

## Issues affecting the next BBC licence fee settlement

### Seminar, Friday 5 May 2006

The aim of the seminar is to provide an opportunity to debate and explore issues relevant to the next BBC licence fee settlement. The seminar will be divided into four sessions, according to the published agenda. The following questions are designed as a guide to participants on the principle topics we expect to be important at each session:

#### 1. The BBC's current settlement

- How far has the BBC fulfilled its 2000 mission? What have been the highlights and lowlights? What real benefits have been delivered?
- What have been the main sources of income over the settlement?
- What have been the main cost pressures?
- What have been the main sources of improved efficiencies, if any?
- What has happened to the revenues of the wider market? What impact, if any, did the 2000 settlement have on those revenues?

#### 2. The future: cost pressures, efficiencies and the wider market

- The shape and growth of revenues in the wider broadcasting market and their implications for the next licence fee settlement?
  - Prospects for advertising
  - Prospects for subscription
- To what extent does the BBC drive costs in the market?
  - "superinflation" across the industry, including wage costs
  - Programme costs, including independent production, acquisitions, rights and cost of talent
- To what extent is the BBC capable of generating further efficiencies?
  - How do we measure efficiency?
  - Is broadcasting becoming more efficient?
  - What are the main drivers?
- The BBC's impact on the wider creative economy

#### 3. Technological Development

- The changing shape of the sector: how do developing technologies impact on programme delivery and revenue generation?
- How will developments in technology impact on future efficiencies within the industry?
- To what extent will costs increase as demand increases to make content available across a range of different platforms?
- What are the expected technical costs and efficiencies associated with the move to digital broadcasting?
- What will be the impact on the way the BBC does business during the next settlement?

#### 4. BBC's own future funding proposals

- What is needed to deliver the White Paper vision?
- Bringing together the potential additional costs and potential efficiency savings
- New investment
  - Quality content
  - Case for the move out of London and local relevance more widely
  - New Media Plans
  - HDTV