

NEW BBC DIGITAL SERVICE APPLICATION

General Observations on the BBC's revised proposals

We are pleased that the Secretary of State's response to the BBC's plans for new digital services, funded from the Licence Fee, included rejection of the initial proposals for BBC Three. This has caused the BBC to look again at their plans for this channel and to present a more detailed scheme.

We note that the target group for BBC Three is the 25 - 34 year olds and we wonder why this group should be favoured for such preferential treatment given that the number of older people, who have been paying the Licence Fee for longer, is the largest growing age group. We wonder if there could be an underlying agenda to establish 'brand loyalty' that will secure the BBC's funding in the future. We note that ITV2 is targeted at 16 - 34 year olds.

It is also relevant to ask how many people are in this age group and what their current viewing habits are. How much of their leisure time is taken up with TV viewing and what are their favourite channels and whether they would change to BBC Three.

We note that the BBC intends to expend a relatively high proportion of its annual budget - available from Licence Fee funding paid by everyone - on new programming for BBC Three. This will surely mean less money available to fund new programming on BBC 1 and BBC 2 unless there is a big increase in the Licence Fee or money is found from elsewhere.

Or is it the intention, in the short term, to repeat BBC Three programming on BBC 1 and BBC 2? It is stated, presumably to attract praise from the Government, that the BBC intends to use BBC Three to "drive digital take up", an objective which falls in with Government policy aims. Is this a ploy to find favour when it comes to the next round of Licence Fee negotiations?

In the past we have been critical of the BBC and the ITV companies for failing to commission programmes about the

application of digital technology to communications and the benefits this brings. However, as time passes, and analogue switch off comes closer many people feel, justifiably, that they are being forced to go digital. The general lack of clear explanation with regard to cost, installation, hardware and subscriptions leaves people feeling confused and aggrieved. It is long overdue that all the implications are properly discussed and openly debated in a way that will really help people to grasp the complexities and make informed choices.

It is not good enough for the Government to simply approve the BBC's plans, however good they may be, without insisting on a proper public information campaign and proper accountability. We are aware of the Government's "Digital Action Plan" but so far this has had little attention paid to it.

We would suggest that the Chairman and Director General of the BBC, the Chairman of the ITC and the Chief Executive of SKY TV, the Secretary of State and the Minister of State form a sort of 'Question Time' panel hosted by, say, Baroness Howe of Idlicote. The programme should have a studio audience drawn from the public and be open to all by telephone and e-mail. We believe also that every licence-fee-payer should receive an information leaflet from the BBC explaining what is in prospect and how Licence Fee money is likely to be apportioned in the future.

We note that the Secretary of State has asked the BBC and ITV companies to promote digital television and in recent weeks there have been trails for programmes on the BBC and ITV analogue channels. Rather than providing information these promotions are made in such a way that suggest there is a real disadvantage in not switching to digital but without alluding to the additional cost implications.

We note that BSKYB has now withdrawn its free digital decoder offer meaning that 'digital take up' will become significantly more expensive and a much less attractive proposition unless there is a new offer coming from the BBC or from the Independent TV sector or from the Government.

Digital decoders would be a one-off cost that could easily be paid for out of the proceeds from the sale of the analogue frequencies. In September 1999 these were reported to be worth an estimated

£6 - £8 billion to the telecommunications industry. If the electronics industry could produce a 'no frills' plug in digital decoder for around £100 we estimate that it would cost around £1.5 billion to provide all analogue TV households with free equipment.

Since switching to digital is advocated by the European Commission and is UK Government policy, we can see no good reason why the additional costs should be borne by households which, so far, have not been sufficiently impressed by the marketing campaigns or the extended choice that multi-channel television provides. We note also that Britain's largest multi-channel cable TV company, NTL, is doing so badly that it is reported to be considering a £1 billion cash injection to stave off bankruptcy!

We believe that the offer of free digital decoders is the only way to overcome the inertia of those who have not voluntarily switched to digital.

The proposals for BBC Three assume too much and there is not enough detail about the surveys carried out in support of the channel. It would be helpful to know what questions were asked and how large or representative was the sample surveyed.

The proposals come at a time when advertising revenue for Commercial television is said to be in crisis. We do not believe that this will be a permanent problem and that the economic conditions will improve. It is, therefore, inappropriate to use the advantage of guaranteed and increasing licence fee revenue as a reason for the BBC to gloat and still less a reason for the Secretary of State to give the go-ahead without answers to the many questions that arise from the BBC's proposals.

We welcome plans to promote new talent but can see no good reason why this should be limited just to BBC Three. Nor should the creation of new shows be limited to BBC Three.

On balance the revised proposals set out by the BBC are more detailed than the previous exposition. There are clearly aspirations that indicate good and upward progress in broadcasting but more explanation is needed as to the overall

impact on the existing BBC TV channels and on the competition from the commercial sector.

mediawatch-uk welcomes the extension of choice in television viewing that digital technology brings but there are many other factors to be taken into account.

Traditionally, we have expressed concern about taste and decency issues in programming and we believe that the BBC should be accountable on this matter too. The proposals for BBC Three make no reference to their Royal Charter requirements or their Producers Guidelines. Promises and undertakings in this respect should form part of the proposal for BBC Three that is presently lacking. In the public interest the Secretary of State should seek assurances and undertakings from the BBC in this regard.

Ends

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