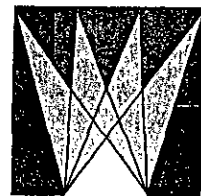


21st February 2001

Mr Pablo Palao
Public Service Broadcasting Policy Branch
Room 410
DCMS
2-4 Cockspur Street
London SW1Y 5DH



BECTU
BROADCASTING
ENTERTAINMENT
CINEMATOGRAPH &
THEATRE UNION

Dear Mr Palao

DCMS Consultation on Proposed New BBC Digital Services

I am happy, on behalf of BECTU, to provide our submission to the consultation as follows:

GENERAL SECRETARY
Roger Bolton

ASSISTANT GENERAL
SECRETARIES
Marilyn Goodman
Gerry Morrissey

1. As the recognised trade union for the BBC's technical, programme-making and administrative staff as well as for freelance and fixed term contract workers engaged directly by the BBC or on independent commissions, we have a close interest in these proposals and their implications for the BBC and the rest of the broadcasting sector.
2. We note that the BBC is proposing:
 - 4 new digital TV services:
 - BBC Three (18-35 year olds: comedy/news/drama/current affairs)
 - BBC Four (arts/science/history/philosophy/current affairs)
 - Children's Channel 1 (under 6 year olds)
 - Children's Channel 2 (6-13 year olds)
 - replacing BBC Choice and BBC Knowledge
 - 5 new digital radio services:
 - Network X (black music/news; for a young audience)
 - Network Y (archive pop music)
 - Network Z (current and archive comedy/drama/childrens/feature)
 - Asian Network
 - BBC5 Live Sports Plus
 - The World Service to be available in the UK on digital audio and via the Internet.
 - For a total investment of £326m over the 2 years 2001/2 and 2002/3.
3. We recognise that the consultation is being carried out under the Secretary of State's guidelines for assessing BBC public service proposals, with criteria including:

111, WARDOUR STREET
LONDON W1F 0AY
TEL: 020 7437 8506
FAX: 020 7437 8268
www.bectu.org.uk

- the enhancement of the BBC's achievement of its undertakings on programme content and standards.
 - the likely impact on commercial services
 - the distinctiveness of the BBC proposals
 - universal accessibility within a reasonable period (to those with appropriate receivers) and free at the point of use
 - value for money for licence payers.
4. We focus in our response, on arguments concerning digital take-up; children's television; and radio.

DIGITAL TAKEUP

5. Given the commitment of the Government and of the industry to digital switchover, we recognise the need to achieve the broadest possible digital take-up within the next few years. Current figures indicate take-up of just over 25%, with an expectation of 30% by the end of the year.
6. We fear, however, this remains a long way short of achieving the Government target of analogue switchoff by 2006-2010. This target remains difficult to achieve for the following reasons:
- Audience research indicates that up to 40% of the population do not wish to subscribe to new digital channels.
 - A significant number of current digital subscribers are likely to be 'early adapters' who are more predisposed to make use of new technology. The pace of take-up among the rest of the population is likely to be much slower.
 - Many early digital subscribers are existing Sky satellite subscribers who have simply switched – with the strong incentive of a free set-top box – to Sky Digital. For them, the switch to digital is untypically easy and therefore more likely than for many other viewers.
 - Digital television is at present strongly associated with pay TV in one form or another. There are few perceived advantages in terms of public service broadcasting (PSB), free at the point of use.
7. In this context, we believe the proposed new digital TV services can play a positive role and should be supported.
- The offer of new digital channels which are neither a replication of analogue PSB nor a further extension of pay TV could be a significant attraction to those viewers for whom digital television currently appears to offer nothing that is both new **and** affordable.
 - We believe, therefore, that the new BBC digital services would encourage more viewers voluntarily to switch to digital platforms within a shorter timescale than they otherwise would.

- We further believe that any late switchers who feel they are 'forced' onto digital by the eventual approach of analogue switchoff will at least be offered the choice of extra free-to-air channels rather than a simple replication of analogue PSB.
8. We are aware of the opposition to the proposals already made public by commercial broadcasters such as BSkyB, MTV, Telewest and others. This puzzles us. As broadcasters strongly committed to providing digital services and therefore presumably with a strong vested interest in a successful transition to digital, we believe the incentive for increased digital take-up provided by the BBC proposals does not contravene their position but promotes their own long term interests.
 9. At its present and projected rate, digital take-up is by no means guaranteed to meet the Government's target for switchover of 2006-10 (which has itself been criticised as an excessively lengthy timescale). Pay television, as offered by the commercial broadcasters, does not appear in itself to guarantee a successful transition. This provision of new digital PSB services would fill a gap in the overall digital package and thus could make switchover easier to achieve. This, we believe, is to the benefit not the detriment of the commercial broadcasters.
 10. While focussing on digital switchover, we of course also welcome the boost to original UK production which the new proposals would provide – both within the BBC and, through new commissions, in the independent sector.

CHILDREN'S TELEVISION

11. Within the debate already engendered by the new proposals, we note the particular focus on children's television. We readily acknowledge that commercial broadcasters already offer a range of children's programming and accept that the proposals can only be justified if they are sufficiently distinctive from the current commercial provision.
12. We believe, however, that such distinctiveness can readily be demonstrated. We have an long term interest in children's television generally but also specifically in animation (which forms a significant proposition of children's output). A prominent characteristic of current children's television, and specifically of its animated component, is the high proportion of imported and repeated material. This is particularly true of dedicated children's outlets on pay TV.
13. What would be distinctive - and very welcome – about the two proposed digital children's channels is the emphasis on original UK programming, with a total investment of £82m over the two years 2001/2 and 2002-3.

14. If this investment is spread between the BBC and the independent sector, this will provide a timely boost to original production; increased support for the UK animation sector (which has a worldwide reputation for quality and creativity and yet is undermined by mass production techniques abroad); and a means of leverage for additional coproduction investment from external sources.
15. For viewers, there will surely be an added cultural (and possibly educational) benefit in an increased proportion of children's programming that is distinctively British. The commercialisation of much of children's programming – certainly in terms of animation – has been the subject of public debate in recent years. The provision of an additional choice of British originated material can only be welcome in this context.
16. Finally, while there would be an element of additional competition for audiences we do not believe commercial broadcasters should fear the new children's channels. There would be no direct competition for advertising or subscription revenue. There is no reason why commercial offerings cannot continue to be successful if they cater to audience need.

RADIO

17. Many of the arguments on radio are similar to those for digital television. In particular, there is a need – perhaps even more than in television – to make digital radio more attractive and to achieve a higher take-up than the present poor rate of switchover.
18. The cost of digital audio receivers remains high. The incentive to switchover will be driven above all by the perceived attractiveness of the digital services available, which have received nothing like the same investment or attention as digital television. In this context, the provision of 5 new free to air digital services – none of which simply replicate existing PSB stations – is a welcome proposition.
19. We particularly welcome the proposed Asian Network, which fits with the broadcasting sector's professed aims of achieving greater cultural diversity both in programme output and in the audiovisual workforce. While there are a number of successful and thriving local Asian-oriented stations, this would represent the first free-to-air national station of this kind. It appears to offer an additional choice which is not currently available from commercial sources. For all these reasons, we believe the proposal should be strongly supported.
20. We therefore see the BBC's digital radio proposals as offering a significant and welcome boost to the currently 'Cinderella service' of digital audio. This is in the interests not just of the BBC itself, but also of commercial broadcasters and, of course, of listeners.

CONCLUSION

21. We broadly welcome the new BBC digital proposals on the grounds set out above and believe they would provide a vital reinforcement to the UK's digital broadcasting strategy.

We look forward to the further progress of the consultation.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Roger Bolton', written in a cursive style.

Roger Bolton
General Secretary