payer – 90% of people surveyed agree that “the BBC should raise as much money as it can from selling its programmes and other products”
- But concerns were raised in a number of areas, including:
 - whether or not the current arrangements deliver the best value for money
 - whether or not the BBC’s commercial activities should be more closely aligned to its publicly-funded services
 - fairness and transparency
 - and how the money should be used – whether it should just be spent on better programmes (50% of participants), only used to reduce the licence fee (30%) or both (20%)

“How should we pay for the BBC?”

- The licence fee was widely considered to be the best – or the “least worst” – way to pay for the BBC for the next Charter, although there is some support for other options, particularly in combination with the licence fee
- The public’s view of the value for money delivered by the BBC is equivocal – with 46% saying it delivered fairly good or very good value for money, compared to 33% taking the opposite view
- There is strong support for the BBC’s independence from Government and from commercial pressures
- The way the licence fee is set and collected raised issues about fairness (particularly for those on low incomes) and efficiency (using significant public money to chase evaders)
- Proposals were put forward on different ways to distribute the licence fee to other broadcasters and production companies

“Is the BBC organised in the most effective and efficient way?”

- How the BBC is run is a mystery to most of the public – 85% know either nothing at all, or not very much
- The BBC’s contribution to research and development of broadcasting technology is valued highly – particularly by industry respondents – as is its role in training the broadcasting and film industries
- The balance between independent and in-house production is seen as an important issue by industry respondents – with the BBC’s failure to meet quotas for independent television production the subject of much criticism
- “Rights management” is also seen as an important concern

“How should the BBC be governed and regulated?”

- There are calls from both the public and the industry for reform of the arrangements for governance and regulation
- Particular concerns were also raised over:
 - the appointment, make-up, skills and experience of the Governors
 - the precise remits of the BBC’s services
 - the regulation of the commercial services
- And there is support for a new Royal Charter – but there are calls for it to be written in a language that people can understand

“How do we ensure that the BBC is properly accountable to the public and Parliament?”

- The public would like to see the BBC become more accountable to licence fee payers
 - A variety of proposals for greater public accountability were put forward – including some developing the concept of the licence fee payer as “shareholder”
 - People thought that the BBC should be less accountable to the Government or to Parliament for what it delivers
 - There are calls for greater financial accountability and transparency
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3 The story so far

The BBC is established by Royal Charter, and has been so from the very early days of its existence. The first Charter ran from 1 January 1927 to 31 December 1936, and we are now approaching the end of the seventh Charter. The fixed length of the Charter gives an opportunity, every ten years or so, to look carefully at the BBC's role, functions and structure. The Government is taking this opportunity now, as the current Charter comes to an end on 31 December 2006.

On 11 December 2003, we launched a consultation to ask viewers and listeners what they want from the BBC. To help publicise the consultation, we distributed hundreds of thousands of leaflets through libraries and a TV listing magazine. We produced material specifically for children and young people, and held seminars designed to ensure that they could also have their say.

To invite direct engagement, Tessa Jowell and Andrew McIntosh took part in visits across the UK during March. They held open meetings with the public, and seminars with key members of the local broadcasting industry. They also visited a variety of media organisations, and witnessed some of the BBC's activities in the nations and regions.

The public were invited to submit their views in letter and email form. We received nearly 5,500 responses – a very large number for a Government consultation. Replies ranged from single line e-mails setting out the respondent's love for a particular soap, to detailed reports on issues like governance, regulation and funding. With a few exceptions¹, we have published all the responses received. During the consultation, the dedicated website received over 26,000 unique visitors.

The consultation asked eight key questions. The results are set out in this report and the research published alongside it – and you can read the many thousands of individual consultation responses at www.bbccharterreview.org.uk.

Although our public consultation was large, we recognise that it is not necessarily representative of the views of the population as a whole. So we conducted a major programme of survey research, between late January and early June this year, to support and test the consultation, and to make sure we reflected the views of all sections of the population. This encompassed qualitative, deliberative and quantitative survey research. Demographic factors – from age, ethnicity and geographical location, to media consumption behaviour – were taken into account. We have published the detailed research alongside this document, and there is a brief explanation of the individual research projects at the end of this document.

This report does not intend to reflect every one of the hundreds of issues raised in consultation. Nor does it set out the Government's own conclusions, which have been restricted so far to the expression of our intention that Charter review will result in a strong BBC, independent of Government.

¹ We did not publish responses where we were asked not to by the respondent, or where to do so would risk infringing legal requirements

4 Next steps

- 4.1 The BBC's current Royal Charter expires on 31 December 2006. The Government aims to have new arrangements in place well before that date, to allow the BBC plenty of time to adjust to any changes that might be needed.
- 4.2 Over the next two years we will be considering the issues set out in this document, and many others, in great detail. We will continue to consult experts in a range of fields, representatives of the broadcasting and other industries and the wider public.
- 4.3 That consultation will take several forms. Beginning in July 2004, Lord Burns, the Secretary of State's independent adviser on Charter Review, and his independent panel, will be hosting a series of seminars.
- 4.4 Those seminars will allow for structured debate on a range of issues, like governance and regulation, how we pay for the BBC, its publicly funded television and radio services and its commercial services. They will also examine the BBC's role in a number of 'cross-cutting' areas – like learning, culture, informed citizenship, representation of nations, regions and communities and its international role.
- 4.5 That process will conclude by the end of 2004. The findings of the seminar process will be used to help frame options for the future of the BBC, to be set out in a Green Paper around the turn of the year. The research and consultation the Government has conducted so far will also provide important evidence for the Green Paper, as will other reviews, like Ofcom's review of public service television, Philip Graf's review of BBC Online and the independent reviews of the BBC's new digital TV and radio services, carried out by Professor Patrick Barwise and Tim Gardam respectively.
- 4.6 The Green Paper will be subject to a further major public consultation. A White Paper – accompanied by more consultation – will follow the Green Paper later next year. There will be full opportunities for Parliamentary scrutiny. On the recommendation of the House of Lords, an *ad hoc* Select Committee will be set up following publication of the Green Paper to consider some of the issues associated with Charter Review, and at the time of publication, the House of Commons Select Committee on Culture, Media and Sport is conducting its own inquiry.
- 4.7 The Government will continue to conduct the process in a spirit of openness, transparency and inclusiveness. The presumption is, and will continue to be, that the Government will publish all the information it receives or commissions – unless individual respondents request confidentiality.

5 The BBC today

“What do you value about the BBC?”

Key findings

- The public values the BBC across a wide range of areas. It has an overall satisfaction rating from quantitative research of 75%
- However, most people say they have things they would like to see change
- And there is a small but significant minority who value the BBC very little, if at all
- There was a marked, but not universal perception in focus groups and consultation responses that BBC programmes have declined in quality – although it was balanced in opinion surveys by those who saw improvements

The majority of the public value the BBC...

- 5.1 The range of views that people have about the BBC is very wide. At one end of the spectrum are those who really love it and have nothing bad to say about it. For those who are positive about the BBC overall – and amongst the respondents to the public consultation this was a strong majority – the BBC is a public institution of considerable value. 72% of participants in

“I value the coverage that the BBC provides, its applicability to the life of the nation and across the world. I value its authority and its ability to speak to and for others. I value its diligence in the research and treatment of issues which I recognise as important even if they are not of particular interest to me. I value its store of knowledge and information in this information-led world.”

South East Older People’s Advisory Group (consultation response)

quantitative research told us they would miss the BBC if it wasn’t there. Furthermore, a recurrent concern amongst respondents was that the process of Charter Review itself might result in unnecessary and potentially harmful changes to the BBC.

- 5.2 And a clear finding of our qualitative and deliberative research was that individuals began to value the BBC more after they had investigated and understood the full range of services provided by the Corporation.
- 5.3 At the other end of the spectrum are those – a significant minority – who see very little value in the BBC at all, and often hold very negative views indeed. For example, of those responses where it was possible to determine the respondent’s degree of satisfaction with the BBC (67% of the total), 16% expressed dissatisfaction.

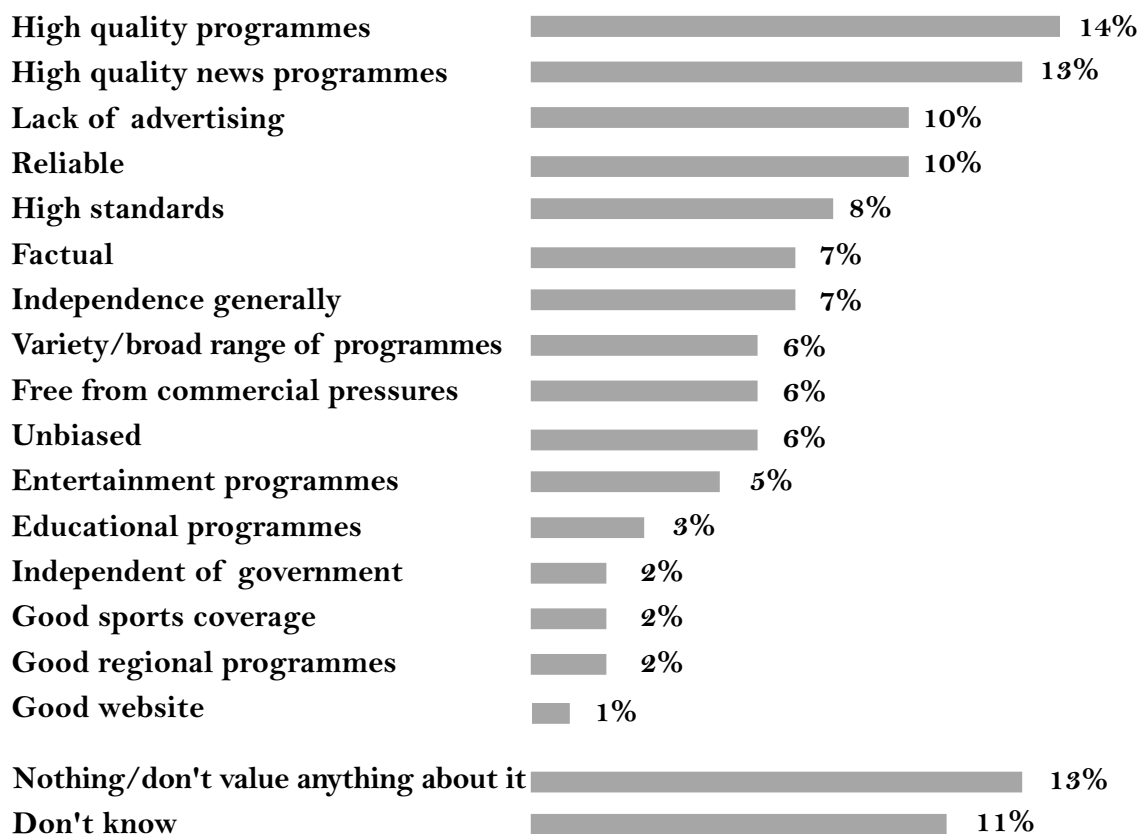
“There seems to be this mystique that foreigners may have about the BBC, that it was this fine, upstanding, British...but it’s not, it’s a bloody dinosaur.”

Participant in qualitative research, AB, 31-45, light TV watchers, Northern England

5.4 But our research and consultation is very clear that for most people, the BBC is an important and valuable part of their daily lives. 84% of consultation respondents who expressed their level of satisfaction with the BBC and 75% of participants in our quantitative research reported overall satisfaction with the BBC and its services.

Spontaneous good points

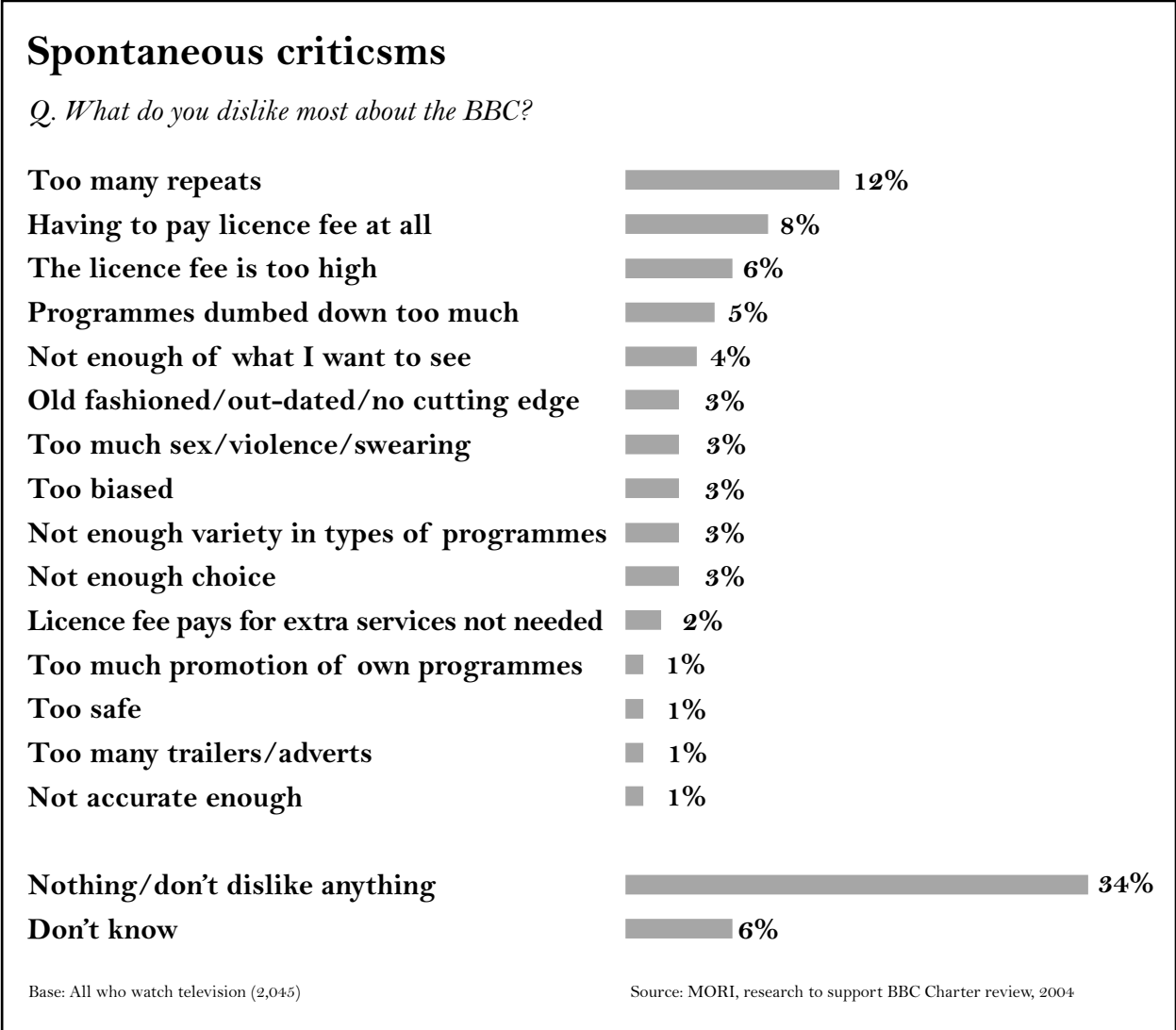
Q. Thinking about the BBC in general, what do you personally value most about the BBC?



Base: All respondents (2,068)

Source: MORI, research to support BBC Charter review, 2004

5.5 Nevertheless, some aspects of the BBC give rise to varying degrees of concern. 47% of respondents to public consultation who expressed their level of satisfaction said that they were satisfied with the BBC and its services but saw room for improvement. At the same time, a conclusion to be drawn from public consultation is that more appears to be expected from the BBC than from other broadcasters. Respondents' answers imply that expectations are raised by a combination of the BBC's existing reputation and the fact that it is funded through a universal and compulsory fee.



...for reasons that include impartiality, and independence – on a range of fronts...

5.6 Our quantitative research shows that, while the BBC leads other public service broadcasters in perceptions of impartiality and accuracy, independence from Government generally appears to be a quality shared by ITV, Channel 4 and Five. When asked specifically whether the BBC was independent of Government, public opinion was split, with 42% agreeing, and 39% disagreeing. “Independence generally” and “independence of Government” feature in people’s image of the BBC – although they trailed behind the main spontaneous values attributed to BBC – high quality programming, lack of advertising and reliability.

“I think people tend to believe what they see on BBC...We’re paying for it so you assume it is totally impartial. Giving you the news with no slant to it...You can’t please all the people all the time, but I think they generally get it right.”

Participant in qualitative research, C1, 46-60, light TV watchers, Scotland

...particularly freedom from commercial pressures...

5.7 Our research and consultation generated a clear public consensus that one of the most valuable aspects of the BBC is the fact that its television and radio programmes are not broken up by advertisements. ‘Lack of advertising’ was in the top three qualities of the BBC praised by the public, coming just behind high quality programmes and high quality news programmes. This was echoed by some of the children and young people who responded to the consultation.

5.8 However, the amount of time the BBC spends promoting its own programmes – for instance by showing trailers in the breaks between programmes – was a source of concern raised in consultation. About a third (35%) of participants in our quantitative research agreed with the statement that the BBC advertises its own programmes too much, and “too much promotion of own programmes” featured in spontaneous criticism of the BBC.

Public Service Broadcasters		
The public service broadcasters in the United Kingdom are:		
The BBC	ITV	Channel 4
Channel 5	S4C	Teletext

5.9 One of the reasons given for the BBC to be valued is because its funding arrangements – through the licence fee – are seen as enabling it to take risks in a way that other differently-funded broadcasters might find more difficult. However, only 13% of participants in our quantitative research saw the BBC as ‘cutting edge’ compared to, for example, 23% for Channel 4.

...and, for the majority, setting standards.

5.10 The phrases ‘envy of the world’ and ‘national treasure’ frequently appeared in public responses. From consultation and research, the majority see the BBC as having a particular role in setting the standard for others to follow, both domestically and on the international stage and in a range of areas – from creative leadership to training and diversity.

5.11 However, there is a significant minority that take a very different view – they perceive the BBC, in the words of one respondent, to be “pitching output to a lowest common denominator” and that, although standards might be, in the opinion of these respondents, above those of other broadcasters, they are not what they think should be expected of the BBC.

<p>“The BBC has acquired a reputation for excellence in public service broadcasting throughout the world. In the United Kingdom it has been described as the ‘cornerstone’ of public service broadcasting; the standard by which other broadcasters are assessed.”</p> <p>P Tomlinson, consultation respondent</p>

They also value its role in learning...

5.12 There is a clear majority view from all of our public consultation and research that one of the BBC’s most important roles is to contribute to learning – not just through its services aimed directly at students and teachers but also through programmes like nature documentaries, which participants in our public consultation and all forms of research told us set the BBC apart from other broadcasters. 53% of participants in our quantitative research said they watched documentaries, and 24% said they would like to see more documentary programmes, higher than any other type of programme.

- 5.13 47% of participants in our quantitative research thought that the description “educational” applied to the BBC – considerably more than did so for other public service broadcasters. And responses to public consultation contained much praise of the BBC’s educational role.

“I see them as doing that [providing educational output], not in terms of the television but in terms of their education packs and their web site...for teachers, it’s known to be a good site. Look on the BBC site for whatever you’re doing and you’ll find something.”

Participant in qualitative research, primary school teacher, Northern England

- 5.14 Its contribution is seen to extend across all age groups and profiles, although it is seen as having a particularly important role in the educational, social and cultural development of children and young people.

...its contribution to ‘informed democracy’...

- 5.15 It was very clear from consultation and all strands of research that for the British public there is a strong association between the BBC and the functioning of democracy in the UK. Our quantitative research shows it to have the strongest association of all public service broadcasters with accuracy and trustworthiness. 85% of participants in quantitative research agreed with the statement that “the BBC has an important role in keeping the public informed about what is going on in the UK”.
- 5.16 Many respondents cited the unique nature of the BBC as a publicly funded yet autonomous broadcaster, as affording it a key role in the promotion of global democracy.
- 5.17 One of the most frequently given answers in the public consultation to the question of what respondents valued about the BBC was the BBC’s news service – about a third of respondents to the consultation made reference to BBC news coverage. ‘High quality news programmes’ was the second most frequently cited of the BBC’s ‘good points’ in quantitative research, and it stands out from other public service broadcasters in this respect.
- 5.18 On balance, the BBC has a reputation amongst the UK public for reliable, accurate and impartial news reporting. That said, few people claimed that other news services (especially ITN, Channel 4 News and Sky News) were less impartial than the BBC – a finding backed up by our quantitative research. For 62% of participants in quantitative research, the BBC provides the ‘best news and current affairs about Britain and the world’ of the main broadcasters. However, only 55% of participants in quantitative research agreed with the statement, “the BBC only broadcasts accurate and true information”.
- 5.19 It would appear that for most, the events related to the Hutton Inquiry have had little impact on trust in the accuracy and impartiality of BBC news – on the whole, there was no strong sense from people who took part in consultation and research that the findings of Lord Hutton had impacted significantly on people’s views. According to our qualitative research – much of which took place around the date of the Hutton Inquiry report’s publication – a “handful” of people had changed their views in its wake.

- 5.20 A clear message from public consultation was that impartiality, accuracy and balance are seen as paramount to the success of the BBC's news provision. The BBC's news programming was highly respected by many consultation respondents and considered impressively comprehensive, reliably accurate and impartial, and appreciated for the range of its coverage. The children and young people we consulted also had something to say about news – *Newsround* was cited by some children as being better and less boring than news their parents watched.
- 5.21 However, we also received many complaints about what some people perceived to be bias on the part of the BBC on a number of different issues. The BBC was often perceived to have its own agenda – although the nature of that agenda appeared to vary with people's individual viewpoints. Of the 33% of consultation respondents who made reference to the BBC's news coverage, 39% thought that the BBC had a high level of biased reporting, compared to 33% who were satisfied with the BBC's news coverage. And that the BBC is 'too biased' featured amongst spontaneous criticisms of the BBC voiced during quantitative research.
- “They’ve got their own view and they stick to it. They see things from their angle, never look at it from other people’s angles.”**

Participant in qualitative research, C2DE, 31-45, heavy TV watchers, Scotland
- 5.22 We received very many views, particularly from individuals and representative groups who responded to the public consultation, which suggested that a high value is placed on the BBC's role in helping people take part in the democratic process and debate more generally. They saw the BBC's role in this respect not being limited to its news and current affairs programming, and coverage of elections, but extending to 'social action' programmes cutting across the full range of the BBC's output, encouraging public debate and working directly with communities. Respondents tended to advocate an important role for the BBC in promoting 'citizenship', for example by providing the means for citizens to interact and participate in debate across a variety of platforms – like TV, radio and the internet – and at both local and national level.
- 5.23 Another point of value echoed in many responses to public consultation as well as in our qualitative research is the BBC's role of providing 'shared experience' for the nation – by providing programmes that large numbers of people watch or listen to and then discuss afterwards.
- “I think the BBC should be always experimenting with new ways to get us involved with things, using all their available TV, radio and online services, and they should do this more with international subjects, not just British ones. I should be able to go to BBC services at any time and get linked in to other people and other places that can share information about things I am interested in, like human rights, overseas development issues and the environment.”**

P Gilbert, consultation respondent

...supporting, nurturing and promoting the UK's culture...

- 5.24 A recurring theme of our qualitative research and public consultation was the value placed on the BBC's cultural role. This value was placed not only on what the BBC brings to audiences and communities, but also on its role in relation to the wider creative industries – across a range of areas like the visual arts, music, film – and other elements of the UK's culture, like sport.
- 5.25 Representatives of the music industry and musicians in particular saw music as an essential part of the BBC's role as a public service broadcaster. They saw the BBC as having a key role in making as diverse a range of music as possible available to as wide an audience as possible – at both a national and local level – through its television and radio services and, for example, through the BBC orchestras.

“The virtual elimination of intelligent programmes from BBC2 before 10.30pm is perhaps the major act of cultural vandalism of the past 5 years.”

M Sparks, consultation respondent

- 5.26 The BBC was also seen by the public as having an important role in film – in fact, when asked what type of programmes they personally watched nowadays, ‘films’ was the most popular choice amongst participants in our quantitative survey. And the UK Film Council was very clear in its message that the BBC might do more to invest in British film making and showcase the full range of UK and world cinema.
- 5.27 Respondents to the public consultation were polarised in their attitude to the BBC's sports coverage, perhaps reflecting polarised attitudes to sport at large. 39% of participants in our quantitative research said they watched sports programmes on BBC television and 16% listened to them on BBC radio. However, only 12% of participants in our survey wanted to see more sports programmes on BBC television, and a similar proportion (14%) thought there were already too many. 23% of participants thought the BBC was the best sports broadcaster, compared to 36% for Sky.
- 5.28 A number of public consultation respondents did suggest, in the light of perceived sports saturation on the BBC, that bidding for the broadcasting rights to major sporting events was an extravagant expense best left to the commercial sector. On the other hand, it was felt that, as a public service broadcaster, the BBC had both a right and an obligation to provide the free-to-air screening of international and national sporting events.

...efforts to represent the diverse make-up of the UK...

- 5.29 It is clear from all strands of research and consultation, as well as visits around the country, that the public places value on the work that the BBC does to represent the nations, regions and communities of the UK – for example, through its national and local services, programming tailored for the nations and regions, and programmes that reflect the needs of minority communities and communities of interest. 42% of participants in our quantitative research thought the BBC was the best broadcaster of information about their area or region – neck and neck with ITV.

- 5.30 However, there are concerns in some areas. For example, a majority of respondents to public consultation held the view that overall the BBC is too focused on London. This was an argument put forward frequently at meetings with industry representatives around the UK.

“I do not believe the BBC represents the whole of the country. Production being located in London, the most expensive area in the country, does not represent ‘Best Value’. Why not re-locate to a cheaper location? Many film production companies do this, why not the BBC?”

Paul Carney, consultation respondent

- 5.31 63% of participants in our quantitative research agreed that the BBC is ‘good at representing cultural diversity’ and welcomed its perceived efforts to improve representation of minority cultures and ethnicities.
- 5.32 However, although there was a widely shared perception amongst consultation respondents that the BBC makes a considerable effort to ensure that all social and geographical groupings are captured and reflected in the Corporation’s programming, there were strong views particularly amongst organisations that represent minority groups that more could be done.
- 5.33 It should also be noted that a small minority of respondents expressed the view, often in very strong terms, that the representation of black and minority ethnic communities is disproportionately large in comparison to the size of these communities within the UK population.

...in the nations of the UK...

- 5.34 A criticism of the three national television services in Northern Ireland, Wales and Scotland was that alternative schedules deny viewers access to programmes enjoyed by English licence fee payers. It was suggested that digital technology could help by allowing viewers to select which national schedule they wish to watch. And there was a significant view that the BBC’s aim should be not only to reflect communities back to themselves, but to the rest of the UK.

“They do a kind of stereotype of Scottish people as well, the BBC. Look at the Eastenders, the baddy is always a Scottish guy. Little Mo’s boyfriend.”

Participant in qualitative research, C2DE, 31-45, heavy TV watcher

- 5.35 Views about the BBC’s output and activities in Northern Ireland appear to be particularly positive, with BBC Northern Ireland held in high esteem according to our survey research. People from Northern Ireland we consulted in our research appeared to care more about how Northern Ireland is presented to the rest of the country rather than how it is presented to the local community.
- 5.36 Our research shows that the BBC’s commitment to Welsh language programming is valued very highly by Welsh speakers. In common with the view in Scotland, respondents to consultation and participants in our qualitative research tended to see Welsh news and current affairs coverage as being overly centred on Cardiff.

- 5.37 The overall view given by our research in Scotland is that media coverage of Scottish issues is thin, although the BBC is not necessarily singled out from other broadcasters for criticism. Our quantitative results indicate that people in Scotland tend to have a more negative perception of the BBC than those in other parts of the UK. However, organisations with an interest in Gaelic programming praised the BBC's commitment in this area and called for it to be reflected in any new Charter.

“I think the cultural climate within the UK is pretty well catered for by the BBC – local TV and radio broadcasting take all sectors of the community into consideration, and culture-specific programmes seem to be available. I appreciate, though, as a white female with no specific religious or cultural needs, I may not be the right person to begin to contemplate this question.”

Participant in deliberative research, C2DE, Newark

- 5.38 It appears from research and consultation that while people value the focus on Scotland provided by programmes such as the Scottish edition of Newsnight, many would like to see Scotland and Scottish topics included in the mainstream rather than covered separately. As in Wales, there was a clear sense from public consultation and qualitative research that news and current affairs coverage was perceived to be heavily skewed to major urban areas.

...and the English regions...

- 5.39 Although ‘good regional programmes’ do feature amongst aspects of the BBC that generated spontaneous praise in our quantitative research, they are quite low in prominence. However, among those who expressed an opinion in public consultation, there was a strong sense – as there was in the nations – of the BBC being too focused on London. A significant minority felt that the BBC exported metropolitan values and opinions throughout the UK. As one respondent put it, “regional broadcasting can give the impression of being a poor relation to its London-based senior relatives”.

...as well as across communities of common interest...

- 5.40 There was a range of views expressed in this area, by individual and representative respondents to our public consultation, and by participants in our survey research. The BBC was seen by some to have made pioneering efforts in improving cultural and gender diversity both in front of and behind the screen. However, others told us that it could go further in embracing ideas on race, representation and accountability.
- 5.41 The balance of opinion from both consultation and research was that value was placed on the idea that the BBC should cater for ethnic communities. For instance, where it is known and used, the BBC Asian Network is valued highly.
- 5.42 However, there were some criticisms from respondents from and representing ethnic communities about what the BBC, and the wider media, actually does for those communities. Many young black people and young male Muslims of Asian origin complained about stereotyping and negative role models in BBC programmes. One example cited was the TV programme *The Crouches*.

- 5.43 Our quantitative research shows that 64% of participants agree with the statement that ‘Parents can rely on the quality of the BBC’s children’s programmes’. There was an even higher level of agreement amongst those with children.

...and its international role and reputation...

- 5.44 The public values the BBC’s international reputation very highly, ranking it number one in prompted descriptions of the Corporation. In this respect it far outperformed other public service broadcasters. We received responses from people all over the world expressing their positive view of the BBC, particularly its news service.

BBC America

The public consultation received a deluge of complaints about the quality of BBC America. The removal of Eastenders from the channel was the most often repeated complaint in the whole consultation.

- 5.45 Organisations working in the field of international development told us the World Service is important to hundreds of millions of people and makes a powerful contribution to human rights and sustainable development. For many it is seen as the only source of reliable, unbiased information.
- 5.46 The same group also see the BBC as having an important role in reflecting international issues back to the UK population.

...(although there might be scope for building better partnerships in some areas)...

- 5.47 Our programme of visits around the country provided evidence of the BBC’s engagement in partnerships with a variety of organisations and individuals. However, the point was often made to us by those engaged in partnerships with the BBC that they can only deliver maximum benefit by being truly inclusive, with both sides – however big they are – involved on an equal footing.
- 5.48 For example, there was a strong sense amongst bodies expert in education that there was scope for the BBC to develop better and more extensive partnerships with other organisations in the field, particularly in developing technological solutions to break down access barriers.

...and the BBC has always been there.

- 5.49 Last, but not least, a notable finding from our qualitative research was that many people value the BBC just because it has always been there. It was seen by many participants in qualitative research as standing for ‘traditional British values’. Our quantitative research demonstrated the BBC to have the strongest image of any UK broadcaster.

“I think the BBC gives me a warm feeling. It’s very familiar, it doesn’t change a great deal. It’s like an old blanket. Sort of dog eared. A comforter.”

Participant in qualitative research, AB, 31-45, light TV watchers, Northern England

- 5.50 On the other hand, some people think this makes it old-fashioned and too much ‘part of the establishment’. And even amongst people who took the most supportive positions in qualitative research, few thought of it as ‘cutting edge’ or ‘risk-taking’, even though that is one of the reasons sometimes put forward for the licence fee.

People expect quality from the BBC...

5.51 For the majority of respondents to consultation, programme quality is vital – in the words of one respondent, it is “at the heart of the contract with the audience” – the BBC should deliver the highest possible quality, whatever the subject or type of treatment involved. In our quantitative research people cited high quality programmes – particularly news programmes – as the aspect of the BBC they valued most.

...although there seems to be a perception that quality is in decline...

5.52 There was a strong feeling from public consultation and qualitative research that the quality of the BBC’s output, particularly TV, has got worse in the last few years. From our qualitative research, strong supporters of the BBC seemed to think that BBC TV, and especially BBC1, had lost ground in areas where it used to be prominent, particularly drama and comedy. Any perceived decline in quality appears to be confined to television – only 8% of people we asked as part of our quantitative survey thought BBC radio programmes had got worse.

“The BBC does produce some of the cheap-and-low-quality programming (Changing Rooms etc) but I don’t want the BBC to become elitist.”

Darren Fisher, consultation respondent

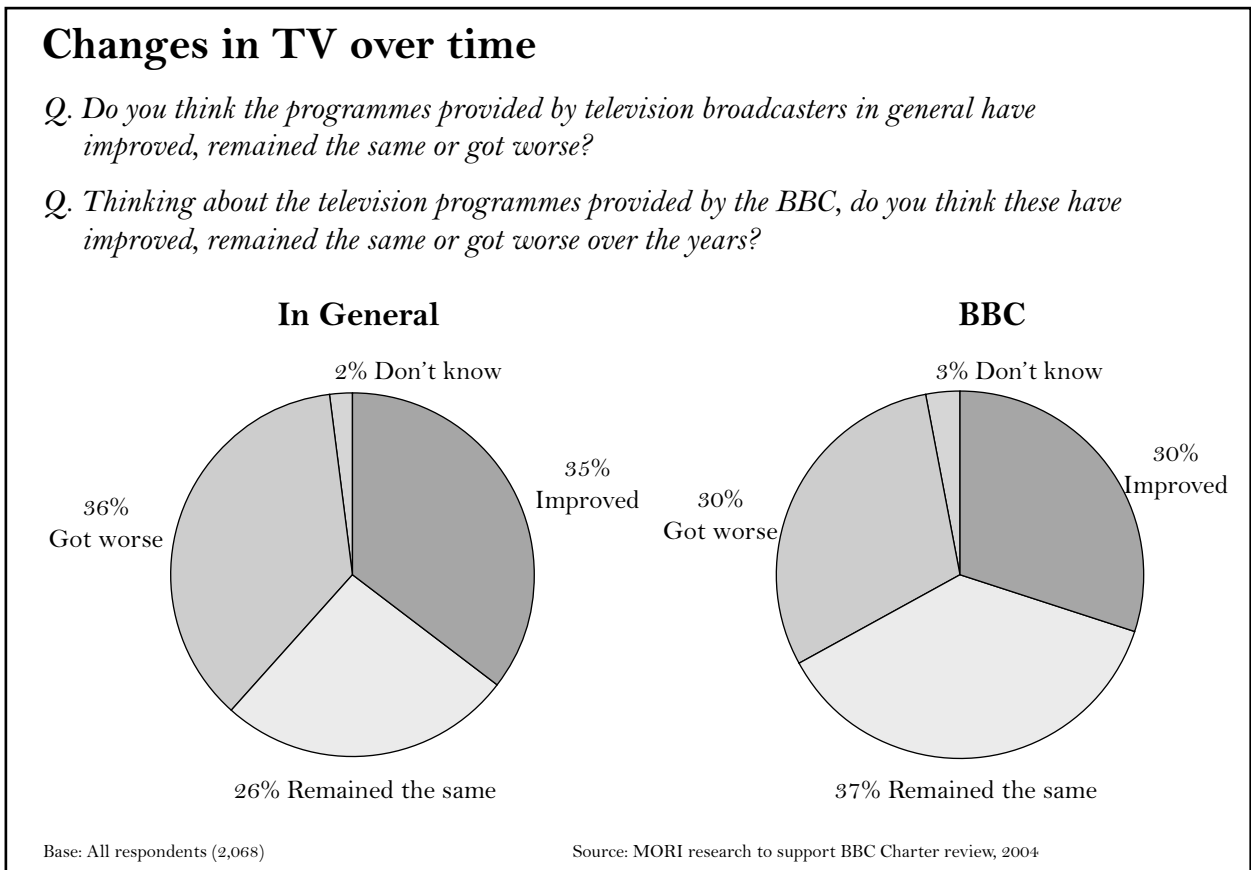
5.53 People’s concerns tend to fall into three main areas:

- Too many repeats of programmes that do not interest them – and using repeats in an unimaginative way
- “Dumbing down”
- “Copycat” programming – too many game shows, reality and makeover programmes that are not all that different from those offered by other channels.

5.54 It is difficult to tell how much of this is because people tend to remember the good programmes from the past and to forget the bad ones. In fact, many of the examples of highly valued BBC programming were from the past – even as many as twenty or thirty years ago.

5.55 Our quantitative research was less clear. The perception that there were ‘too many repeats’ on television, ‘programmes were dumbed down too much’ and a ‘decline in programme standards’ featured highly in spontaneous criticisms of the BBC – constituting 3 of the top five concerns (the others being having to pay the licence fee, and the level of the licence fee).

5.56 About 30% of people thought that BBC TV had got worse over time, whilst 37% thought they remained the same and 30% thought they had improved (see box). People in older age groups were the most likely to think that quality had declined – conversely, those who thought it had improved tended to belong to younger age groups. However, a finding of our deliberative research was that “the unanimity about the sense of decline in quality of BBC television output is startling”.



...perhaps because of a desire to maximise ratings.

- 5.57 Decline in quality was seen as being at least partly as a result of the BBC following rather than leading current trends. The BBC's value was often perceived to have been eroded by an approach to scheduling that places concern about ratings – particularly audience share – above the Corporation's historic role as leading public service broadcasting in the UK. The point came up many times in consultation that the BBC's success should be judged on measures like the quality, diversity and distinctiveness of its output and impact on audiences – not necessarily on audience size.
- 5.58 On the other hand, some people argued that the BBC had to get the balance right between popular and “elitist” programming.
- 5.59 In summary, the BBC was seen to have to strike a careful balance between the provision of popular entertainment, which brings it directly into competition with commercial broadcasters, and the provision of other public service broadcasting which, by its nature, is likely to attract rather smaller audiences.

So how does all this fit in with the wider provision of public service broadcasting?

- 5.60 When they were first asked, only a few people had a good idea of what exactly is meant by the term ‘public service broadcasting’ (PSB) – and this applied across all public service broadcasters, not just the BBC.
- 5.61 After they had thought about it and discussed it, they could identify the kinds of things that might be part of PSB – things like:

- ‘Quality’ – how good programmes are and how well they are made
- Offering a range of different types of programmes, and a variety of programmes within those types
- Offering programmes that reflect the needs of different communities, satisfy all audience types and represent different points of view
- Offering programmes and services that help people learn, reflect the different cultures of the UK and enable people to take part in the democratic process, eg quality news and current affairs programmes

5.62 In general, people who took part in our qualitative and deliberative research tended to think that the BBC provides all of these things, but that these attributes don’t say all there is to say about the BBC taken on their own. Those who liked the BBC a lot tended to think that having no advertising and, in theory at least, not being completely driven by ratings were important elements of PSB – and that the BBC was the only broadcaster able to give them this. People who liked the BBC less sometimes thought that PSB meant less sport and entertainment, and as a result, less that they might want to watch.

5.63 The BBC’s role as a public service broadcaster attracted a range of views. Some respondents said that the BBC should not be reduced to being merely a supplier of pure PSB, narrowly defined by ‘genre’ – for example, arts, religion, regional programming, current affairs, etc. – or in narrow economic terms such as genres the market fails to provide. It should, instead adopt a wide and relatively flexible definition to “educate, entertain and inform”. On the other hand, there were those who wanted more emphasis on the ‘inform’ and ‘educate’ elements and less on entertainment – for example, derivative formats, game shows, reality TV etc. Overall, however, our qualitative research suggested that the BBC is seen as meeting what people saw as the main attributes of PSB.

5.64 For example, our open forum discussions often sparked lively debate about what constitutes PSB broadcasting. One example is the television programme *Fame Academy* – some believed such ‘reality television’ fulfils many aspects of a PSB remit, including building talent, interactivity, activities with schools, and resulting in effects beyond the programme, for instance in reading and learning. Many believed that PSB is about an approach rather than a type of programme. On the other hand, others felt that it was a prime example of a derivative entertainment show which the BBC should not commission.

6 A changing landscape

“How should the BBC adapt to cope with changes in technology and culture?”

Key findings

- People think that the BBC should ‘keep up with’ developments in technology
- Organisations representing a broad range of interests believe that the BBC should use new technologies to bring benefits to society
- Some organisations recognise the BBC as a ‘trusted guide’, and believe it should introduce people to new technological experiences
- There is a strong sense from some parts of the broadcasting sector that the BBC should not act as an ‘aspiring monopolist’ in new markets

There appears to be a desire for the BBC to act as a responsible leader...

- 6.1 From qualitative research, many responses to the public consultation, and seminars with members of the broadcasting industry, the message that we have received is that a wide range of people are united in a belief that the BBC should keep up with developments in technology – indeed that it must do so ‘or perish’.

“The BBC must absorb the new technologies to find new ways of meeting its core purposes of informing, educating and entertaining. Unless it does so it will become increasingly irrelevant. Can you imagine only BBC TV programmes still in black and white and on 405 lines whilst all others were in full digital colour?”

D Thomas, consultation respondent

- 6.2 The qualitative research and, in particular, public consultation indicates that value is attached to the BBC’s perceived role as a technological leader. Both members of the public and industry respondents alike tend to recognise what they see as a crucial role that the BBC has played in expanding markets, for instance those for digital television and radio. This is evident, for example, in the widespread support for the Freeview initiative – led by the BBC in conjunction with Crown Castle and BSkyB. Going further, some see the BBC as having an important role as a ‘trusted guide’, introducing the public to new technological experiences. Widespread public appreciation of the BBC’s online services, in our consultation and research findings, support this view.
- 6.3 However, a number of submissions received from respondents in the broadcasting and online industries made the point that, in their view, there is scope for a more rigorous, transparent and responsive system of governance and regulation of the BBC’s activities with respect to new technologies and platforms – and that a free hand for the BBC to ‘colonise’ new technologies and platforms should not be automatically assumed.

“It should take every opportunity to keep up with such advances, but not sacrifice traditional and tested values for the sake of being seen as ‘up to date’ and lower its standards for the sake of conformity.”

B Griffiths, consultation respondent

- 6.4 Those respondents questioned whether the BBC should be allowed to take a dominant role in any new technology or means of distribution. They see the BBC’s unique position – including its guaranteed income – as offering it what they see as an unfair competitive advantage. There were calls for clear definition of the BBC’s contribution to any new market – such as the provision of content through mobile phones – to be available from the outset, so as to provide clarity and predictability for commercial companies wishing to enter the market.

...and that it should use new technologies to bring benefits to all.

- 6.5 As mentioned in Section 5, our research and consultation results indicate that people recognise the value of programmes that provide us with ‘shared experiences’, such as those that attract many viewers or listeners in groups or at the same time, and prompt discussion. Similarly, qualitative research suggests that people lament the perceived demise of ‘event TV’, and see TV-watching as an increasingly solitary activity. This research was backed up by comments from some people who took part in public meeting and industry seminar discussions, who feared that this type of programming will become rarer in a multi-channel world, where people can choose from more channels.
- 6.6 Findings from our research indicate that people feel that the BBC must be careful to strike the right balance between new and traditional technologies. The qualitative research found that people are concerned that the BBC uses its digital output in the best possible way, and are interested in the possibility of segmentation of its content by channel or station. However, some consultation respondents expressed an “intangible fear that technological advances might come to dictate the nature of programming and provision, rather than always remaining the malleable means for delivering programming.”
- 6.7 Members of the public tend to focus on digital TV when asked to consider the BBC’s role in technology. Views expressed on this are covered in the next chapter.
- 6.8 Our qualitative research also indicates that some people have a perception that multi-channel television as the preserve of what they saw as undiscerning viewers who watch a lot of television. However, 60% of participants in our quantitative survey said they had access to multi-channel television and, at the time of publication of this report, Ofcom’s most recent survey indicates that 53% of households are multi-channel.
- 6.9 In the face of such rapid growth of broadcast media, the BBC is exhorted by some consultation respondents to retain as its mantra the belief that quality is always of greater value than quantity. One such respondent noted, “I would rather have a choice of five good channels than 25 mediocre channels”.

There were calls for the BBC’s digital services to be universally accessible...

- 6.10 It is clear from consultation, meetings with members of the public and the industry, and research, that a significant body of people feels a sense of injustice about the BBC’s role in new technologies.
- 6.11 Around 9% – or 450 – of those who responded to our public consultation mentioned the BBC’s digital services. One third of those expressed a sense of exclusion, and often resentment, about being unable to watch the BBC’s digital services. Those people appeared to be quite concerned about having their licence fee spent on services that they have to pay extra to access, have no desire to buy, or that are not available where they live. This is made even worse for some when the BBC promotes its digital TV channels to people who cannot get them, an activity that some feel to be insensitive at best. At worst, those responding to the consultation frequently articulated the view that this was a signal that the BBC was unconcerned with the feelings of ‘analogue only’ viewers. In our quantitative research, 38% of those people who do not have access to digital services say that people who can receive them should pay an extra fee to do so.

“The BBC should continue to develop and change as new technology develops and changes. But please remember that not everyone has this new technology. It is really irritating to have programmes we cannot receive constantly advertised on the channels we do have!”

M Gill, consultation respondent

- 6.12 During open forum meetings some people concluded that the BBC’s digital strategy should be focused on delivering universal access to its digital content as rapidly as possible. Similarly, during deliberative research, many analogue-only viewers proposed that the BBC should provide the required technology to make all of its output accessible.
- 6.13 Those public respondents who were more familiar with newer types of technology often thought that BBC content should in the future be made available globally over the web.

...to enable the BBC to strengthen its commitment to the whole of society...

- 6.14 There was a view, notably amongst respondents from the voluntary and community sectors, that the BBC should exploit the potential of new technologies – particularly digital media – to widen access to content for all sections of society. Similarly, many public consultation respondents engaged enthusiastically with the idea of what benefits this could bring. Suggestions included more region- and subject-specific services, and more provision to ensure inclusion and reflection of the diverse and changing face of modern Britain.
- 6.15 A small number of organisations expressed a note of caution in this context, identifying particular groups that they felt the BBC could do more to serve, though not necessarily through new media. For instance, Help the Aged argue that those predominantly older people who do not use newer forms of technology, such as digital television and radio, interactive engagement or online services, are in danger of becoming excluded from democratic processes if these means of engagement become the norm. In contrast, one request emerging from public consultation was for the digital provision of a dedicated channel for ‘senior citizen programming.’

...stimulate young people's involvement in social issues...

- 6.16 At the other end of the spectrum, there were calls for the BBC to use new technologies to try to capture the interest of young people and stimulate their involvement in social issues. When asked about what new technologies they use and like, many children and young people say that they like features on digital television such as voting on television programmes, and being able to get additional information on what they are watching via the interactive function.

“I like Blue Peter. I dislike when things are on the cbbc channel and we haven't got that, it's not fair to the people who haven't got the cbbc channel 'cause there's more things on the cbbc channel.”

Julia Head, respondent to consultation for children and young people

...and help foster new partnerships.

- 6.17 A number of organisations, in particular from the voluntary and community sector, told us they see the potential for technological advances to allow people in local communities to work in partnership with the BBC to increase access, provide opportunities to develop regional identity and support local history projects.

7 Publicly-funded services and functions

“What do you think of the television, radio and online services the BBC provides?”

Key findings

- 75% of those surveyed said they were generally satisfied with the BBC’s services – but the public holds a wide range of criticisms
- BBC 1 and BBC 2 are the two services that most people think of first when they think of the BBC
- There is very low public awareness of some licence-fee funded services, particularly the BBC’s newer services

Overall, people appear to be satisfied with the BBC’s services...

- 7.1 When they think about the services and functions provided by the BBC, all our research and consultation shows that most people are satisfied: 75% of those surveyed expressed overall satisfaction. This figure was higher, at 84%, amongst consultation respondents, although the consultation is not statistically representative. 20% of those surveyed quantitatively were extremely satisfied, and over one thousand respondents were enthusiastic about BBC programmes.

“u dare take off the cbbc channel an i will hunt u down and kill u. ok dont u dare.”

Consultation respondent, name supplied

- 7.2 It is worth noting that our research shows that typical BBC viewers and listeners are in the mid-range socio-economic groups, older age groups and are lighter television viewers.

...and tend to feel that that the BBC provides ‘something for everyone’.

- 7.3 The majority of people (76% in our quantitative survey) thought that the BBC had something to offer them, and the view from consultation and research was that the BBC’s rightly tried to provide something for everyone was valuable. People typically think that the BBC’s output is very broad, and that this makes the licence fee better value for money. Quantitative research shows that 58% of people feel that the BBC does currently provide ‘something for everyone’. However, providing ‘something for everyone’ is not a quality unique to the BBC – ITV performed just as well in our quantitative survey.

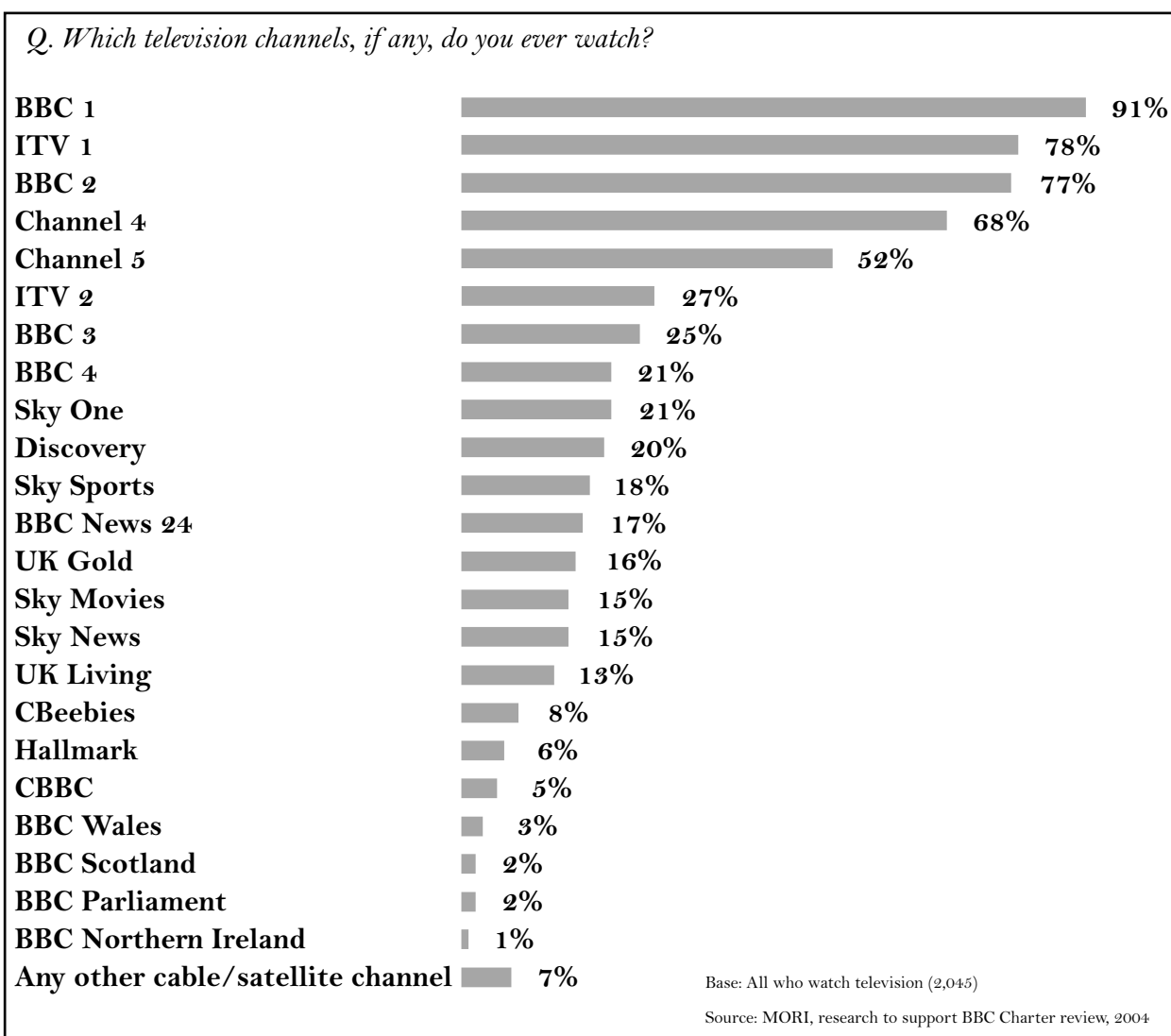
Auntie becomes uncle

Our qualitative research found that, irrespective of attitudes towards the BBC, the public had a similar perception of its identity and values. According to the research, the BBC was personified as ‘a man in his 50s, suited, comfortably off, conventional, conservative and reserved, who appeared friendly but was powerful and sometimes domineering’. These characteristics made the BBC seem like ‘one of us’ to some of its keenest followers, but for others meant it was remote and out of touch.

- 7.4 There is a significant minority who find very little about the BBC that appeals to them. 15% of participants in our quantitative survey either tended to or strongly agreed with the statement ‘the BBC does not offer anything for me’. And both our qualitative and quantitative research found that some groups, particularly lower-range socio-economic groupings and people in Scotland, were less likely to think that the BBC catered for people like them, with one third of participants in quantitative research agreeing that the BBC is ‘elitist’ in its attitude.

TV tends to be uppermost in most people’s minds...

- 7.5 Quantitative and qualitative research shows that when most people think of broadcasting they tend to think first of all about television. BBC1 and BBC2 remain the ‘flagship’ channels, and they are also the two channels that most people think of when they think of TV, with nine out of ten people watching BBC1. Of the digital channels, BBC3 and BBC4 are reasonably well known, with around a quarter of those surveyed saying that they watch these channels.
- 7.6 Deliberative and qualitative research showed in particular that people have a tendency to focus their views on BBC1 when talking about the Corporation. It is used as an example by people wanting to praise the BBC for a long list of perceived virtues, such as quality, professionalism, trustworthiness, truth and intelligence. On the other hand, it is also cited as an example of perceived ‘dumbing down’, and of stagnation.



...although people have plenty to say about radio...

- 7.7 Our qualitative and deliberative research shows that people have a different kind of relationship with radio than they do with TV. Listening and viewing habits are different: people who do listen to the radio tend to listen to only a few stations, while TV viewers tend to ‘channel hop’.
- 7.8 Of the BBC’s national radio stations, BBC Radio 2 is the most popular, with 34% of those surveyed quantitatively identifying themselves as listeners. Nevertheless, more people – 40% – claim to listen to their local commercial stations. For those interviewed in Wales and who have access, 30% listen to BBC Radio Wales – the equivalent figures for Scotland and Northern Ireland are 22% and 38% respectively.
- 7.9 The issue of spectrum scarcity and how the BBC is positioned within the radio market generates pronounced criticism from some of the BBC’s major competitors, who claim that the BBC holds too large a slice of analogue spectrum.

...the digital services were mentioned by a few...

- 7.10 Although compared to BBC 1 and 2, fewer people appear to know about or watch the BBC’s digital TV channels, what people think about them is quite clear. Research and consultation both show that people who watch them tend to appreciate the increased choice, and improved sound and picture quality.

Digital television

The Government is committed to switching from analogue terrestrial transmissions to wholly digital transmissions for the benefits it brings to consumers and to the UK economy.

By going to digital, as well as all the channels you can get now, you can get:

- extra channels without paying a subscription;
- interactive services by pressing a button on your remote control; and
- other services such as programme information, which is similar to having your television magazine on screen

The Government will only switch off the analogue TV signal when we are satisfied that everyone who can receive BBC1, BBC2, ITV, Channel 4, S4C, Channel 5 and Teletext on analogue will be able to receive those services digitally and that everyone can afford to convert to digital.

At present, television channels are being broadcast on analogue and digital simultaneously which is expensive and wasteful. Digital technology is the technology of the future and the change is inevitable. We want to ensure that change is managed smoothly and effectively.

- 7.11 When it comes to digital radio, awareness is generally low. BBC Five Live Sports Extra was the most popular of these services among those surveyed quantitatively, with 5% saying that they listened to it, while most of the other BBC digital stations were listened to by around 1%.

...and BBC online is popular.

- 7.12 22% of participants in quantitative research were aware of online services. 43% of people with access to the internet have used BBC Online. Research and consultation confirmed that users of the BBC website value it highly.
- 7.13 The most frequently praised areas of online were its news service and regional information. A number of organisations, such as Community Service Volunteers, would like to see the potential of this medium as a vehicle for drawing in audiences from the widest possible backgrounds maximised. There was also repeated and vigorous praise from consultation respondents – children and adults alike – for its educational content, for example the *Bite Size* exam revision materials.
- 7.14 There are criticisms from competitors too, who tended to put forward the argument that BBC Online’s product – which they agree is of high quality – has, nevertheless, been produced at the expense of potential commercial competitors. There are also calls from a number of organisations for BBC Online’s remit to be clarified and for it to ensure that it serves the broadest possible audience. This issue is covered in more detail in the independent review of BBC Online conducted by Philip Graf, and which will form an important piece of evidence for Charter Review.

How the BBC engages with its remit also attracted comment

- 7.15 A recurrent concern expressed, particularly by other television and radio broadcasters in consultation, focused on the BBC’s remit – what it does and what it’s for. They call for the BBC’s remit – both for the organisation as a whole and for the individual services – to be spelt out more clearly. They say this will give them more certainty about what the BBC is supposed to do, which would make things fairer for them. This is explored further in Section 11. One major broadcaster argued that the BBC’s publicly-funded activity should be related more closely to its core purposes as a broadcaster.

8 Commercial services

“Should the BBC run commercial services?”

Key findings

- There is widespread support for the idea that the BBC should make money on behalf of the licence fee payer out of assets paid for by the licence fee payer – 90% of people surveyed agreed that ‘the BBC should raise as much money as it can from selling its programmes and other products’.
- But concerns were raised in a number of areas, including:
 - whether or not the current arrangements deliver the best value for money
 - whether or not the BBC’s commercial activities should be more closely aligned to its publicly-funded services
 - fairness and transparency
 - and how the money should be used – whether it should just be spent on better programmes (50% of participants), only used to reduce the licence fee (30%) or both (20%)

Making money on behalf of the licence fee payer seems to be a good idea...

- 8.1 Although a minority of respondents to consultation thought that running commercial ventures runs counter to the fundamental purpose of the BBC, the overwhelming view from consultation, and the conclusion of our survey research was that most people believe that the BBC should make money commercially from assets – like programmes and characters – developed using licence fee money, to the benefit of licence fee payers. 92% of participants in our quantitative research thought that the BBC should continue to sell programmes, and 93% said it should continue to sell other products like books, DVDs and magazines.

“As long as the product is good in the first place I have no problem with them bringing in more revenue to re-invest.”

Participant in qualitative research, 16-30, female, disabled, London/SE

- 8.2 However, public consultation and the qualitative elements of our survey research make clear some constraints the public thought should be in place. According to views expressed to us, the public feel that the BBC’s commercial activities:
- should not risk licence fee money
 - should not risk the integrity and independence of the BBC
 - should not compromise the core business of programming and content generation
 - should not take unfair advantage of the commercial market
 - should reinvest all revenue generated back into the BBC, either as an investment in better programming, used just to pay for reductions in the licence fee, or both

- 8.3 There was a minority view in public consultation that the BBC's commercial services should be sold and the proceeds put back into programming or used to reduce the licence fee.

“Yes of course, if the result is an increase in the money going into the BBC for better programmes, then it is acceptable. If however the additional money is used to pay Marketing Executives who want more and more self promotion to the annoyance of many of your viewers, then NO!”

R Lee, consultation respondent

...but there are issues of concern, like scale and scope...

- 8.4 There is a firm view, expressed particularly by industry respondents in certain sectors, particularly publishing, that the BBC's commercial services should be more closely related to, and reflect, the Corporation's publicly-funded services and remit.

...fairness...

- 8.5 We received strong representations from some industry respondents who were of the view that the BBC does not compete on a genuinely level playing field – for example in the use of the BBC's airtime to promote its own commercial products – and that this should be rectified if the BBC is to continue with any form of commercial activity. They also called for more rigorous arrangements for governance and regulation (see section 11).

...whether they deliver the maximum bang for the licence fee buck...

- 8.6 Respondents from certain industry sectors made representations about what they saw as BBC Worldwide's 'right of first refusal' to undertake any commercial activity on behalf of the BBC (BBC Worldwide is the main commercial arm of the BBC). We received calls for the removal of this special status to improve competition and deliver better value for money for the licence fee payer. One other option raised during consultation that went even further was for the BBC to cease to run its own businesses and act instead as a 'rights agent', selling to others the rights to, for example, make magazines to support BBC programmes.

“If you make a good programme the least you can do is put it round the world and make some money from it. There's nothing wrong with that.”

Participant in qualitative research, AB, 31-45, light TV watcher, Northern England

...and how the proceeds should be used.

- 8.7 At present, revenue generated by the BBC's commercial activities is ploughed back into programmes and services. However, although opinion was reasonably balanced, some people thought that the extra money raised by the BBC's commercial services should not be spent on programmes, but only used to deliver real reductions in the cost of the licence fee.

9 Paying for the BBC

“How should we pay for the BBC?”

Key findings

- The licence fee was widely considered to be the best – or the ‘least worst’ – way to pay for the BBC for the next Charter, although there is some support for other options, particularly in combination with the licence fee
- The public’s view of the value for money delivered by the BBC is equivocal – with 46% saying it delivered fairly good or very good value for money, compared to 43% taking the opposite view
- There is strong support for the BBC’s independence from Government and from commercial pressures
- The way the licence fee is set and collected raised issues about fairness (particularly for those on low incomes) and efficiency (using significant public money to chase evaders)
- Proposals were put forward on different ways to distribute the licence fee to other broadcasters and production companies

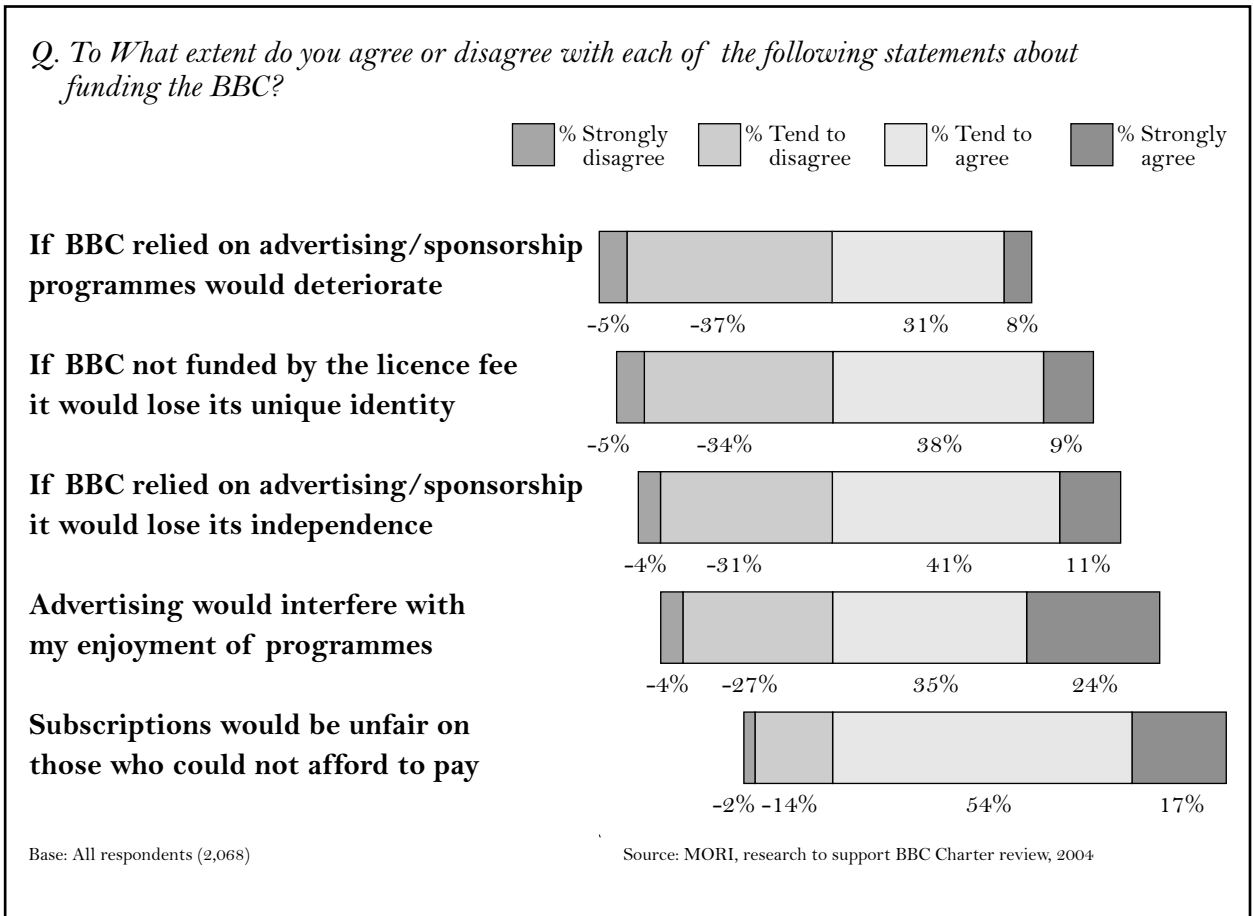
The licence fee is the public’s ‘least worst’ option for funding the BBC for the time being...

- 9.1 After the content of BBC programmes and services, how the BBC is paid for was one of the issues raised most frequently in consultation and research. Nearly two thirds of respondents to the consultation (62%) referred to the licence fee. Amongst these respondents, nearly two thirds (63%) supported the licence fee in its current form as the best way of paying for the BBC, at least for the time being.
- 9.2 What people think about the licence fee can affect their whole attitude to the BBC. During our public consultation, deliberative and qualitative research, a common justification of the licence fee emerged – its role in differentiating the BBC from other broadcasters.
- 9.3 A minority of respondents, however, objected very strongly to the licence fee. And in our quantitative research, ‘having to pay the licence fee at all’ and ‘the licence fee is too high’ were two of the top three spontaneous criticisms of the BBC raised in quantitative research.
- 9.4 The most common criticism raised in public consultation and qualitative research about the concept of the licence fee was the lack of choice of whether to pay it or not, even for those who do not use the BBC very much and prefer the choice of programmes from other broadcasters.

...but the situation may change in future.

- 9.5 The suggestion was also made, particularly by industry respondents, that the case for the licence fee should be reviewed once the UK has a fully digital, multi-channel broadcasting landscape. It was argued that the case for the licence fee may become gradually less sustainable if, with increasing access to multichannel TV, the number of households that choose not to consume any of the BBC’s services grows.

The public see benefits in retaining the licence fee...



9.6 One of the most commonly given reasons for the continuation of the fee by respondents to the consultation was that by this funding method, all members of the public are ‘shareholders’ in the BBC. In the words of one respondent, the fee “gives every household in the country an equal stake in the BBC’s future and equal pride in its success”.

9.7 Respondents to consultation and participants in qualitative research also saw a benefit in the licence fee because it allowed the BBC to make editorial and programming decisions free from commercial influence. This finding was not borne out by our quantitative research, however (see box). 39% of the participants in our quantitative research agreed with the statement that ‘if the BBC relied on advertising/sponsorship programmes would deteriorate’ compared to 42% who disagreed. That said, 59% of participants agreed with the statement that ‘advertising would interfere with my enjoyment of programmes’.

...but there are also arguments raised against it.

9.8 There was a significant minority of consultation respondents who argued for the discontinuation of the licence fee. The majority of these support the idea of an alternative public funding stream, rather than outright privatisation or commercialisation of the BBC.

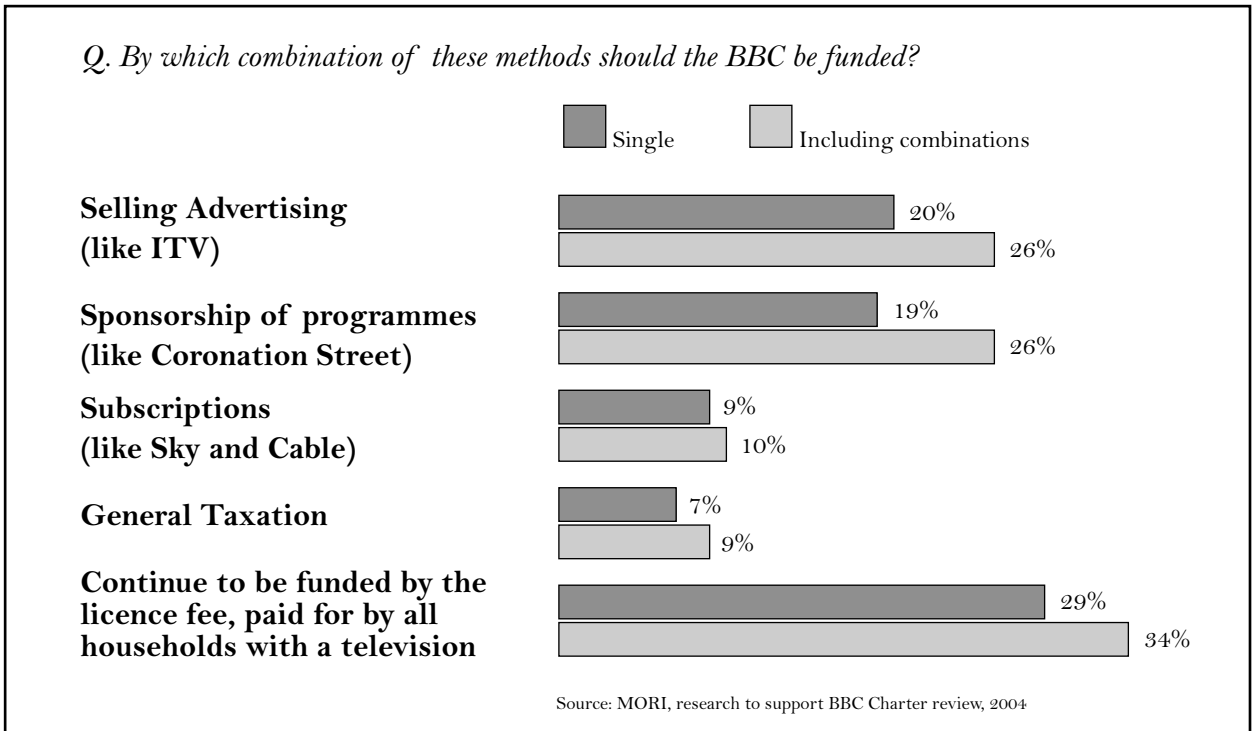
- 9.9 The majority of these respondents complain that the licence fee is a regressive tax, because wealthy viewers pay the same fee as those on low incomes, so it hits poor people hardest. These respondents very frequently drew a comparison between the licence fee and a ‘poll tax’. This led some participants in our qualitative research to suggest ‘means testing’ the licence fee. However, as those people thought about the practicalities more, they tended to conclude that means testing could be difficult and expensive to run. Most dropped their call for means testing, yet the desire for a fairer method of payment (where those who earn more pay more) persisted.
- 9.10 In a similar vein, there was some support for free licences for over-75s being extended to all pensioners – although it was suggested that elderly people who are able to pay should do so.
- 9.11 A similar point was made about subscription – with 71% of participants in quantitative research agreeing that having to subscribe to the BBC would be unfair on those who could not afford to pay – but subscribers to existing satellite and cable services often pointed out that subscription could allow them to choose which services they received and therefore what they paid. In fact, 58% of participants in survey research thought that people should be able to choose whether to receive BBC services.
- 9.12 Other respondents to the consultation argued that the licence fee creates an unnecessary link between the BBC and the government. The Government sets the level of the licence fee – and as a result, some respondents feel the Government may exert an undesirable control over the BBC.
- 9.13 A small minority of consultation respondents were critical of the way the licence fee is collected. The collection process was cited as heavy-handed and invasive. Others also argued that it was unfair that some people could use some BBC’s services – like radio and bbc.co.uk – without having to buy a TV licence.

...and some, particularly in the industry had views on widening access to licence fee funds.

- 9.14 Some people from industry suggested that organisations other than the BBC – other broadcasters, producers and, in a small number of cases, organisations from the voluntary and community sectors – should have access to licence fee funds.
- 9.15 Proposals covered a number of alternatives, ranging from distributing a set percentage of licence fee funds to other broadcasters, to requiring organisations to make bids to a central fund for the provision of PSB.

Some other forms of funding were discussed, like subscription...

- 9.16 Many people told us what they thought about other possible ways of paying for the BBC. The proposal for, at least in part, a service supported by subscription appeared from consultation and qualitative research to be the most popular alternative amongst people who object to the licence fee. Those people felt that subscription addressed the complaint that the public has no choice about paying the licence fee, whether or not they use the BBC. Some people also thought that subscription would be easier to police than collecting the licence fee. However, our quantitative survey did not correlate exactly with this view (see box).



9.17 Some respondents to the public consultation did suggest that the licence fee, potentially in a reduced form, should fund only certain parts of the BBC’s output, with subscription funding what they saw as the more ‘commercial’ elements of BBC programming. 24% of participants in our survey thought that the BBC should fund some programmes by pay-per-view, compared to 52% against.

9.18 The deliberative research also revealed a tendency to assume that subscription would cost about the same as the licence fee and that there would be large numbers of subscribers, allowing the BBC to function as it would now. Some respondents to the consultation thought that subscription could negate one of the BBC’s fundamental purposes – universal access. In addition, our quantitative research exposed little appetite for subscription with only 9% of respondents supporting it as an option – roughly half the level of support the same survey demonstrated for both advertising and sponsorship.

...advertising...

9.19 The majority of consultation respondents – including people who did not like the licence fee – were opposed, often quite vehemently, to advertising on the BBC, because they thought it would spoil the viewing experience and make the BBC less distinctive. Only 3% of public consultees were in favour of advertising as opposed to the licence fee, although 20% of participants in our quantitative research held the same view.

9.20 47% of participants in quantitative research agreed that if the BBC was funded by advertising ‘it would lose its unique identity’ – but 39% took the opposite view. And only 39% agreed that ‘if the BBC relied on advertising/sponsorship, programmes would deteriorate’, outweighed by 42% who did not.

9.21 One of the concerns raised most often was that if the BBC had to rely on advertising for its income, it might be forced to ‘chase ratings’, with the result that the quality of programmes – especially programmes with a more ‘public service’ feel – would suffer. The BBC would be under pressure to produce only profitable and ‘safe’ programmes.

...sponsorship...

9.22 From public consultation and qualitative research, it appears that the public prefer sponsorship to advertising – if an alternative had to be found – on the grounds that it would not spoil their enjoyment of the programmes as much. However, our quantitative research put the two forms of funding on an equal footing, each commanding around 20% as stand alone methods and 26% as part of a mixed funding model.

...direct taxation...

9.23 There was a tendency for participants in qualitative and deliberative research to view paying for the BBC through general taxation as fairer than the licence fee because ‘the better off would pay more’. But most of these also felt that it would give the Government too much power over the BBC. Overall, this way of paying for the BBC was not very popular – it was the least popular of all methods tested in quantitative research, with only 7% in favour.

...and other alternatives.

9.24 Some respondents to the public consultation suggested that rather than commercialising particular channels, certain programmes, such as important sporting events, could have their costs subsidised through sponsorship and advertising revenue. Additionally, it was suggested that the BBC could augment funds by investing on the money market. Other respondents suggested that the fee could be collected through independent regulator Ofcom and distributed across all broadcasters on a basis proportionate to their public service broadcasting output. Another suggestion from this consultation was that payment could be made through the council tax.

People also had views on whether the BBC delivers value for money.

9.25 Our quantitative survey research indicated very mixed views of the value for money delivered by the licence fee – with 46% saying it delivered fairly good or very good value for money, compared to 33% taking the opposite view.

9.26 In the qualitative and, in particular, deliberative research, people’s first impressions of the value for money of the BBC depended a lot on how much they liked BBC1 and BBC2. The more they knew about the range of services the BBC provides – like digital television, radio, the internet and regional broadcasting – the better the value for money they thought that they were getting. And there was a tendency to believe that all these services – particularly digital television – should be available free of charge to everyone.

9.27 The majority of responses to the public consultation praised the licence fee as good value, particularly in comparison to other media subscription services, such as Sky, and well worth paying for the breadth and quality of the BBC’s programmes.

10 Organisation and infrastructure

“Is the BBC organised in the most effective and efficient way?”

Key findings

- How the BBC is run is a mystery to most of the public – 85% know either nothing at all, or not very much
- The BBC’s contribution to research and development of broadcasting technology is valued highly – particularly by industry respondents – as is its role in training the broadcasting and film industries
- The balance between independent and in-house production is seen as an important issue by industry respondents – with the BBC’s failure to meet quotas for independent television production the subject of much criticism
- ‘Rights management’ is also seen as an important concern

For the public, this is a difficult question to answer...

- 10.1 We found that people were not generally in a position to answer this question, with 85 % of participants in our quantitative survey knowing either nothing at all or not very much about how the BBC is run and nearly 40% not knowing where to find information about how the BBC is run.

“My only information about the Corporation is that it is a bureaucratic nightmare, however that information comes purely from the press and not from personal experience.”
V J Wright, consultation respondent

- 10.2 Some people who took part in our deliberative research said that looking at any company or organisation – including the BBC – from the outside does not always tell you very much about whether it is being run in the most effective and efficient way.

...but some key themes emerged, like the value placed on the BBC’s role in researching new technology...

- 10.3 Views about the BBC’s contribution to broadcasting research and development were put to us frequently by both public and industry respondents to consultation. There was a strong consensus that the BBC plays a major role in many significant innovations in broadcasting. In the words of one industry respondent, the BBC’s “excellent R&D department gives it strength in depth in innovative broadcasting technologies, and its public service orientation allows it to make these powerful resources available to support industry-wide initiatives. We greatly value the BBC’s investment in R&D, and we would recommend that this principle of appropriate investment, together with its public service approach, should be carried forward under any new Charter”.

...and in training the broadcasting and wider media industries.

- 10.4 We received evidence, particularly from industry respondents and trade bodies, that the BBC is seen as the most significant employer in the audio and visual sector and that its role as a trainer for the whole of the broadcast industry is valued highly as a result, and for a number of reasons. For example, we were told by the National Film and Television School that the BBC's willingness and ability to take a risk by commissioning work from graduates is essential for bringing on new talent within the broadcasting industry and related sectors, eg film. And the BBC's nationwide presence was cited as allowing young people the chance to experience media training without having to travel far from their local areas.
- 10.5 A considerable number of respondents to the consultation identified the BBC as a 'benevolent force serving to cultivate talent'. Others, however, made the point that, other broadcasters and the independent production sector also made a contribution to training and development.
- 10.6 As far as the industry is concerned, there is a strong view that the BBC plays a very important role in stimulating and ensuring the success of the independent production sector through its commissioning activities. However, there is an equally clear view that it is essential for the BBC to retain its own production capacity to set standards in output, as well as developing talent and innovation.

Some issues generated much debate – like 'in-house' versus independent production...

- 10.7 Some of those we asked thought that the BBC should become a much slimmer organisation and increase the quantity of independently produced programmes it commissions. This tended to be driven largely by a desire to make the BBC cheaper to run, and hence reduce the licence fee, rather than by a wish to see more independent productions commissioned *per se*.
- 10.8 We received strong calls from independent television producers and their representatives for the independent production quota to be raised from its current 25% to 50%. Some went further, and called for the quota system to be abandoned altogether and replaced by a system based purely on 'meritocracy', with commissions awarded to the programme maker best able to deliver quality and value for money, whether in-house or external. Similarly, we received a number of submissions from independent radio producers proposing the equivalent quota for independent radio production be raised from its current 10% to the same level as the television quota, and that the quota should be applied at the level of individual channels and not averaged across the network as a whole.
- 10.9 Whatever the level, there was significant criticism of the BBC's failure to meet its independent television production quota in recent years.

The system of quotas

The Communications Act 2003 requires the BBC, Channel 3 companies, Channel 4, Channel 5 and S4C to allocate in each year at least 25% of the total amount of time allocated to the broadcasting of 'qualifying programmes' to the broadcasting of a range and diversity of independent productions. The aim of the UK quota is to multiply sources of supply – particularly small and medium-sized enterprises – stimulate creativity and foster new talent.

- 10.10 Issues relating to regional production by the BBC featured prominently in meetings that Ministers held with members of the broadcasting industry across the UK. Many participants complained that they thought the BBC focused on London too much.
- 10.11 There were calls for more network commissioning from Scotland, and also suggestions that the BBC distribute its production bases around the country to a greater extent than at present. Similar suggestions were mirrored across the UK, with many people calling for an improved spread of the BBC's impact, in terms of economic and cultural benefits, talent, and training and skills. Conversely, the point was also made that talent goes where the work is and that currently there was a tendency for production to get 'locked into' London.
- 10.12 Some participants in industry seminars called for a more strategic approach to regional commissioning and suggested that the Charter might serve to regenerate the production industry across the UK. We were told that the BBC's in-house production capacity should be used strategically to increase the proportion of UK programming originated outside the M25.

...as well as 'rights management'

- 10.13 In similar vein, we received strong views from a number of sources in the creative industries – writers and composers, often freelance, and independent producers and their representatives – that, although they supported the BBC very strongly, they would like to see a more equitable approach towards 'rights management'.

People also had a range of views on the BBC's financial and organisational efficiency...

- 10.14 There was a range of views amongst both public and industry respondents on the BBC's financial and organisational efficiency. They ranged from a sense among some respondents that the BBC's present management do little to develop economies of scale, overlooking vital opportunities to make savings (such as rationalising news services or pooling commissioning, production, scheduling and programme management functions across services) to a view that the Corporation's performance was a clear signal that the management must be doing well.
- 10.15 Evidence to support either view was sparse. However, ITN remarked that its own 24-hour news service was produced at less than half the cost of BBC News 24.

...and on whether the BBC should continue to be run as a single organisation.

- 10.16 We received a range of views on this issue. On balance, a strong majority of consultation respondents were in favour of keeping the BBC as a single organisation, commonly citing it as the best means of maintaining its highly respected cultural position throughout the world, and to guarantee the future of strong programming.
- 10.17 However, various specific suggestions for reducing the scale and cost of the BBC were put forward, including the creation of a separate news and current affairs production house, the closure of BBC3 and 4, privatising BBC radio, or the radio transmission network, and reducing the Corporation's management numbers. None of these commanded significant support in their own right. However, taken together they demonstrated a willingness in some quarters to consider alternative options.

11 Governance, regulation and constitution

“How should the BBC be governed and regulated?”

Key findings

- There are calls from both the public and the industry for reform of the arrangements for governance and regulation
- Particular concerns were also raised over
 - The appointment, make-up, skills and experience of the Governors
 - The precise remits of the BBC’s services
 - The regulation of the commercial services
- And there is support for a new Royal Charter – but there are calls for it to be written in a language that people can understand

People are generally in the dark on governance and regulation...

- 11.1 Few members of the public have much knowledge of how the BBC is governed and regulated. 55% of people we asked did not know who was responsible for the day-to-day running of the BBC.

Governance and regulation – what’s the difference?

For the purposes of this report, “governance” refers to functions and activities related to leading the BBC – setting its strategy and monitoring and stimulating performance.

“Regulation” is about ensuring compliance with rules and standards. In most areas, both of these functions are currently carried out by the BBC Governors.

- 11.2 This was particularly clear in the public consultation responses – where it was mentioned at all (in approximately one quarter of total responses), responses demonstrated a marked lack of knowledge about the role of the Governors. However, public consultation gives reason to believe that there is a relatively high awareness of at least the position and title of the posts of Chairman and Director General.

“We plough our licence fee into the vehicle called the BBC and we don’t really know who is driving it, or even if they know how to drive.”

Participant in deliberative research, ABC1, Hollywood

- 11.3 There was a view from elements of our research – particularly the deliberative – that the public would like to know more about things like how the Governors are chosen, what their responsibilities are and the balance between leading and regulating the BBC. However, only a minority of consultation respondents called for greater dissemination of information about the role, responsibilities and composition of the Board of Governors.

...but there is still a range of views...

- 11.4 Nevertheless, public consultation and research revealed a spectrum of views on how the BBC should be governed and regulated. Of the quarter or so of respondents to public consultation who raised governance and regulation, the balance of satisfaction and dissatisfaction with current arrangements was roughly fifty-fifty (55% to 45% on ‘governance’ and 52% to 48% on ‘regulation’).

...and widespread calls for reform...

- 11.5 There was a strong view held by a wide range of industry respondents, particularly other major broadcasters, that the BBC’s system of governance and regulation is in need of some degree of reform. Among the roughly half of respondents who raised the topic and were dissatisfied with the current arrangements, a recurrent theme was what they saw as contradictions in the Governors’ dual role. This was seen as making the Corporation vulnerable to criticism from both competitors and politicians. As one broadcaster put it, “the Governors cannot any longer act as investigation authority, prosecutor, judge and jury as well as cheerleader for the defendant”.

...although the jury is out on what form it should take.

- 11.6 A number of suggestions were put forward for increasing the degree of separation between the functions of governance and regulation.

In our quantitative survey, when asked who should be responsible for holding the BBC to account when things go wrong, 46% of people said the BBC should, compared to 39% for Ofcom, 9% for the Government and 6% for Parliament.

Source: MORI research to support BBC Charter review, 2004

- 11.7 At one end of the spectrum were variations based on retaining the current Board of Governors, but with measures designed to increase their independence of the BBC’s executive. Proposals included relocating the existing board of Governors and providing them with funding for their own Secretariat, giving them the capacity to commission their own research and monitoring if they wished, to setting them up as a separate, external body whose only job was to regulate the BBC. A number of respondents suggested that the Board of Governors be split in two, with one board focusing on running the BBC, and the other on its regulation.
- 11.8 At the other end of the spectrum of views, some suggested the wholesale transfer of regulatory functions to Ofcom (or an alternative external body – a special ‘BBC Ombudsman’ was among the suggestions received), leaving the Governors to operate very much as the board of a large company in a regulated industry, focusing on strategic leadership. An intermediate position suggested to us was that the Governors might work more closely with Ofcom – for example on the market impact elements of approvals for new services. There were also calls for more effective regulatory sanctions, particularly in the context of the BBC’s failure to achieve its quota for independent productions in recent years.

Whatever the system, there were calls for improved representation...

- 11.9 Regardless of the precise form of the system of governance and regulation, there were calls for improved representation of various interests, usually from representatives of those interests. They included music and the creative industries more widely, the voluntary sector and belief groups.
- 11.10 Some people suggested that a number of Governors should be appointed directly by the public.

...and views on the skills and expertise of BBC Governors.

- 11.11 There were numerous calls for a re-examination of the criteria used to determine suitability for appointment to the position of BBC Governor, particularly with respect to the breadth and depth of expertise that individuals would contribute. Suggestions included expertise in broadcasting, new media, competition and corporate regulation.

Many in the industry want clearer remits for the BBC's services...

- 11.12 We received strong views from major industry representatives that the BBC as a whole, and its individual publicly funded services, should have clearer remits, purposes and objectives. Those remits would be used – possibly by an independent body – to measure performance at appropriate intervals, both qualitatively and quantitatively, and to determine appropriate funding levels. Similar calls were made for increased transparency of the arrangements for approving new services, and for a greater degree of public and industry consultation.

“A good start would be to rewrite the Charter and Agreement to make the BBC more accountable to its viewers and to give it a clear ‘purpose’ that can’t just be rewritten by the BBC whenever it likes.”

B Herzfeld, consultation respondent

- 11.13 This point was made particularly strongly by representatives of commercial radio, who felt that their stations are held to strict, externally regulated formats as part of their licence conditions, and that BBC radio should be subject to similar constraints.

...and better regulation of the commercial services.

- 11.14 Governance and regulation of the BBC's commercial services raised a number of concerns, particularly among the BBC's commercial competitors. It is clear from responses we received from broadcasting and wider industry interests, that there is considerable negative feeling in some quarters about the way the BBC operates its commercial services – notably in, but not confined to, sections of the publishing industry.
- 11.15 There is, in particular, a view among some in the industry that the BBC Governors do not enforce the regulatory framework with sufficient rigour, and that when problems arise they are not treated seriously.
- 11.16 This has led some to call for responsibility for ensuring that the BBC properly enforces its Fair Trading Agreement and Commercial Policy Guidelines to be transferred to an external regulator, possibly Ofcom.

- 11.17 Whatever the mechanism, it was argued that it is in the public interest to ensure complete transparency on the relationship between any of the BBC's commercial services and the publicly funded services.

A new Royal Charter seems to be the favoured basis for the BBC...

- 11.18 One of the questions we asked as part of our public consultation was whether a Royal Charter continued to be the most appropriate basis for establishing the BBC. We received few responses on this point.
- 11.19 Among those who expressed an opinion, there was little support for alternatives, including constitution by Act of Parliament.

...but there is room for improvement.

- 11.20 However, in our deliberative research (which provides the opportunity for participants to form an opinion after becoming more familiar with the issues) there was a sense that if the BBC is going to continue being governed by Royal Charter, the frequency of review needed to be re-considered in the light of the speed at which technological and social change was perceived to be taking place.
- 11.21 In addition, where it was mentioned in public consultation, there were calls for the language of both the Charter and supporting Agreement to be modernised and made easier for licence fee payers to understand.

12 Accountability

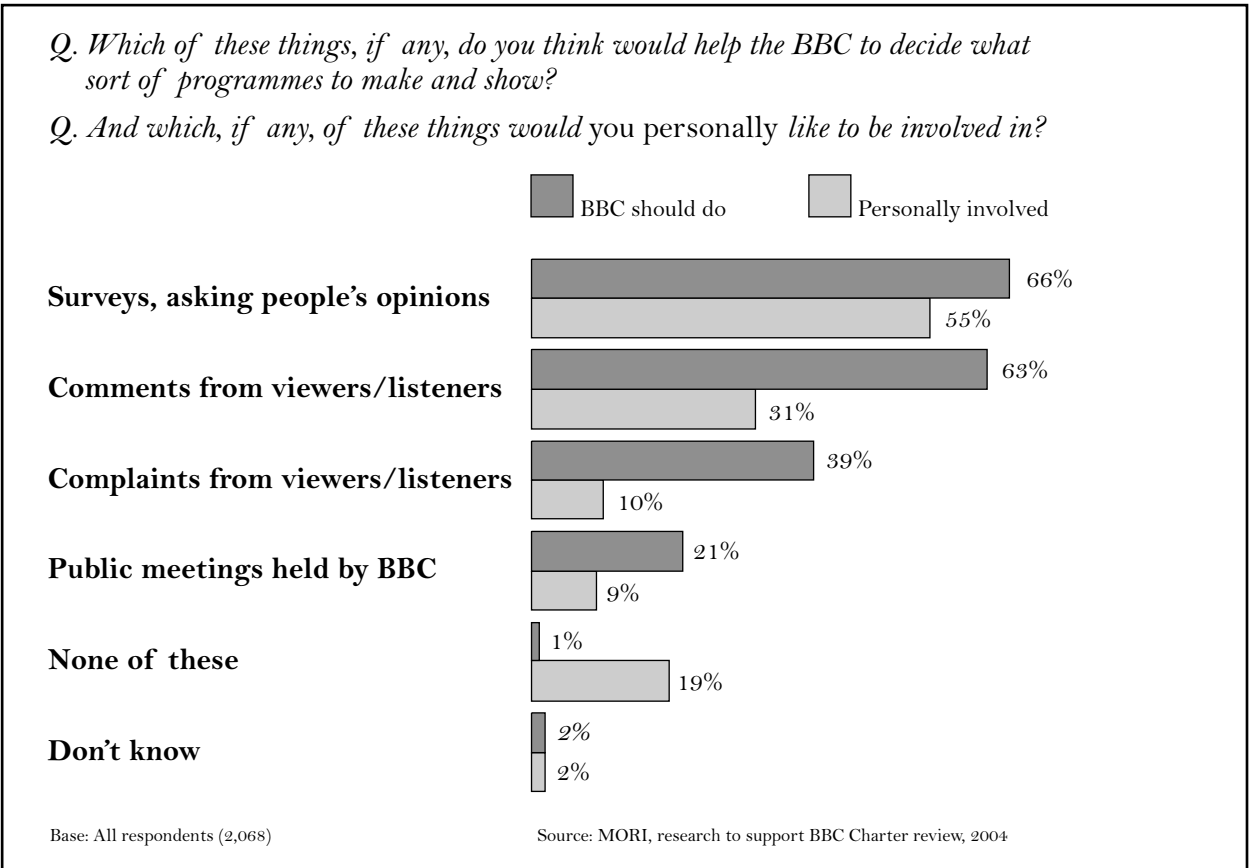
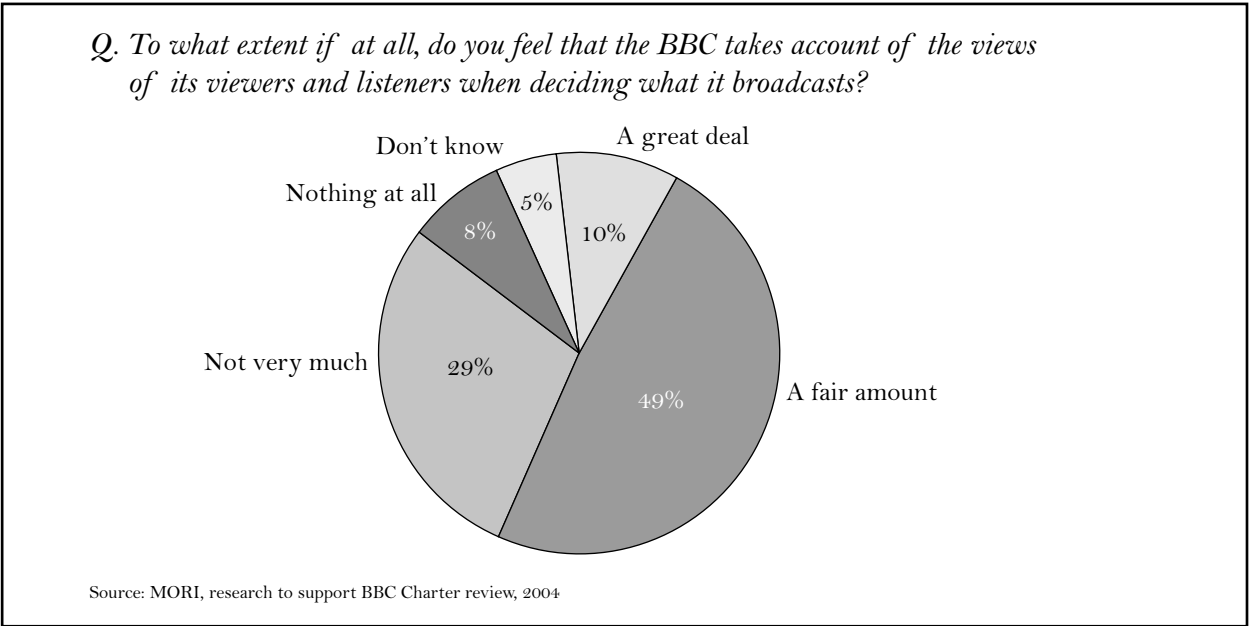
“How do we ensure that the BBC is properly accountable to the public and Parliament?”

Key findings

- The public would like to see the BBC become more accountable to licence fee payers
- A variety of proposals for greater public accountability were put forward – including some developing the concept of the licence fee payer as ‘shareholder’
- People thought that the BBC should be less accountable to the Government or to Parliament for what it delivers
- There are calls for greater financial accountability and transparency

People would like to see more accountability to the public...

- 12.1 42% of consultation respondents, representing over 2000 respondents, addressed the issue of accountability. Of these, around two-thirds said they wanted increased accountability to the public. There was a strong sense that public involvement might extend further than at present, delivering advice and feedback on broader strategic and policy issues.
- 12.2 The majority view from all our consultation and research is that the BBC should be more accountable to the public, and responsive to changing opinions and tastes. In our deliberative research, the vast majority of people who took part thought that the BBC’s primary responsibility was to the public.
- 12.3 In our qualitative research, few participants felt that the BBC is directly accountable to them, or that they can take issue with any aspect of its programming. There was a strong sense from this research that the BBC is seen as too remote and bureaucratic, when what people say they want is the feeling that the BBC is genuinely listening and responding to them.
- 12.4 There was a contrast in our quantitative survey, however, which suggests that a majority think the BBC takes either a ‘great deal’ or a ‘fair amount’ of account of the views of its listeners and viewers when deciding what it broadcasts – although a significant minority – 37% – think that it takes either no account at all, or not very much (see box overleaf).
- 12.5 We received a number of consultation responses from individuals who felt their complaints had not been given due consideration by the BBC. They included at least one complaint from a major broadcaster. At least one third (34%) of participants in our quantitative research thought that the BBC took either not very much or no notice at all of complaints made by viewers and listeners, with 58% taking the opposite view.
- 12.6 There were a number of proposals put forward for improving public accountability (see box overleaf for opinions on some of them). Regular opinion polls were a common suggestion, as was the establishment of regional or national viewer (and listener) forums – although very few raised the BBC’s existing regional advisory structure as a mechanism for improving public accountability. Other respondents who raised the issue felt that the internet services had considerable potential for delivering greater public accountability by improving transparency, facilitating regular public consultation, and providing a swift complaints procedure.



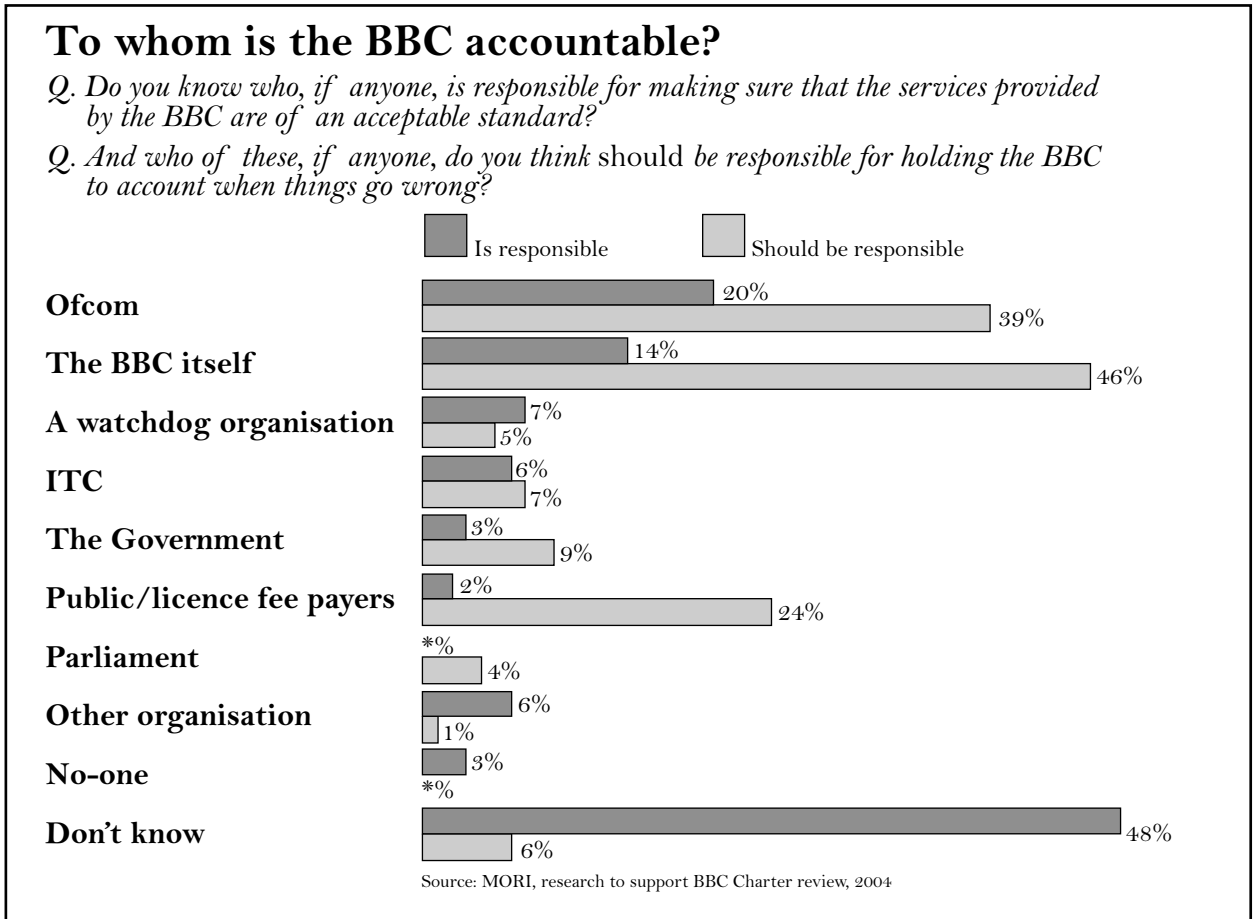
12.7 The concept of the licence fee payer as, in effect, a 'shareholder' of the BBC was a recurrent theme. As discussed in the previous chapter, there were calls for the Governors to be more representative of licence fee payers – going further, one recurrent suggestion was the election of one or more governors by licence fee payers, an idea supported by many public respondents.

“The BBC should have an AGM like any plc where the public can come and grill the executives.”

Participant in deliberative research, ABC1, Hollywood

12.8 However, a minority of respondents who raised accountability warned that that the BBC must be careful that vocal minority interest groups do not hijack any future commitment to greater public accountability. And there was recognition that it would be important to balance the accountability against the resources required to deliver it, and the need to maintain the BBC’s independence.

...but less accountability to Government and Parliament.



12.9 It was very clear from all strands of research and consultation that there is little public appetite for greater accountability of the BBC to either Government or Parliament. Only 9% of people who took part in our quantitative research thought that the Government should be responsible for holding the BBC to account when things go wrong and just 4% thought that Parliament should (see box). And of the 42% of respondents to consultation who raised accountability as an issue, only 11% said they wanted greater accountability to Government, compared to 63% who said they wanted less.

12.10 Our deliberative research backed this finding up strongly – demonstrating a very strong opinion that the BBC should not be responsible to Parliament – although there was a general tendency for participants to be unclear about the boundary between Parliament and the Government.

“I cannot see why the BBC is subjected to inquiry by three government departments or organisations...there must be a danger of the exercise being used by those with their own political axes to grind.”

Participant in deliberative research, ABC1, Crieff

12.11 However, there were calls from a small number of industry respondents in particular for the Governors to be answerable to Parliament, perhaps through a Joint Committee of both Houses.

13 A note on research and consultation

- 13.1 On 11 December 2003, the Government published a consultation paper *The Review of the BBC's Royal Charter*. Consultation closed on 31 March 2004, by which time, nearly 5,500 responses had been received.
- 13.2 Between late January and early June 2004, the Government carried out a programme of survey research to support the public consultation on BBC Charter review, in particular to ensure that the views of all sections of the population were captured.
- 13.3 The Government worked with COI Communications to commission three different types of research – ‘qualitative’, ‘deliberative’ and ‘quantitative’ survey research. Each type of research has particular strengths and weaknesses and for that reason should be viewed as contributing to an overall package.
- 13.4 The research was conducted across the whole of the UK, and took account of demographic factors including age, social group, ethnicity and geographical location, as well as media consumption (eg the number of hours per week of television watched).

Qualitative research

- 13.5 Cragg Ross Dawson was commissioned by the Department for Culture, Media and Sport to carry out this strand of the research. Fieldwork was conducted from 26 January to 8 March 2004 and included focus groups with members of the public, and ‘depth interviews’ with a small number of individuals – including teachers – with a professional interest in the BBC.
- 13.6 The focus groups brought people of similar ages and backgrounds together and encouraged in-depth consideration of broad issues, linked to questions set out in the consultation paper *The Review of the BBC's Royal Charter*. It involved open forum discussion of personal and group views around such topics as the image of the BBC. This work was of most use in the early stages of the research programme, because the results give a clear picture of the enormous range of opinions and attitudes held by a wide cross-section of the general public.

Deliberative research

- 13.7 Corr Willbourne, a research agency specialist in this field, was commissioned to carry out deliberative research based on the findings of the qualitative research. Fieldwork was conducted from 4 to 26 March 2004, and took place in two distinct stages. Participants first met in small seminars at the start of the process, and were presented with a range of informative material to guide them in deliberation over the following two weeks. They were asked to think carefully about the BBC, and to discuss the issues they thought were important with friends, family and colleagues, before returning to reconvened seminars for further deliberation.
- 13.8 This form of research gave an insight into people’s views of the issues when they have had a chance to think about them more fully than would be the case in other types of research. It enabled participants to become more informed and engaged with the subject matter than they might otherwise have been.

Quantitative research

- 13.9 Finally, quantitative survey research was commissioned from the research agency MORI. MORI conducted a detailed survey of attitudes by holding face-to-face interviews with a UK nationally representative sample of 2,068 people aged 16+. The interviews each lasted around 30 minutes and covered a number of issues surrounding the main consultation questions.
- 13.10 When taken as a whole, the research offers strong evidence of what people think about the BBC. Whilst minor variations in results are to be expected, they often serve simply to highlight the wealth and complexity of public attitudes to the BBC.
- 13.11 We have published the full research reports alongside this document on the BBC Charter Review website at www.bbccharterreview.org.uk.



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