

Public views on contestable element of the Licence Fee

**Final report on research conducted for
the BBC Trust**

25 September 2009

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Executive Summary

Executive Summary

Background and methodology

The BBC Trust commissioned Ipsos MORI to conduct research to gauge the public's view of specific proposals put forward by the government to use some of the television licence fee to fund the provision of news in the Nations, regions and locally, by providers other than the BBC. This research question was split into two distinct parts:

1. The proposal to use the anticipated **underspend** from the Digital Switchover Help Scheme to fund regional news pilots and also broadband rollout, in advance of the completion of digital switchover in 2013.
2. The proposal to introduce a **contestable element** of the licence fee after digital switchover in 2013, with the purpose of providing funding to news consortia, who will use it to produce regional news for broadcast.

A mixed methodology approach to data collection was adopted for this research:

- **An Omnibus Survey**¹ of 4,140 UK residents aged 15 years and over between 14th August and 1st September 2009. The quantitative survey tested reactions to both parts of the proposal; the use of the anticipated under-spend and the introduction of a contestable element. Two versions of the questionnaire were designed: half of the sample (2,072) was asked about the anticipated under-spend and half (2,068) were asked about the contestable element.
- **Seven deliberative workshops**, attended by between 12 and 18 participants, were conducted across different locations in the UK: London, Kent, Exeter, York, Cardiff, Glasgow and Belfast. The London group, which took place on 20th August 2009, was treated as a pilot and some amendments were made to the discussion guide and stimulus materials after this event. All of the remaining workshops took place in the

¹ A nationally representative quota sample of 4,014 British adults was interviewed across 289 sampling points on the Ipsos MORI Capibus. There was also a booster sample of 126 interviews carried out across 12 sampling points with a representative quota sample of adults in Northern Ireland. Interviews were carried out using CAPI (Computer Assisted Personal Interviewing). Interviews were carried out face-to-face in respondents' homes and the final survey data have been weighted to reflect the UK population.

evenings of the week commencing 24th August 2009. Given the complicated nature of the proposals, and to avoid confusing participants, it was decided that the workshops would focus solely on the contestable element of the licence fee and how this should be used. During the workshops participants were presented with new information through three videos – the scripts and slides for these videos are appended.

Quantitative findings

Whilst quantitative research inevitably achieves top of mind reactions, the role of this type of research is to obtain a robust representation of popular opinion of the different options.

Watching the news

UK adults reported watching a broad range of programmes on the terrestrial channels. News was the most watched programme type; 70% said that they watched the news on a regular basis (i.e. a few times a week).

News about their part of the UK did not feature in the ten most regularly watched programme types of UK adults but is watched by three in ten UK adults (29%) on a regular basis. Just over half (53%) of those who watch news about their part of the UK said that they only regularly watch it on BBC1, while one quarter (25%) said that they only regularly watch ITV1. The remainder either watch both or reported watching this type of news on another channel.

Just over half of those in the DE social grade (53%), who said that they regularly watch news about their part of the UK, watch it on ITV1, compared with just under three in ten (29%) of AB respondents. Equally, Northern Irish and Scottish residents who said they regularly watch news about their part of the UK were significantly more likely than English residents to watch this type of news on ITV1 (72% and 50% respectively versus 39% in England).

The majority of those who said they regularly watch news about their part of the UK also said they were satisfied with the range and quality of the news that is currently available to them (78%). However, there were some distinct differences between the nations. Those living in England were most likely to say that they are satisfied with the range and quality of news about their area (80% versus 78% overall), while those living in Scotland were most likely to say they are dissatisfied (24% were dissatisfied with the range and 19% were dissatisfied with the quality, compared with 12% and 9% overall). That said, the majority of those watching regional news in Scotland were satisfied: 60% of those living in Scotland and regularly watching regional news on BBC1 or ITV1 expressed satisfaction with the range of news available, and a similar proportion (64%) expressed satisfaction with the quality. There

are no clear differences in satisfaction between those who only watch news about their part of the UK on BBC1 and those who only watch ITV1.

Options for ongoing licence fee when switchover is complete – main question set 2

Half of the UK adults surveyed were read a brief introduction explaining that:

'The television licence fee is now £142.50 per household per year for a colour TV. Most of the licence fee funds the range of BBC services on television, radio and online, but since 2007 about £5.50 of this is used to help older or disadvantaged people get prepared for digital switchover.

Digital switchover is the process of switching off the UK's old analogue television broadcast signal region-by-region, and replacing it with a digital signal. This will be complete in 2012.

When digital switchover has been completed, the government will need to decide what should happen to the part of the licence fee which is currently being used to pay for it. This amount of money (£5.50 per household per year) could be dealt with in a number of different ways.²

Respondents were shown six options for how this part of the licence fee could be used in future and asked to rate their support for each on a scale of one to ten, where one is 'no support at all' and 10 is 'complete support'³. Respondents were then asked to choose their preferred option and to explain why they had chosen it as their preference.

The preferred option in the quantitative survey was reducing the level of the licence fee after digital switchover is complete (49% choose this out of the six possible options). The second most popular option was spending more on BBC programmes and content (17%). Around one in seven (15%) said they would prefer to spend the money on broadband infrastructure and around one in ten (9%) said they would prefer money to fund other public service programming, such as UK-made children's programmes, on ITV1, Channel 4 or Five. Just 6% said they would prefer the money to be spent on funding new organisations to provide news about their part of the UK to be shown on other channels and 4% said they would prefer it to be used to increase the number of people who can receive DAB digital radio.

Having the money back was the preferred option for the use of the switchover funds across all sub-groups we looked at (age, gender, number of children in household, socio-economic

² The full introduction that was read out to respondents is provided in the appendices.

³ Responses were aggregated into: high support (ratings of 7 to 10); medium support (ratings of 4 to 6); and low support (ratings of 1 to 3)

status, work status, ethnicity, location, internet usage, newspaper readership, access to television services, viewing habits, level of satisfaction with regional news, overall impression of the BBC and whether or not they are the person in their household who is responsible for paying the Licence Fee. As regards the other options, stated preferences varied by sub-group. To illustrate: younger people showed far more support for helping to increase the number of people who can receive broadband (this was the second most favoured option for this group, after having the money back); those with children in their household were more likely than others to express a preference for funding other public service programming, such as UK made children's programmes.

Options for spending under-spend of digital switchover fund – main question set 1

The other half of the UK adults surveyed were read a brief introduction explaining that:

'The television licence fee is now £142.50 per household per year for a colour TV. Most of the licence fee funds the range of BBC services on television, radio and online, but since 2007 about £5.50 per year from each licence fee is used to help older or disadvantaged people get prepared for digital switchover.

Digital switchover is the process of switching off the UK's old analogue television broadcast signal region-by-region, and replacing it with a digital signal. This will be complete in 2012.

Based on current estimates and the way the switchover has gone so far, it is possible that not all of this money will be needed, and there may be an amount of money left over when switchover is complete in 2012. It is not yet known how much money might be left over, but one estimate is about £9 per household or a total of £230 million.

When digital switchover has been completed, this amount of money could be dealt with in a number of different ways.⁴

Respondents were shown six options for what could be done with this money and asked to rate their support for each on a scale of one to ten, where one is 'no support at all' and 10 is 'complete support'⁵. Respondents were then asked to choose their preferred option and to explain why they had chosen it as their preference.

⁴ The full introduction read out to respondents is provided in the appendices.

⁵ Responses were aggregated into: high support (ratings of 7 to 10); medium support (ratings of 4 to 6); and low support (ratings of 1 to 3)

Half of UK adults (50%) wanted any money not used for digital switchover to be given back to licence fee payers. Spending money on BBC programmes and content is the second most popular option (17% prioritised this option).

The option of using the money to increase broadband access was prioritised by 14% and the option of spending the potential surplus on PSB programmes shown on channels other than the BBC was preferred by 8%.

As was the case for respondents who were asked about the future use of the licence fee, funding new organisations to provide news about their part of the UK and helping to increase the number of people who can receive DAB digital radio were the least popular options, each chosen by just 5%.

The sub-group differences for these questions were similar to those when asking about the future use of the licence fee. Though a refund was the most preferred option across all sub-groups, there were some noticeable differences when looking at the popularity of the other options. These were in line with those reported in relation to the future use of the licence fee. For example, the second most preferred option for those in the AB social grades was spending more on BBC programmes and content, though this was the fourth most preferred option of those in the DE social grades.

Qualitative findings

Throughout the research people's current media habits (channels and content watched), their views of the BBC and their overall views of the licence fee appeared to influence their views of the proposals, which in turn were related to where people live, socio-economic status and age.

When discussed in the qualitative workshops attitudes towards the licence fee also appeared to have a significant impact on people's responses to the options. In particular, participants tended to refer to the licence fee as 'the BBC Licence Fee' and found it hard to separate the two (i.e. the BBC and the Licence Fee). This consequently had an impact on how the options were perceived.

Participants also varied in their perceptions of what benefits the licence fee brings. Some people felt that the main reason for the licence fee was that it brings them programming which is free of commercial advertising, while others had a broader view of the benefits of public service broadcasting provided by the BBC. This also directly impacted on their views of the options presented.

Preferred options for ongoing licence fee when switchover is complete

In the qualitative workshops, participants were encouraged to consider the advantages and disadvantages of each of the six options put forward. They were encouraged to fully consider and debate the pros and cons of each option, rather than stating which one they preferred. Nevertheless, after consideration and debate, it was apparent that funding more BBC content (in particular to reduce the number of repeats) was the favoured option for many in England and Wales. The option of receiving money back was perceived to be less plausible (participants could not envisage the licence fee ever being reduced, given that historically the level has always increased) and also as less relevant because it was a relatively small amount of money. Group participants in Scotland and Northern Ireland were less likely to agree with this point of view. In general, though not universally, this was because in these workshops people were less supportive of the concept of the licence as a whole. Therefore, while a few participants in England and Wales expressed a preference for other options, there was a more varied response from those in the Scottish and Northern Irish workshops. On the whole, participants in these workshops either wanted the licence fee to be reduced or to have more of it spent on the provision of local or national programming (including, but not limited to, news about their part of the UK) on other channels (UTV/STV),

which were often perceived to be better attuned to local needs. There was also some support for the money being spent on increasing access to broadband.

In general, views on the infrastructure options (helping people to access DAB Digital Radio or Broadband) were less positive in the workshops, although Broadband had been more popular in the quantitative survey and received some support in the workshops in Scotland and Northern Ireland. This was partly because some people struggled to understand the benefits (particularly if they currently did not use these services), but also because this was seen to be a shift in the purpose of the licence fee that people did not necessarily support. Switching to DAB radio and access to broadband services were not seen as a priority and therefore not seen as important as digital switchover. There was also some concern that the money would be used for infrastructure and not for providing help as in the case of the Digital Switchover Help Scheme.

As with the quantitative findings, most participants in the qualitative workshops were not very supportive of the concept of funding content (news or otherwise) on channels other than the BBC (partly because some knew that the licence fee had historically been for the BBC and were therefore reluctant to change the status quo but also because participants did not like the idea of providing public money to profit-making organisations). There were some exceptions, notably in Scotland and Northern Ireland where these options received greater support as a reflection of a wider perception that the BBC does not necessarily meet their need for local content as well as other channels.

Option of Independently Funded News Consortia (IFNCs)

Following discussion of the various options for switchover money, participants in the workshops were introduced to the concept of IFNCs in detail.

In the workshops there was very little appetite for Independently Funded News Consortia (IFNCs) after the proposal was explained to people. The majority of those in England and Wales felt that news about their part of the UK was not necessarily a priority for funding; particularly as provision will be continued on the BBC. In Northern Ireland and Scotland there was greater support for the proposals; however, this support appeared to be a result of the broader desire to continue provision of news about their nations on ITV1, rather than specific support for funding IFNCs.

Although in the quantitative survey those who currently watch news about their part of the UK were generally positive about it, there was general agreement in the workshops that there is scope for improvement. However, using the licence fee to ensure continued plural provision

was not necessarily seen to be the solution. Some could see the potential for competition to lead to increased consumer focus and consequently better news coverage, but others noted that there is currently competition in the market but that this doesn't appear to be having an impact on quality in the way they might hope.

Although participants were told that the proposed amount to be used for the proposals would be ring-fenced, there were concerns that the amount of money taken from the licence fee could increase in the future, either because IFNCs will cost more than originally anticipated or because once the licence fee is given to companies other than the BBC there will be increased pressure to use it to support other services seen to be for the public good. For most people this was a negative factor, however, the relatively few participants who did support the idea of using the licence fee to continue news about their area on ITV1 thought that this increase over time would not necessarily be a bad thing. This minority of participants felt that the licence fee money should be shared more widely with other broadcasters, particularly those who could produce locally made programmes (i.e. in Scotland and Northern Ireland).

The concept of IFNCs themselves received less support than the general idea of using the licence fee to fund programming/news on channels other than the BBC (though in fact in most workshops supporting regional news in this way received little support in any case).

The principle concern about the detail of the concept was that many felt uncomfortable with the idea that IFNCs would potentially be profit-making. They were unclear why these organisations should be allowed to make a profit when the reason the licence fee funded them in the first place was because they claimed it was not profitable to make news about their part of the UK. To solve this conundrum many claimed they would be happy if the IFNCs had to plough all (or a portion) of their profits back into news-making (although public investment in regional news was still not considered to be a priority by most participants in England and Wales).

The way the IFNCs would operate was seen by many as leading to increased bureaucracy, particularly as time would have to be spent deciding between bids. Consequently some suggested that if this proposal did go ahead (which they didn't necessarily think it should) then the money should go directly to ITV1 rather than new consortia in order to ensure value for money for the licence fee payer.

Despite their concerns and dislike of the concept generally, few could *spontaneously* see any reason why the proposals should have a direct impact on the BBC if the money for IFNCs was truly ring-fenced (which many found hard to believe). Where concerns about the

potential impact on the BBC were raised, they related to how the proposals could impact on the BBC's independence in future; for example, if the BBC felt it had to justify its choice of content to the government when re-negotiating the licence fee.

At the very end of the workshops, participants were presented with two alternative points of view on the issue. The first of these reflected alternative suggestions that have been put forward for the provision of regional news (as suggested in an independent report produced for the Conservative party⁶). The second reflected the potential risks regarding the proposal to have a contestable element of the licence fee that had been raised by the BBC. See appendix 4 for the text which was presented.

Participants instinctively liked the alternative proposals for a market solution which were presented in the workshops, but found it difficult to envisage how they would work in practice. In particular they were concerned that if news about their area as it stands at the moment is not profitable then they could not imagine how more localised news would be supported financially. In particular they were concerned about how areas with sparse populations would be covered. However, if it could be made to work then this type of market-led proposal was seen as preferable to the idea of having to pay for regional news on other channels using the licence fee.

Most participants in the qualitative workshops also agreed broadly with the risks put forward by the BBC as they were presented in the workshops (although less so in Northern Ireland and Scotland). Some of the issues raised resonated more than others. The issues that resonated were related to the 'thin end of the wedge' argument, and concerns about the BBC's independence, as both ideas had spontaneously arisen in the workshops. Most people in the workshops spontaneously associated the BBC with the licence fee. However the argument that the proposal could weaken the BBC's relationship with its audience was less well supported, as many were unclear on the ways in which the BBC is currently answerable to the viewer. Evidence from other parts of the discussion indicates that they did perceive a strong link between the BBC and the licence fee; however they did not necessarily think this meant the BBC was answerable to them in practice and so they did not identify with the idea of a threat to this.

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http://www.conservatives.com/News/News_stories/2009/07/Local_television_consultation_launched.aspx

Conclusions

Regional news is not a big enough priority in England and Wales to justify spending the licence fee on continued plural provision

Respondents in England and Wales (and additionally Scotland and NI on the basis of the quantitative survey) appear to be broadly happy with the range and quality of regional news available to them currently, which of course includes provision by ITV1. However, particularly from the qualitative research it appears that watching news about their area is not considered a priority, and many who do watch the regional news only do so as it follows on immediately from national news rather than actively switching on to view it.

As a result, the majority of people view news about their part of the UK as 'nice to have' but not essential and this, in part, contributed to their reluctance to see part of their licence fee used to fund a second provider of this type of content. They are happy for the BBC to continue to provide this service but feel that other sources of news about their area exist; for example local newspapers and, for some people, the internet. Additionally, news about their part of the UK is not perceived to be as politicised as national or international news and therefore there is perceived to be less of a risk of bias in reporting at the regional level, which means there is less of a perceived need for plural provision.

Scotland and Northern Ireland value ITV1's provision for the nations

In the quantitative survey, respondents in Scotland and Northern Ireland were no more likely than those in England and Wales to express high levels of support the option of spending money on news from their part of the UK (though the mean level of support was slightly higher in these nations). In the deliberative workshops in Scotland and Northern Ireland, however, views seemed to be driven by more negative perceptions of the BBC, and more positive affiliations to STV and UTV. These are perceived to reflect the needs of each respective nation particularly well (perhaps because they are more strongly branded as providers for the nations) and consequently there is higher support, though not universal support, for using the licence fee to pay for new content on these channels (because it is assumed that such content would be nation specific). Moreover, some participants in Northern Ireland felt that having more than one view on national news had been important because of past political tensions in the Nation, though this was felt to be of less significance in recent years.

IFNCs, as a model for delivering news about their local area, receive very limited support

There were low levels of support for the concept of IFNCs when considered spontaneously and in depth in the qualitative workshops. Key concerns expressed in the qualitative research were about the fact IFNCs would potentially be allowed to make a profit from licence fee investment and whether using IFNCs was the most efficient way to continue provision of news about their part of the UK on other channels. For those in England and Wales regional news was not seen as important enough, in comparison to the other options, to warrant this use of the licence fee. In the qualitative research in Scotland and Northern Ireland the importance of maintaining ITV1 news about Scotland/Northern Ireland was more pronounced, however there was still scepticism about whether or not IFNCs were the best way to deliver this.

Maintaining the BBC as the only recipient of the licence fee is the most popular option in the workshops

The majority of respondents in the survey would like to see the level of the licence fee lowered after digital switchover. The second most popular option in the survey and one that received a lot of support in the workshops was to spend the money on new BBC programmes and content on the television, radio and online. This was more favoured in the workshops because people felt that the idea of getting the money back was unlikely to happen in reality. There was also some support among younger people in the workshops for potentially spending the money on broadband.

According to the qualitative participants, the focus for new money should ideally be on additional BBC television programmes to reduce the number of repeats shown. Many believe it would be more cost efficient to give the money to the BBC as they already receive the licence fee and therefore this would incur no further administration costs. Additionally, the majority are convinced that the BBC does offer high quality content and they are keen to support this.

Introduction

1. Introduction

1.1 Background

Currently regional news (in England) and national news (in Wales, Scotland and Northern Ireland) in the UK is broadcast on two main free-to-air channels: BBC1 and ITV1. In 2008, Ofcom's review of Public Service Broadcasting identified an essential need from an audience perspective, for provision of regional news by broadcasters other than BBC to continue. However, the current financial position of ITV1, and the unprofitability of this type of programming, means that ITV1 is unlikely to be able to continue to meet its current obligation to provide regional news.

The government's 'Digital Britain' paper outlines proposals designed to address the funding problems in this area. Following this, the DCMS (the Department of Culture, Media and Sport) has launched a consultation called 'Sustainable, independent and impartial news in the Nations, locally and in the regions', on the future of regional and national news, to which BBC Trust needs to submit a response on behalf of the BBC as a whole.

The central proposal put forward by the DCMS is the idea of a Contained Contestable Element of the TV licence fee. This would involve carrying forward, after 2013, the part of the licence fee which is currently ring-fenced for the Digital Switchover Help Scheme and Marketing (c.3.5% of the Licence Fee). This sum would be used on an ongoing basis to provide funding for what the paper calls 'IFNCs' (Independently Funded News Consortia). These would be newly formed bodies, likely to consist of commercial broadcasters and commercial news providers, who would compete for the licence fee funding and would use it to provide regional news. This would then be broadcast on free-to-air television, for example on ITV1.

The Digital Britain report states that the Contained Contestable Element would be independent of the level at which the Licence Fee would be set from 2013.

The Digital Britain paper also includes a second proposal, relating to the emerging underspend in the Digital Switchover Help Scheme, which will be realised, in full, by 2012. The paper proposes that some of this underspend be used to fund a universal service commitment for broadband. The paper also contains a commitment that the government will discuss with the BBC Trust how the remaining part of the underspend, which is not being used to help fund the Broadband Universal Service Commitment, could be used to fund pilots of the proposed regional news scheme, between now and 2012.

1.2 Aims and objectives

The key aim of the research was to gauge the public's view of specific proposals put forward by the government to use some of the television licence fee to fund the provision of news in the Nations, regions and locally, by providers other than the BBC. This research question was split into two distinct parts:

1. The proposal to use the anticipated **underspend** from the Digital Switchover Help Scheme to fund regional news pilots and also broadband rollout, in advance of the completion of digital switchover in 2013.
2. The proposal to introduce a **contestable element** of the licence fee after digital switchover in 2013, with the purpose of providing funding to news consortia, who will use it to produce regional news for broadcast.

In addition to exploring favourability towards the proposals, the following potential drivers of attitudes were explored in detail:

- The perceived importance of provision of news in the Nations, regions and locally, by providers other than the BBC;
- Perceptions of the potential effect of the contestable element on the future of the BBC;
- Reactions to the principle of using public money from the licence fee to fund commercial providers; and
- The acceptability of some of the specific elements of the proposal, which aim to mitigate the effect on the BBC.

1.3 Methodology

The Omnibus Survey

Ipsos MORI interviewed a total of 4,140 UK residents aged 15 years and over between 14th August and 1st September 2009. A nationally representative quota sample of 4,014 British adults were interviewed across 289 sampling points across two waves of the Ipsos MORI Capibus and a booster sample of 126 interviews were carried out across 12 sampling points by NBUS in Northern Ireland⁷.

⁷ NBUS is run separately from Capibus by Ipsos MORI in Northern Ireland but data collection methods mirror those used in Great Britain.

The quantitative survey tested reactions to both parts of the proposal; the use of the anticipated under-spend and the introduction of a contestable element. Two versions of the questionnaire were designed: half of the sample was asked version 1 (2,072) and half version 2 (2,068). Following cognitive testing with 15 members of the public it was decided that it would be too confusing for participants to be asked about both the under-spend and the contestable element in the same survey so it was decided to ask them about the contestable element alone.

CAPI (Computer Assisted Personal Interview) machines were used for this survey. The answers were all captured electronically, and the results dialled back to our server upon completion of interview, thus eradicating the need for data entry and the possibility of human error.

The deliberative workshops

Given the complicated nature of the proposals, and to avoid confusing participants, it was decided that the workshops would focus solely on the contestable element of the licence fee and how this should be used.

Seven workshops were conducted across different locations in the UK: London, Kent, Exeter, York, Cardiff, Glasgow and Belfast. The London group, which took place on 20th August 2009, was treated as a pilot and some amendments were made to the discussion guide and stimulus materials after this event. All of the remaining workshops took place in the evenings of the week commencing 24th August 2009. All workshops started at 6.30pm and lasted approximately three and a half hours in total.

Eighteen participants were recruited for each workshop, and between 12 and 18 attended. The make-up of each workshop was designed to be broadly reflective of the UK population, with broad quotas applied in terms of age, sex, ethnicity, television platform, consumption of regional news and BBC approval to ensure different behaviours and attitudes were reflected. All participants were assigned a pre-task to complete prior to the group, which asked them to record their television viewing habits in the days preceding the group; and their spontaneous views on television programmes and the licence fee.

Stimulus material used for each of the workshops included three short videos shown at intervals throughout the group, explaining: what the licence fee was used for; six options for how the contestable element could be used going forward (matching the wording used in the quantitative survey); and providing more detail about the government's proposal to fund IFNCs to provide news about their part of the UK. At the very end of the workshops, participants were presented with two alternative perspectives on the issue.

The first of these reflected alternative suggestions that have been put forward for the provision of regional news in an independent report on behalf of the Conservative party. The second reflected the potential risks regarding the proposal to have a contestable element of the licence fee that had been raised by the BBC.

These stimulus materials were standardised so that all workshops received the same information in the same format. The materials used are provided in the appendices.

1.4 Interpretation of data

Quantitative Data

When referring to the quantitative survey this report uses the term 'respondents'.

It should be remembered at all times that a *sample* and not the entire population of UK residents took part in the quantitative survey. Consequently, all results are subject to sampling tolerances, which means that not all differences are statistically significant. Please refer to the Appendix for an explanation of statistical significance. Only statistically significant differences have been recorded in this report.

Qualitative data

When referring to the qualitative data this report uses the term 'participants'.

Unlike quantitative surveys, qualitative research is not designed to provide statistically reliable data on what the population as a whole are thinking. Such research is illustrative rather than statistically reliable and, therefore, does not permit conclusions to be drawn about the extent to which something is happening.

Qualitative research is used to shed light on why people have particular views (rather than how many) and how these views relate to demographic characteristics and the experiences of those concerned. Workshops enable a cross-section of UK residents to participate in an informal and interactive way. They also enable researchers to test the strength of people's opinions. Additionally, given the nature of deliberative workshops, participants may express a choice that may not directly match those expressed in the quantitative survey. It must be noted that this is because the deliberative process introduces information at various points of time, and presents stimulus, and participants are allowed to change their positions, and the final choice may be different from their spontaneous choice. This is discussed in more detail at relevant points in the report.

Throughout the report, use is made of verbatim comments from workshop participants. Where this is the case, it is important to remember that the views expressed do not always represent the views of the workshops as a whole, although normally the verbatim is representative of at least a minority of the group and not one single person.

It is also worth bearing in mind that the research deals with *perceptions* at the time of the survey and workshops, rather than *facts*; in particular, these perceptions may not accurately reflect the BBC's role and activities.

Media habits and news

Media habits and news

Throughout the research it was clear that people's current media habits (channels and content watched), their views of the BBC and their overall views of the licence fee influenced their views of the proposals.

The following chapter provides a brief contextual summary of people's stated attitudes towards the different broadcasters, their media habits and their reported news consumption. Further information on these issues can be found in Appendix 1. It should be noted that where viewing figures are quoted, these are *claimed* figures from our quantitative survey, and not actual metered usage as measured by industry sources such as BARB.

2.1 The BBC and other channels

Overall TV viewing habits are influenced by the part of the UK in which a respondent lives. Those who live in the South West, South East and Eastern regions were more likely than others to say they watch BBC1 (86%, 75% and 74% respectively, versus 68% overall).

Conversely, respondents living in the North East, Wales and Northern Ireland were more likely than others to say they watch ITV1 (or its equivalent) on a regular basis (66%, 66% and 67% respectively, compared with 53% overall).

Two fifths of respondents (42%) had a highly favourable impression of the BBC, while just under three in ten (27%) had a highly favourable impression of ITV⁸.

Residents of England were most likely to express a high level of favourability⁹ towards the BBC (43% versus 42% overall and 35% in Scotland), while residents of Northern Ireland were more likely than those in the other nations to express a high level of favourability towards ITV1 (41%, compared with 26% in England, 29% in Scotland and 28% in Wales).

2.2 Viewing habits

Only one in ten (10%) of respondents said they only have access to the five terrestrial channels on their main television.

The qualitative participants noted that their viewing habits have changed in the light of this increased choice: in particular participants said they are less likely to watch the five terrestrial

⁸ The following aggregates were used to determine high, medium and low favourability: High (a score of 8-10), Medium (a score of 5-7), Low (a score of 1-4)

⁹ *ibid*

channels. Some felt that increased exposure to advertising on commercial channels meant that they had been desensitised to it, while others felt that it made the BBC more distinct because its channels did not carry advertising. Moreover, the belief that advertising may have helped drive this increase in choice of channels meant that many were more accepting of advertising than they had been previously.

2.3 Watching the news

Respondents reported watching a broad range of programmes on the terrestrial channels. News was the most watched programme type; 70% said that they watched the news on a regular basis (i.e. a few times a week). Films, drama and comedy were also among the most popular, watched regularly by 51%, 43% and 42% respectively

News about their part of the UK did not feature in the ten most regularly watched programme types of survey respondents but is watched by three in ten respondents (29%) on a regular basis. These respondents were most likely to be 55 years and over (38% versus 29% overall). Just over seven in ten respondents (72%) who said they watch news about their part of the UK do so on BBC1, while around two fifths (42%) watch ITV1.

Just over half of those in the DE social grade, who said that they regularly watch news about their part of the UK, watch it on ITV1, compared with just under three in ten (29%) of AB respondents. Equally, Northern Irish and Scottish residents were more likely than English residents to watch this type of news on ITV1 (72% and 50% respectively versus 39% in England). According to this quantitative research, similar proportions of Scottish residents viewed news about their part of the UK on BBC1 and ITV1 (58% watched news about their part of the UK on BBC1 and 50% viewed this type of news on ITV1) and the same is true of those in Northern Ireland (64% who say they watch BBC1 regularly and 72% watch ITV1).

The majority of those who said they regularly watch news about their part of the UK also said they were satisfied with the range and quality of the news that is currently available to them (78%). However, there were some distinct differences between the nations. Those living in England were most likely to say that they are satisfied with the range and quality of news about their area (80% versus 78% overall), while those living in Scotland were most likely to say they are dissatisfied (24% were dissatisfied with the range and 19% were dissatisfied with the quality, compared with 12% and 9% overall). However it was still the case that a majority in Scotland were satisfied.

Overview of reactions to
the different options for the
digital switchover money
from 2013

3. Overview of reactions to the different options for the digital switchover money from 2013

Summary

When discussed in the qualitative workshops it was clear attitudes towards the licence fee had a significant impact on people's responses to the options presented. In particular, many referred to the licence fee as 'the BBC Licence Fee' and found it hard to separate the two (i.e. the BBC and the Licence Fee). This consequently had an impact on how the options were perceived.

Preferred option

The preferred option for the money currently allocated to digital switchover in the quantitative survey was reducing the level of the licence fee after digital switchover is complete (49% choose this out of the six possible options). The second most popular option was spending more on BBC programmes and content (17%). Around one in seven (15%) said they would prefer to spend the money on broadband infrastructure and around one in ten (9%) said they would prefer money to fund public service programming on non-BBC terrestrial channels. Just 6% said they would prefer the money to be spent on funding new organisations to provide news about their part of the UK to be shown on other channels and 4% said they would prefer it to be used to increase the number of people who can receive DAB digital radio.

Although a reduced licence fee was the preferred option across all demographic groups, views on each of the other options varied by sub-group (including age, socio economic grouping and location). To illustrate: younger people showed far more support for helping to increase the number of people who can receive broadband; respondents in the C2DE social groups were more likely than others to chose to reduce the licence fee; as were those living in Northern Ireland.

As might be expected, those who said they regularly watch news about their part of the UK were more likely to choose this as their preferred option than those who don't (10% of those who watch news about their part of the UK chose funding new organisations to provide this type of news as their preferred option, compared with 5% of those who said they don't watch this type of news).

Qualitative findings

In the qualitative workshops, participants were encouraged to consider the advantages and disadvantages of each of the six options put forward. They were encouraged to fully consider and debate the pros and cons of each option, rather than stating which one they preferred. Nevertheless, after consideration and debate, it was apparent that funding more BBC content (in particular to reduce the number of repeats) was the favoured option for many in England and Wales. The option of receiving money back was perceived to be less plausible (participants could not envisage the licence fee ever being reduced, given that historically the level has always increased) and also as less relevant because it was a relatively small amount of money. Workshop participants in Scotland and Northern Ireland were less likely to agree with this point of view. In general, though not universally, this was because in these workshops people were less supportive of the concept of the licence as a whole. Therefore, while a few participants in England and Wales expressed a preference for other options, there was a more varied response from those in the Scottish and Northern Irish workshops. On the whole, participants in these workshops either wanted the licence fee to be reduced or to have more of it spent on the provision of local or national programming (including, but not limited to, news about their part of the UK) on other channels (UTV/STV), which were often perceived to be better attuned to local needs. There was also some support for this money being spent on increasing access to broadband.

In general, views on the infrastructure options (helping people to access DAB Digital Radio or Broadband) were less positive in the workshops, although Broadband had been more popular in the quantitative survey and received some support in Scotland and Northern Ireland. This was partly because some people struggled to understand the benefits (particularly if they currently did not use these services), but also because this was seen to be a shift in the purpose of the licence fee that people did not necessarily support. Switching to DAB radio and access to broadband services were not seen as a priority and therefore not seen as important as digital switchover. There was also some concern that the money would be used for infrastructure and not for providing help as in the case of the Digital Switchover Help Scheme.

As with the quantitative findings, most participants in the qualitative workshops were not very supportive of the concept of funding content (news or otherwise) on channels other than the BBC (partly because some knew that the licence fee had historically been for the BBC and were therefore reluctant to change the status quo but also because participants did not like the idea of providing public money to profit-making organisations). There were some exceptions, notably in Scotland and Northern Ireland where these options received greater

support as a reflection of a wider perception that the BBC does not necessarily meet their need for local content as well as other channels.

The following section discusses reactions to the six proposed options for how the licence fee money could be spent, drawing on findings from both the quantitative and qualitative work. Leading with the quantitative findings, this section reports the stated preferences of those who took part in the Omnibus survey, drawing out any significant sub-group differences, and then presents the findings from the qualitative workshops, in which participants had been encouraged to consider each option in more detail.

3.1 Attitudes to the licence fee

In the deliberative workshops, attitudes to the licence fee varied with the degree of affiliation that participants felt with the BBC. For instance, in England and Wales, participants were more likely to feel that the licence fee offered value for money and provided quality content. However, in the workshops held in Scotland and Northern Ireland, it was felt that the BBC (and hence the licence fee) focused too much on content from England.

This section addresses the range of attitudes to the licence fee - with respect to its importance, usefulness, value for money and the expected output. It is important to consider these attitudes as they influenced how participants viewed the potential contestable element in the licence fee and therefore the options presented.

There was a great deal of consensus on the perceived quality of BBC programming and content, which was described as being high quality, entertaining, informative and timely. Further, for groups that identify to a greater degree with the BBC, the licence fee was seen as funding quality British programming that is showcased across the world and compares favourably to content produced elsewhere (e.g. USA).

I think the licence fee is quite a good deal anyway.

Male, Exeter, England

We kind of think the BBC is pretty high standard anyway.

Male, Cardiff, Wales

In England and Wales, participants felt that the licence fee was essential to maintaining a high quality audience experience, as the licence fee ensured that there were no advertisements and funding for programming that would otherwise not be produced or shown.

This however was contested in Scotland and Northern Ireland, and by a minority in Wales, where it was felt that the measure of the BBC should be the popularity of the content, which to them was seen as better proof of value for money.

We were saying that quite a few of us would be quite willing not to have BBC One and BBC Two if we didn't have to pay a licence fee. But balanced against that, if that's not going to happen then the BBC just need to keep their high standards and improve them, because I think they are one of the best.

Male, Cardiff, Wales

A number of participants saw the key reason for the licence fee as being to remove the need for advertising on the BBC, and some recognised that the licence fee enables public service broadcasting and supports genres which may not otherwise be sustainable. Some also felt that their licence fee helped to ensure high quality content on the BBC.

As mentioned previously, some participants felt that they were more used to advertising because of exposure to other channels on radio and television. For those people who did not mind advertising, and who did not understand or necessarily agree with the need to fund public service broadcasting, this made them question the benefits offered by the licence fee.

Apart from geographical location, age and social grade appeared to affect participants' perceptions of the licence fee. Participants from DE groups felt that the licence fee was expensive, and did not cater to wider audience needs. Younger participants tended to feel that non-BBC programming was more suited to their demographic and hence, the licence fee should fund more content targeted towards a younger (teenage) audience.

Previous quantitative research by Ipsos MORI for the BBC has shown that a great majority of people are aware that the licence fee funds the BBC. However, in the deliberative workshops, knowledge of the licence fee tended to vary, with some participants referring to it as the 'BBC Licence Fee', while there were a small number of others who felt that other broadcasters were being funded as well. The knowledge of exactly which services are paid for by the licence fee and how much they cost was mixed. After capturing initial knowledge of what the Licence Fee is used for, participants were shown a pie-chart detailing how the licence fee was actually spent¹⁰. In response, some commented that some of the elements (such as the online content) were actually cheaper than they had thought they might be.

Despite this variation, most participants thought that the licence fee was largely (or wholly) paid to the BBC. However, on the whole participants did not object to the Digital Switchover Fund being sourced from the licence fee.

¹⁰ A copy of this is provided in the appendices.

There are a number of reasons for this: most participants supported the use of licence fee money to help elderly or disadvantaged people, and felt that it was only right that the some of the licence fee should go towards helping these groups prepare for the digital switchover; some already had access to digital television and could appreciate the benefits of this type of television service; and, perhaps most commonly, participants recognised that the money had already been used for this purpose without having any negative impact on them or their BBC.

Some participants raised concerns about the amount of money that is currently being used for salaries or perks for those within the BBC. These concerns were amplified by the ongoing media coverage of celebrity salaries (for example, one participant in Maidstone recalled seeing a recent article in the Sun relating to this issue). It was felt that a more detailed breakdown of costs paid for by the licence fee (in particular separating out salaries from the other money spent on programmes/content) should be available to the licence fee payer.

We only know where it goes when we hear about Jonathan Ross or somebody else's salary. That's the only time we know where our money's gone.

Female, Maidstone, England

In addition, a large number of people in all the locations were aware that the licence fee is collected directly by the BBC, and not by the government. This in turn influenced their perceptions of some of the options, especially considering the plausibility and practicality of a particular option being implemented (because they assumed that the BBC would continue to collect the money, and would then have to distribute it to others).

As a result of the licence fee, participants had higher expectations of the BBC than of other broadcasters. Participants expressed a variety of principles that should be applicable when considering what the licence fee was spent on or who it was given to. These principles include transparency, quality of content, relevance of content (particularly in Scotland and Northern Ireland), usefulness of programmes produced, focus on providing content for both the UK at large, and for minorities within the population.

I think my expectations of what I expect to see on BBC One and Two are different to what I'd expect from those others.

Female, Cardiff, Wales

3.2 Summary of options

As part of both the quantitative survey (main question set 2), and the deliberative workshops, six options were put forward to the participants for what to do with the proportion of the

licence fee currently being collected for the Digital Switchover Fund once switchover is complete. In summary, these options included:

- Reducing the licence fee by £5.50;
- Increasing access to broadband internet;
- Increasing access to DAB Digital Radio;
- Funding news about their part of the UK;
- Funding public service programming on other channels; and
- Funding more programmes and content on the BBC

For analysis purposes, these options have been categorized into three groups:

Infrastructure related options: Increasing access to broadband internet or increasing access to DAB Digital Radio;

Programming related options: Funding news about their part of the UK or funding public service programming on other channels; and

Options where the BBC is the only recipient of the licence fee: Reducing the licence fee by £5.50 or funding the programmes and content on the BBC.

The following sections introduce:

- the overall findings from the survey;
- an overview of how participants approached the options in the deliberative process; and
- a discussion of each of the options arranged into the categories discussed above.

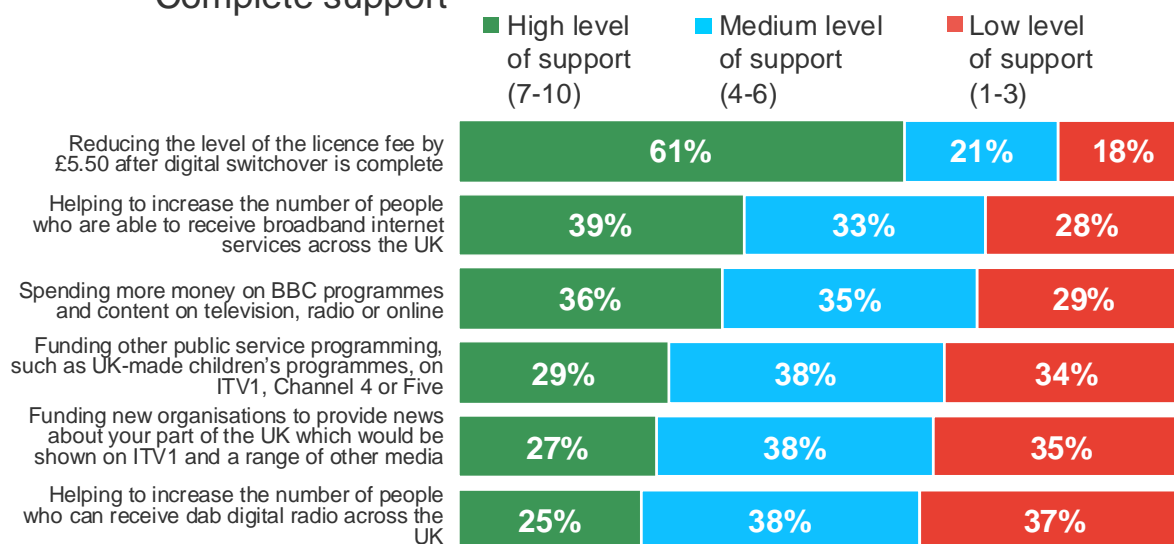
3.3 Options and the omnibus survey

Respondents were first asked to rate their support for each of the six options, and were then asked to choose their most preferred option from the six.

Looking first at the rating question, respondents rated each option on a scale of 1 to 10, where 1 is no support at all and 10 is complete support. For analysis purposes, the ratings were aggregated into: high level of support (7-10); medium level of support (4-6); and low level of support (1-3). The chart overleaf shows the overall level of support for each option.

Options for the future use of the Licence Fee

Q4 Please indicate your support for each of the options on a scale of 1 to 10, where 1 is “No support at all” and 10 is “Complete support”



Base: All who were asked about future use of the licence fee (2,075) – Main question set 2

Source: Ipsos MORI

Ipsos MORI

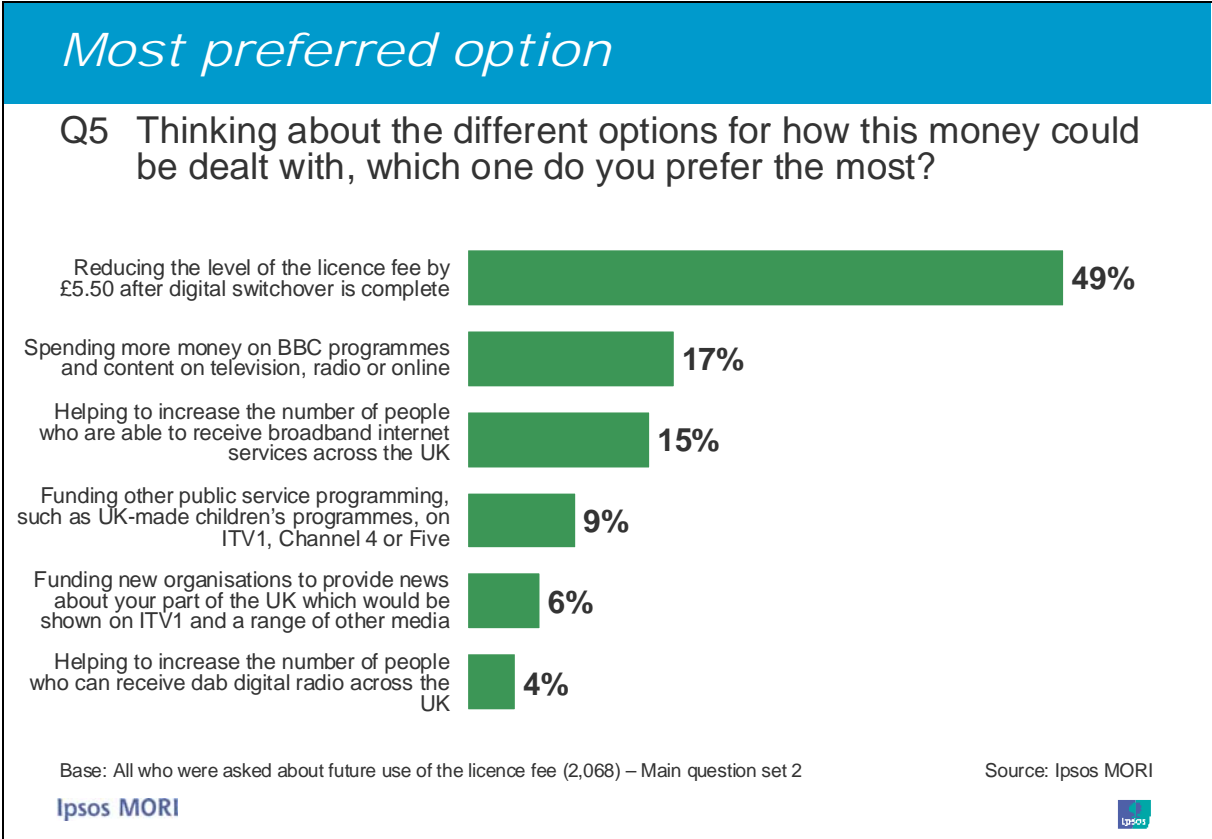


Respondents expressed the highest level of support for the licence fee being reduced after digital switchover is complete. Six in ten respondents (61%) expressed high level support for this option, while just two in ten (18%) expressed low support.

Using the money to help increase the number of people who are able to receive broadband and spending more on BBC programmes and content, while some way behind a reduction in the licence fee, were the next most popular options, with 39% and 36% respectively expressing high levels of support for these options. This is broadly in line with the qualitative findings.

The options for giving the money to other broadcasters received less support. Respondents were more likely to express low levels of support for these options than they were to express high levels of support. Using the money to increase the number of people who can receive DAB digital services was the least popular, with just a quarter of respondents (25%) expressing a high level of support for this options and four in ten (37%) showing low level of support for it. Discussions in the qualitative workshops suggested that at least part of this rejection was a result of not fully understanding this option and what it would entail. For example, some participants thought that the funding would go towards buying people digital radios and this was not felt to be an appropriate use of the licence fee money. Others did not know what digital radio was or how it was different to the radio they currently listened to.

Respondents were then asked to choose their preferred option from the list provided. As can be seen in the chart below, reducing the level of the licence fee by £5.50 after digital switchover is complete remained the most popular option among survey respondents. One in six respondents (17%) chose spending the money on BBC programmes and content as their preferred option, and a slightly smaller proportion (15%) chose helping to increase the number of people who can receive broadband internet services. Funding other public service programming, funding new organisations to produce news about their part of the UK and helping to increase the number of people who can receive DAB digital radio were less popular (chosen as a preference by 9%, 6% and 4% respectively).

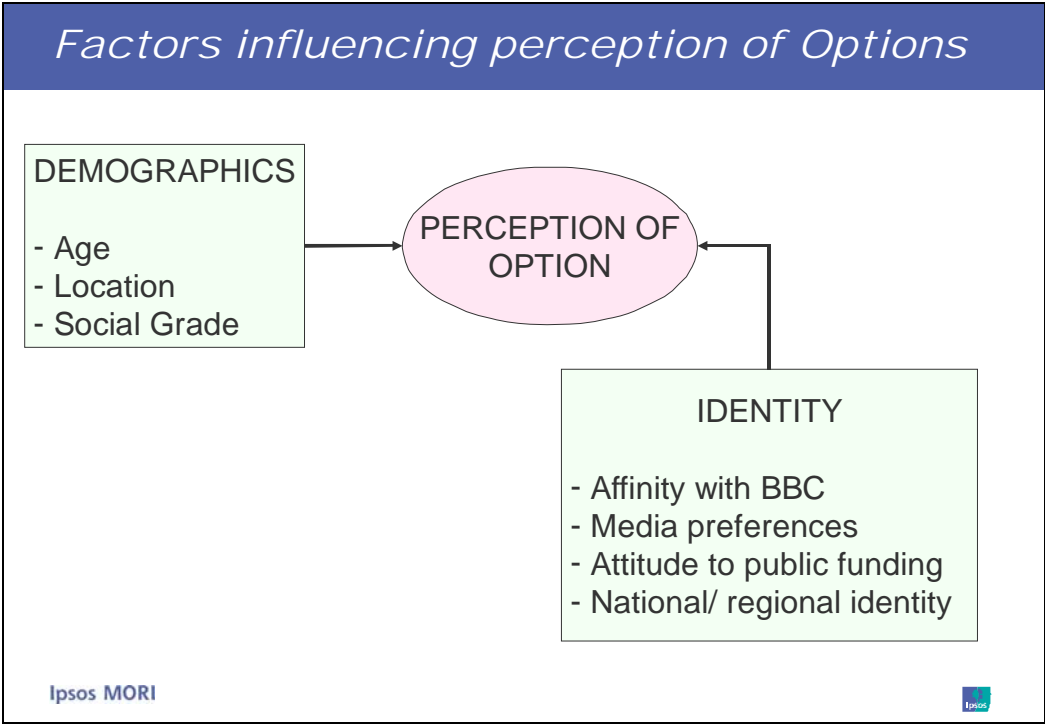


3.4 Options and the deliberative process

The process of deliberation in the qualitative workshops involves participants being exposed to various pieces of information to enable them to reach a decision or evaluate an issue. Further, it allows them to change their minds through the process, as they are not tied to their spontaneous choice, but instead, can choose another option if they think it is more important and provides more value after discussing it with others.

The workshops in the various locations have shown us that certain factors appeared to deeply influence how the various options were perceived spontaneously and continued to

impact the receptiveness to the option through the course of the deliberative process. However, it must be noted that these factors become less important in their influence in a quantitative survey. A quantitative survey is typically an individual experience, and involves spontaneous reactions, whereas in a qualitative workshop, where participants interact with other people, certain elements like National or regional identity will be considered in more detail and could influence how an option is perceived.

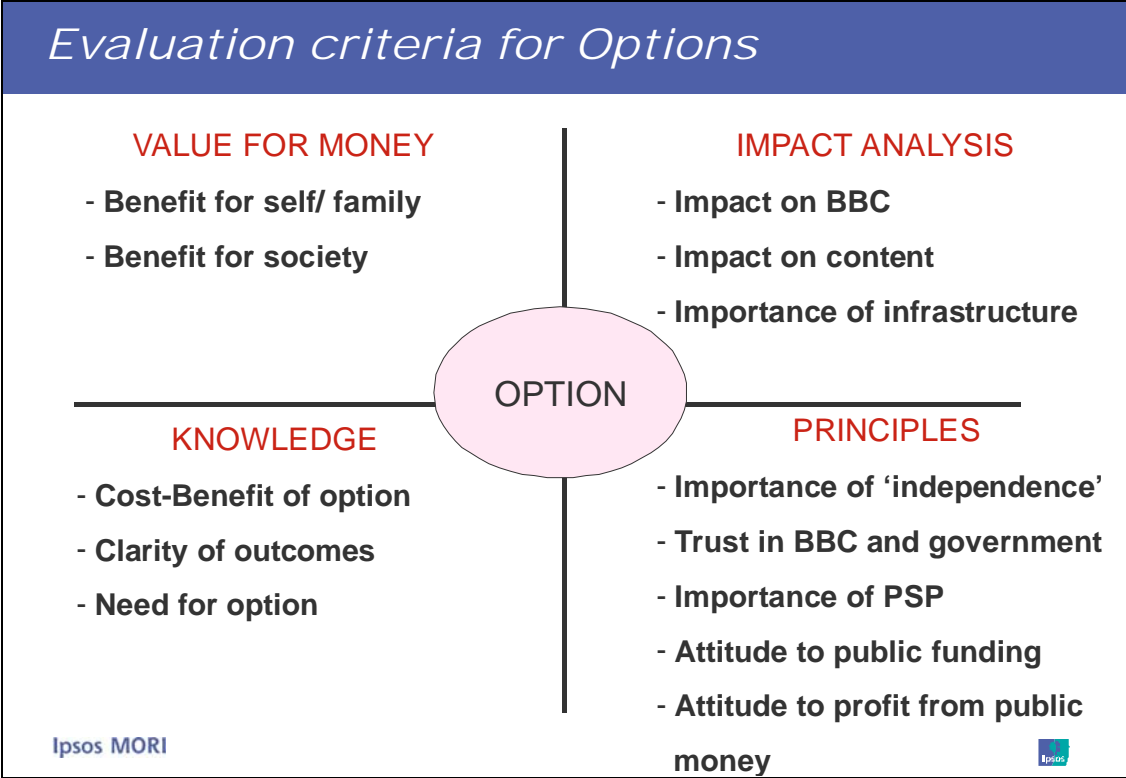


The two most important factors that influenced perception of the options in the workshops include demographics and identity. Within demographics, the age of the participant could impact their attitude towards the BBC, as older participants may have more positive associations with the corporation. Further, the cost of the licence fee can be perceived as harder to meet by participants of lower social grades, which impacts their view of the BBC and the idea of public funding content and programming. Most importantly, the location of the participant could make a difference to their perception as it defines their general attitude towards the BBC.

The idea of identity is connected with demographic factors and personal preferences. national or regional identity for instance can impact how a certain option is perceived, as it may not be seen as relevant for a particular nation or region. In addition, attitudes to public funding (i.e. whether participants generally support using public money to fund public goods) influence views significantly. It is important to note that in a qualitative setting participants are more likely to give socially desirable answers, which may explain some of the differences in emphasis between the quantitative and qualitative findings – however, where possible

moderators challenged participants when they thought this could be occurring. Media preferences and affinity with the BBC also influenced how the options are perceived.

Having observed how participants assess these options, some of the key drivers or factors that influence them have been mapped below by the research team:



Note: Public Service Programming (PSP)

It should be noted that this mapping reflects key drivers across events, and that individual participants may or may not have taken into account all the above criteria while evaluating an option. Taking these drivers in turn:

- The idea of **value for money** is central to evaluating an option’s desirability – both for the self and for society at large. Participants reported that while the amount of £5.50 looked rather insignificant (approximately 46 pence per month – an amount which some of the participants spontaneously worked out) to them at the start of the process, the collective strength of that money from every licence fee put the amount and its ability to change or influence things into context. There was also a degree of altruistic concern for others less well-off than themselves. Hence participants began to evaluate the option both in terms of a cost-benefit analysis to the self and to the society at large.

- The **level of knowledge** about the option being discussed varied from participant-to-participant. Some of this knowledge was based on the information provided in the deliberative process, while some of this knowledge could be based on information already available in the public domain. Knowledge measures included the cost-benefit analysis of an option based on the clarity of the outcomes and the perceived need for the option.
- **Principles** held by the individual – pertaining to one’s attitude to public funding and the importance of public service programming (PSP) help in evaluating both the social desirability of the option and the openness to using public funds for social goods. However, equally, trust in the BBC, government and independent bodies, all of whom are likely to directly handle the finances is crucial in assessing the viability of the option. For some participants, the importance of plural provision and importance of ‘independence’ impacted how they evaluate an option.
- **Impact analysis** refers to the participants' perceptions of the potential impact of the option in question. For instance, depending on a participant's affinity with the BBC, the option could be seen as desirable if it is seen as improving BBC's content and quality. Similarly, if a participant is primarily concerned with the quality of content, regardless of the provider, then the impact on content is seen as an important measure of evaluation. If a participant feels that infrastructure is an important issue, and that a particular option could improve infrastructure, the option is seen as more desirable. Hence, the impact on what they consider to be important becomes a key driver in helping them choose their preferred option.

These four sets of measures appeared to have most impact on how participants analysed the impact of an option on both the BBC, and the state of content and programming in the UK. This final factor also helped them evaluate the importance of one option over another as some felt that infrastructure development was a better investment rather than providing additional content.

3.5 Detailed views on the six options

In the following section we discuss, in more detail, each of the six options. Initially we give an overview of how the category (infrastructure, content on other channels, BBC as sole recipient) was received in the workshops and then look at the options in those categories in more detail. The overview is based on the qualitative research. The more detailed explanation of each option incorporates both quantitative and qualitative findings.

3.5.1 Infrastructure related options

In the deliberative workshops, the infrastructure related options received a mixed, but mostly negative response across the locations. However, in the quantitative survey there was more support for the broadband option. Some of the reaction in the workshops was influenced by how far the participants valued these services. For instance, for a person who does not listen to the radio frequently, the idea of increasing access to DAB Digital Radio may not appeal as the individual may not perceive that this option to benefit society as a whole. At the same time, individuals who already were able to access broadband and DAB Digital Radio felt that the access to these services was easy and did not require public funding.

Most believed that spending on things like broadband coverage and access to digital radio should be the remit of government spending outside of the licence fee. Some participants described this option as a 'stealth tax' – as it is being used to fund infrastructure development, which is a deviation from the original purpose of the licence fee as they perceive it. Even those not opposed to public funding felt that the solutions for weak infrastructure should be sought in market forces, and not subsidies.

The perception of the licence fee as the 'BBC licence fee' compounded the group participants' resistance to infrastructure related ideas, as some participants had difficulty understanding that this option was about infrastructure and instead assumed that the BBC might become an Internet Service Provider, and consequently felt that this option would mean the BBC would move outside of its current defined boundaries.

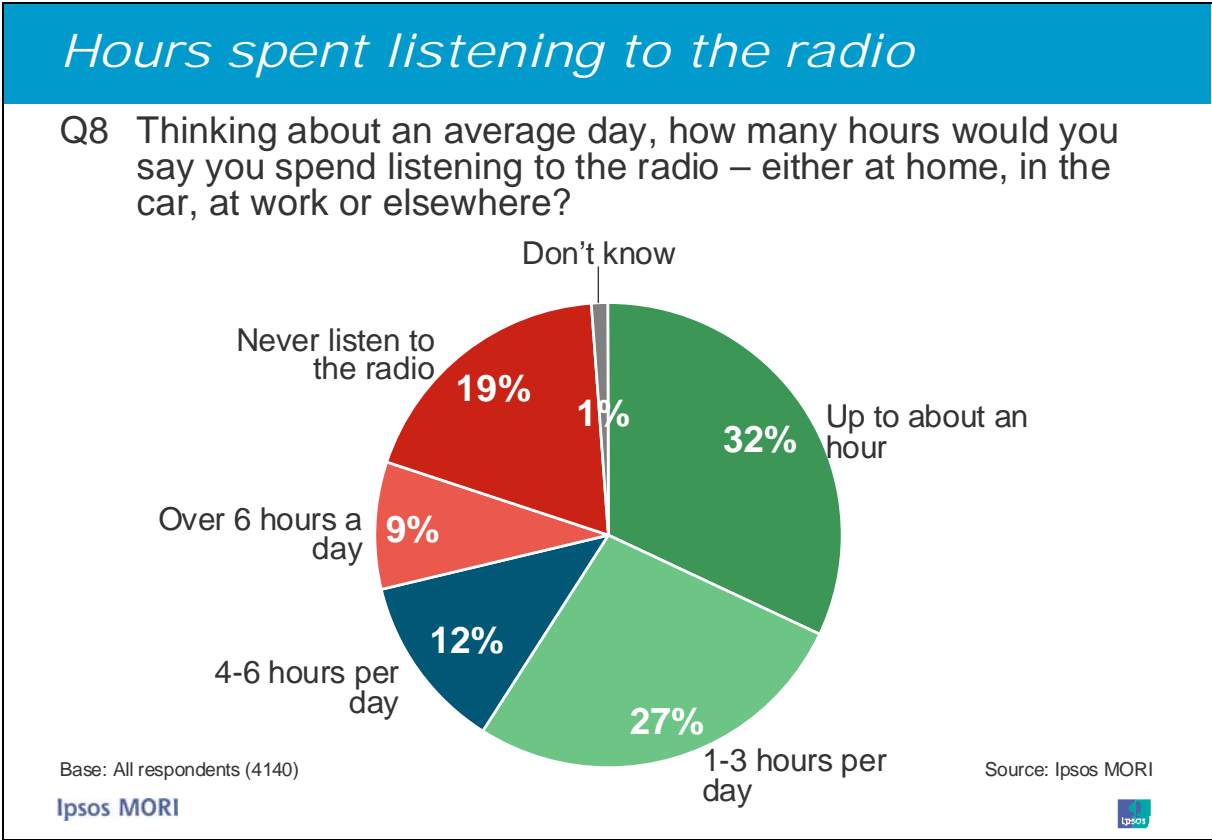
The other issue that could have been a possible barrier to approving these options was the lack of information about how many people would directly benefit from the development of the infrastructure. In addition, lack of infrastructure is seen as a temporary problem, and some participants wanted to fund an option that was 'ongoing' in nature, and wouldn't require further consultation once the temporary problem had been solved.

Participants in one workshop suggested that if the licence fee was to be used for purposes other than programming and content on the BBC, it should be renamed the 'Communications Licence Fee', which might be a more accurate name for a licence fee that was to be spent on various forms of communication and associated infrastructure.

Helping to increase the number of people who can receive DAB digital radio across the UK

As previously mentioned, this was the least favoured option among survey respondents. Just 4% of respondents selected this as their favoured option. This is despite the fact that, when asked about their listening habits, the majority of survey respondents said they spend

at least some time listening to the radio: 32% spend up to an hour listening to the radio on an average day; 27% spend 1-3 hours listening; 21% spend four or more hours listening to the radio. Just one fifth of those surveyed (19%) said that they never listen to the radio.



Older people were more likely than others to say they spend a significant amount of time listening to the radio (12% of those aged 55 and over said they listen for more than 6 hours, compared with 9% overall), while younger respondents were more likely to say that they do not listen to the radio at all (27% versus 19% overall).

However, it does not necessarily follow that this option was more popular among older respondents. In fact those aged 55 and over were more likely than others to have a low level of support for this option (41% express low support in the 1-10 rating question, compared with 37% of UK adults overall), though older people were more likely than others to select this as their preferred option (7% versus 4% overall).

Findings from the qualitative work go some way to explain this apparent contradiction. The option of increasing DAB Digital Radio infrastructure met with higher approval if participants were regularly listening to the radio but, as previously mentioned, those who already had access to DAB digital radio felt that these services did not need public funding. Moreover, for participants who doubted that DAB signals were superior to analogue signals, this option was perceived as an ‘unnecessary investment’. Further, participants questioned the ability of a

large section of the society being able to afford new DAB compatible receiver units, which reduced the social desirability of this option. If participants came from an area where there was perceived to be little digital radio content (e.g. Exeter), this option was seen as not relevant to their area, as it added no value.

Finally, views on this option varied depending on whether people felt that switchover was already agreed and committed to, or whether it was still open to debate. Many had difficulty in understanding exactly why money was needed for DAB radio (even in Exeter where digital switchover has already occurred for television) and questioned whether it was about funding content or infrastructure: although support for both was limited.

DAB: chosen as preferred option by 4% in the quantitative survey

Commonly mentioned pros and cons in the workshops:

- ✓ Digital radio is not broadly used at the moment and extra funding would help to make it cheaper and more accessible.
- ✓ Most people listen to the radio so this option would have wide-reaching benefits across the whole of the UK.
- ✓ Funding DAB digital radio might help to improve the quality of the radio signal.
- ✗ Limited understanding of what DAB digital radio is or what funding would pay for and, hence, limited awareness of any potential benefits.
- ✗ This is perceived to be a government initiative and not something that licence fee payers should be funding.
- ✗ This is not seen as a necessity because analogue radio signal is thought to be good.

Helping to increase the number of people who are able to receive broadband internet services across the UK

About one in seven respondents (15%) chose this as their preferred option, making it the third most popular of the six. As might be expected, those who have access to the internet and those who use it regularly were much more likely than others to choose this as their preference (17%, compared with 10% of those who do not have access and never use the internet). In the quantitative survey two thirds of respondents (66%) said that they access the internet regularly but three in ten (31%) said that they never access the internet. Additionally, in the 1-10 rating question, younger people were more likely to express high levels of support for spending the money on broadband. More than half (55%) 15 to 24 years olds expressed a high level of support for this option, compared with just three in ten

(30%) of those aged 55 and over. One quarter (24%) of 15 to 24 year olds chose this as their preferred option, compared with just 10% of those aged 55 and over.

This is supported by the findings from the workshops, in which younger participants felt that the option of increasing broadband access was essential, while older participants, who may not be as avid users of broadband services, felt that it did not benefit them directly. The option of increasing broadband services met with a mixed response depending on one's comfort level with using broadband, and one's access to broadband services. Older participants at the workshops were often less positive about this option, some saying that they would not benefit because they did not own a computer. In addition, many of these older participants did not know what broadband was or how it might benefit themselves or others.

For many participants, the idea of not having access to broadband was a financial issue, rather than one of infrastructure and there was limited understanding about what infrastructure changes would be required to ensure that everyone in the UK had access to broadband. Moreover, some participants felt that this should be left to the market, rather than government intervention. The participant quoted below did believe that increasing access to broadband was the government's responsibility, but did not think the public should be paying for this through the licence fee.

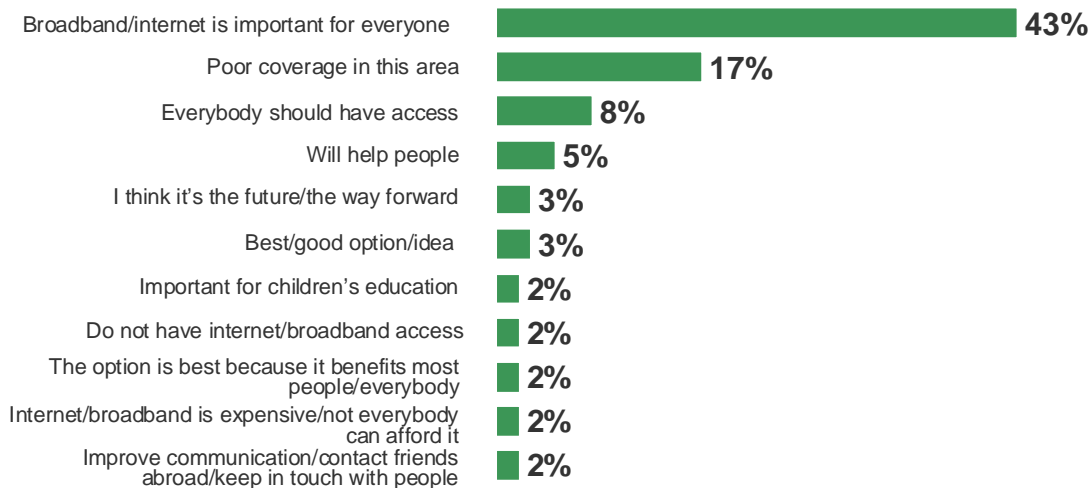
As far as I'm concerned, broadband's a government based thing. And they're trying to get the general public to pay for it again.

Male, Maidstone, Kent

In the quantitative survey, those who did chose this as their preferred option were asked why they had done so and the top ten responses are shown in the chart overleaf. The largest proportion (43%) said that it was because 'broadband/internet is important for everyone'. Nearly one fifth (17%) said it was because of poor coverage in their area. It is interesting to note that there were no statistically significant differences between those living in rural areas and those living in urban areas.

Reasons for choosing broadband internet services as preferred option – top mentions

Q6 Why do you say that?



Base: All who were asked about future use of the licence fee who preferred option B (287)

Source: Ipsos MORI

Ipsos MORI



The feeling that this option could benefit others, particularly those in more remote areas also came out in the qualitative work.

I think kids in school and students and people who are maybe quite isolated not able to get out and about, will be able to rely more on the internet they need a decent service. Otherwise they'll be at a disadvantage.

Female, Cardiff, Wales

Because there's people that live in far out areas that are getting kind of really poor speed or nothing so and the internet from my point of view is it gives you everything a telly can give you and more

Male, Glasgow, Scotland

Broadband: chosen as preferred option by 15% in the quantitative survey

Commonly mentioned pros and cons in the workshops:

- ✓ Broadband internet is seen as important because of the increasing numbers of people using online services.
- ✓ The current disparity between access in different areas could be evened out by allocating more funding to broadband related infrastructure.
- ✓ Some felt that spending money on infrastructure might help to make broadband more affordable.
- ✗ Limited understanding of what the funding would pay for and, hence, limited awareness of the potential benefits.
- ✗ It was felt that most people already have high speed internet access so spending money on this option is unnecessary
- ✗ In general, it was felt that this should be paid for by internet providers or directly by the government, and not by the licence fee.

3.5.2 Programming related options

While the survey respondents showed little support for programming related options, they received a more mixed response in the deliberative workshops. On the whole however, there was some marked concern about the government making decisions about how the money is spent.

If the licence fee's paid, it should go to the BBC. You're paying for something to watch on TV. Why should the government have its fingers in the pot?

Male, Maidstone, Kent

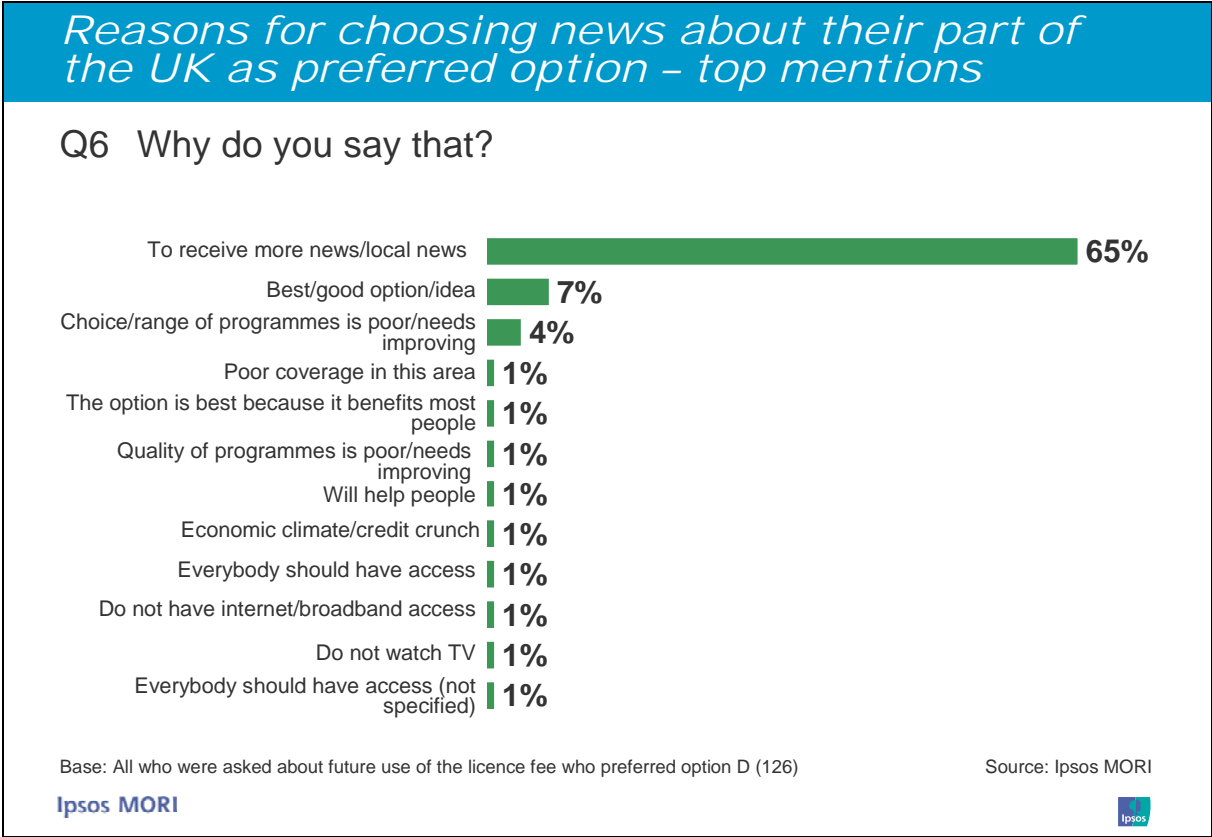
Funding new organisations to provide news about your part of the UK

Just 6% of survey respondents chose this over the other options presented to them. Moreover, in the 1-10 rating question, nearly one in five respondents (19%) expressed no support at all for this option, allocating a score of '1'.

As might be expected, those who regularly watch news about their part of the UK were more likely to support this option than those who don't (37% expressed high level of support, compared with 23% who don't watch this type of news). They were also more likely to select this as their preferred option (10%, compared with 5% who do not watch news about their part of the UK). However, support for this option was not significantly affected by the

channel on which someone watches this type of news: similar proportions of viewers of news about their part of the UK on BBC1 and ITV1 rated this option highly (34% and 39% respectively). In fact, there was no statistically significant difference in opinion between those who said they only watch BBC1's news about their part of the UK, and those who said they only watch ITV1's , though both of these groups were more likely than average to support this option (44% and 36% respectively expressed a high level of support, compared with 27% overall) and to select it as their preference (9% and 10% respectively, compared with 6% overall). Moreover, it does not necessarily follow that those who have an unfavourable opinion of the BBC will express a higher support for the option of funding other broadcasters. In fact, those who expressed low levels of favourability towards the BBC were also more likely to express a low level of support for this option (47% versus 32% of those who had a highly favourable impression of the BBC).

Of the 6% who did choose this option as their preference, the majority did so because they wanted to receive more local news (65%). Other reasons given by respondents were the feeling that this was the best option or idea (7%) and that this would improve the choice/range of programmes available (4%).



The quantitative data showed no statistically significant differences between the regions or the nations: respondents in Scotland, Wales and Northern Ireland were no more likely than

people in England to express a preference for this option. There were some variations between the nations in the deliberative workshops. As stated previously, the workshop format brings together individuals from the region, or the Nation, and this may reinforce regional or National identity, which may not be top of mind when a respondent answers questions in a quantitative survey.

Participants in England and Wales tended to view the option of funding news from their part of the UK as duplicating existing work by the BBC. These participants were less likely to rely on ITV1 for news and content, and were satisfied with the existing levels of region or Nation specific news. They felt there was a significant risk that the alternate provider was likely to focus on similar news stories, duplicating existing BBC efforts. This option did not align with a principle participants associated with the licence fee – that money should not be used twice to fund the same kind of content.

In addition, there was some concern that there may not be enough ‘happening at the regional level’ to justify expenditure on news production, particularly on two channels. This issue is discussed further in chapter 4.

You can't generate local news. If there was lots of local news, if you're in London and there's lots happening and this is happening, you've got news every day. Sometimes over here the best news we have over here is we've got two weeks of rain coming. Another dull day.

Male, Belfast, Northern Ireland

In contrast, participants in Scotland and some participants in Northern Ireland, who are not adequately satisfied with the content provided by BBC, felt that the BBC did not provide enough coverage to nations other than England. Further, they felt that the BBC provided the news from the perspective of England, rather than the UK or their nation. They value the news on STV/UTV and regard it highly and would consequently want news content for their nation on a channel other than the BBC to continue. However, some felt that the licence fee is controlled by the UK government, and may fund news similar to the BBC, and therefore, despite having an additional source of news, it may not be significantly different in editorial remit from the BBC (see next chapter for more detail).

News about your part of the UK to be shown on ITV1 and a range of other media: chosen as preferred option by 6% in the quantitative survey

Commonly mentioned pros and cons in the workshops:

- ✓ For some people, news about their part of the UK is extremely important and funding this option would help to safeguard the provision of this.
- ✓ Those who express a clear preference for the news provided on ITV1 (particularly those in Scotland and Northern Ireland) are keen for this programming to be maintained.
- ✗ Having more than one provider of regional news was seen as unnecessary – and, therefore, funding other broadcasters would be a waste of money.
- ✗ For many, the idea of funding other broadcasters with the Licence Fee money was unacceptable. They wanted to money to remain with the BBC and were concerned that funding this option would be ‘the thin end of the wedge’.
- ✗ There are sources other than television from which people can get news about their part of the UK (e.g. local newspapers and local radio).

Funding other public service programming

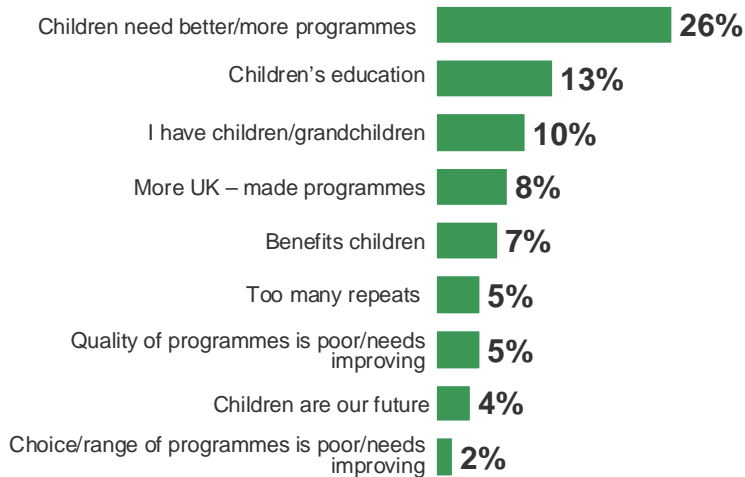
This option was also unpopular, with just one in ten respondents (9%) citing it as their preference.

As might be expected, those with children in the household are more likely to express a higher level of support for this option (40%, compared with 23% of those with no children in their household).

Survey respondents focussed particularly on children’s programming when considering this option (this example was given in the question wording) and this is evidenced by the reasons given by those who chose it as their preference. As can be seen in the chart overleaf, the top three reasons given by respondents relate to the possible benefits for children.

Reasons for choosing other public service programming as preferred option – top mentions

Q6 Why do you say that?



Base: All who were asked about future use of the licence fee who preferred option E (174)

Source: Ipsos MORI

Ipsos MORI



The quantitative data showed no statistically significant differences between the regions or the nations: respondents in Scotland, Wales and Northern Ireland were no more likely than people in England to express a preference for this option. In line with the option relating to news about their local area, the qualitative work found some differences between the attitudes of those in England and Wales and those in Scotland and Northern Ireland.

This option did not find much support in England and Wales. Participants in the workshops in England and Wales, who expressed higher affiliation to the BBC, felt that funding additional public service programming on other channels would give other channels an unfair advantage over the BBC as they will be allowed revenue through advertising. i.e. While it could encourage competition, and encourage BBC to improve its content and programming – it would be an unfair competition. Further, they preferred the quality of BBC programming, and felt that the quality of the programming funded by the licence fee could be compromised if the money was spent on a body other than the BBC.

I meant the money shouldn't be invested in other channels at all, it should just remain true to BBC and provide quality programmes.

Female, York, England

For a few, the potential impact on the BBC in terms of having to compete for funds with other providers and consequently potentially increasing the incentive to reflect government's wishes was perceived as a threat. Others were unsure whether there was a real need to

support PSB on other channels. However, some participants, especially those with children in their household felt that programming for children *should* be enhanced on other channels (available on freeview), as the other channels require subscription fees. In particular, a few noted that children's television can shape their worldview and consequently it is as important to have competition and variety in children's programming as it is in national/international news.

It must be noted that in Scotland and Northern Ireland, there was support for this option as they interpreted it as an option to increase *Nations* content, rather than UK-based content. Many of the qualitative participants in Scotland and Northern Ireland assumed it would enable public funds to focus on their nations, and encourage local content. This assumption was based on the perception that, because they view STV/UTV rather than ITV1, the money for programming would go to STV/UTV (and consequently Scottish content). This option is important to them as they felt it could increase the scope of the content to entertainment, documentaries, and sports – i.e. above and beyond news.

You don't want to see that much BBC the whole time you watch other channels as well. So we want other channels to have educative things as well.

Female, Glasgow, Scotland

They felt that this was a step in the right direction, as it could help emphasise that the BBC shouldn't be the only one to receive funding, and that there could be alternate, more relevant providers who could meet their nation specific needs. However, when these participants were asked about using this money to provide UK PSB content *as a whole*, the idea received significantly less support.

Other PSB content to be shown on ITV1, Channel 4 or Five: chosen as preferred option by 9% in the quantitative survey

Commonly mentioned pros and cons in the workshops:

- ✓ The idea that this money could be channelled into educational programmes was appealing to some, particularly if they had children who might benefit.
- ✓ Some said that they would not mind if the money went towards funding this type of programming on other channels, provided the range and quality of these programmes was improved.
- ✓ In Scotland (and to a lesser extent Northern Ireland) participants saw potential for this money to fund content that focussed on their nation and therefore supported it under this condition.
- ✗ Other channels providing this type of content are funded by advertising so people cannot see why they should receive extra money from the Licence Fee (even when explained that revenues are falling).
- ✗ There are already a lot of children's programmes on Sky and Digital channels. Participants saw no reason to be concerned about programmes of this nature being made in the UK.
- ✗ Many disagreed with the idea of providing public funding to commercial channels. They were concerned that funding this option would be 'the thin end of the wedge'.

3.5.3 Options where the BBC is the sole recipient of the licence fee

These options have been grouped as they are not perceived to change the current remit or purpose of the licence fee (i.e. the licence fee continues to fund only one broadcaster – the BBC). The first option of reducing the licence fee by £5.50 was seen as the most desirable one when participants expressed their spontaneous preferences. However, participants in the two strands of research picked this option for different reasons. In the quantitative survey these tended to focus on affordability and value for money, though a broader range of reasons were provided in the workshops.

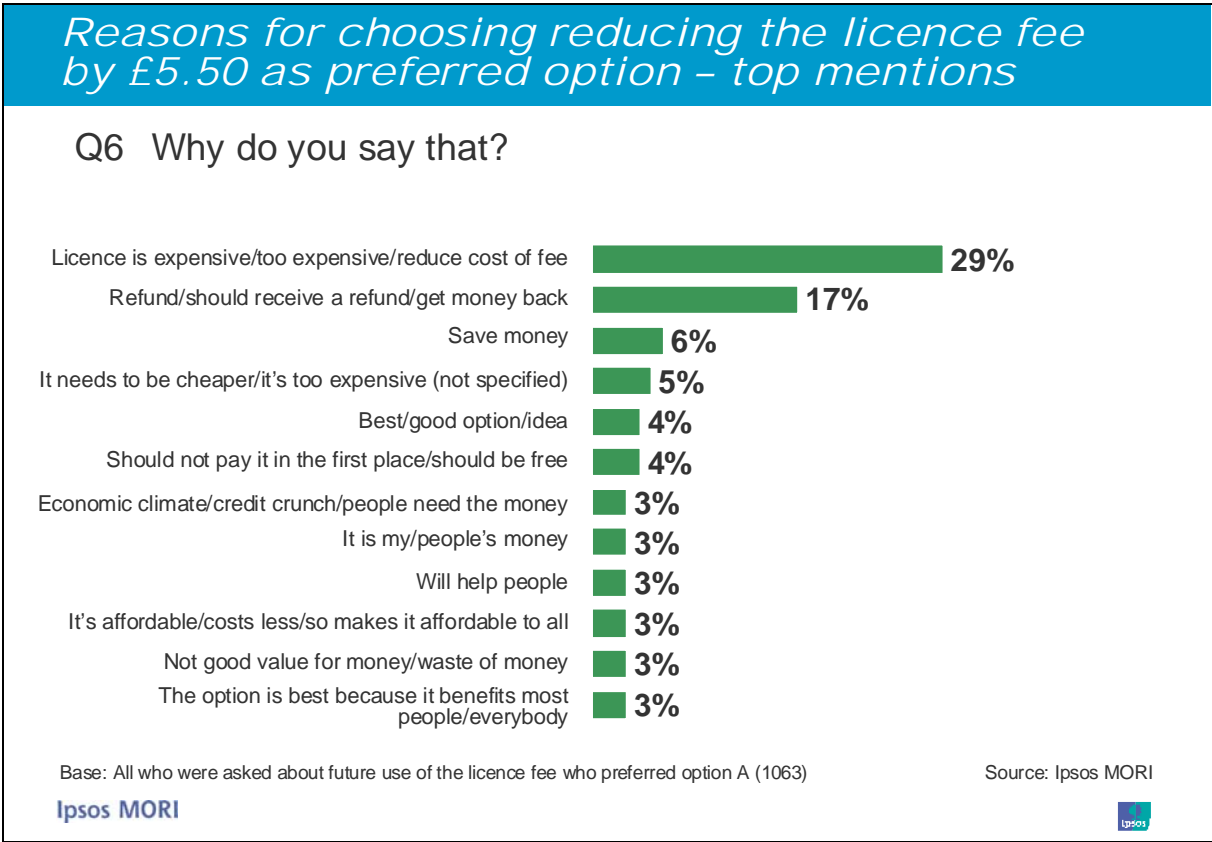
Reducing the level of the licence fee by £5.50 after digital switchover is complete

Half of the survey respondents (49%) chose this as their preferred option and on the 1-10 rating scale it received complete support (opting for a score of 10 out of 10) from more than one third of respondents (36%). These respondents were more likely to be in the C2DE social grades (42% versus 36% overall) and those living in Northern Ireland (59%). Those

who gave a lower favourability score for the BBC were more likely than higher approvers to express *complete* support for this option (44% versus 36% overall).

One in ten respondents (11%) did not support this option at all, allocating it a score of '1'. These respondents, who expressed no support at all for this option, were most likely to be in the AB social grades (19%).

Reasons for choosing this option were linked to concern about the level of licence fee, with three in ten respondents who chose this option (29%) saying that they favoured it because the licence fee is expensive/too expensive or they would like to see it reduced.



Some workshop participants, particularly those in England and Wales, felt that awarding part of the licence fee to a provider other than BBC, could potentially threaten the BBC's independence (see section 4), or create unfair competition and (as discussed in section 3.5.2 above) that it was not appropriate to use the money for the infrastructure options. They voiced concerns that it could be the 'thin end of the wedge' – and that the 3.5% could increase with time, compromising the quality of content on the BBC. Moreover, it was felt that distributing the licence fee between various providers could potentially decrease the combined impact of the licence fee (and consequently value for money). A large number of workshop participants in Scotland and Northern Ireland felt that the licence fee should be reduced as they do not feel they get value for money from the existing licence fee.

Overall, however, participants in the qualitative workshops were not as keen to see a reduction in the licence fee as those in the quantitative survey. This is likely to be for a number of reasons:

- **Social desirability:** people are less willing to appear 'selfish' in a group setting and therefore would not want to advocate this option (and they rationalise this by saying £5.50 is not a lot of money). However, some did voice this view spontaneously at first but after discussing the possible benefits of using the money in other ways their views shifted which suggests that social desirability is only one factor in this case.
- **Perceived implausibility:** many commented that this option did not seem to be particularly plausible – they could not imagine that the licence fee would be reduced and therefore chose to select an option that they felt was more likely to have potential. Participants felt that the likelihood of the government willingly reducing a revenue stream was low.

I think even if we say we want it back I can't see it happening.

Female, Exeter, England

My initial reaction was reduce the fee, but I don't actually think that would happen.

Female, York, England

- **Considered opinion:** in the workshops people have longer to consider each option and its benefits and drawbacks (as well as having each explained in more detail). Consequently they are more likely to consider the relative benefits of each option.

Reducing the level of the licence fee: chosen as preferred option by 49% in the quantitative survey

Commonly mentioned pros and cons from the workshops:

- ✓ The licence fee is perceived to be too expensive and reducing the level of the licence fee by £5.50 would help make it more affordable for certain groups in society.
- ✓ Those who are against the licence fee in principle feel that the money should be returned to them because they should not be paying it in the first place.
- ✓ Many felt that the licence fee should not help to fund commercial broadcasters and thought that reducing the licence fee was preferable to this.
- ✗ Some participants felt that the amount of money is too insignificant to make a difference to most people's finances. The money would be better spent on one of the other options.
- ✗ Some participants could not see this happening in practice (as they do not remember the licence fee ever being reduced).

Spending more money on BBC programmes and content

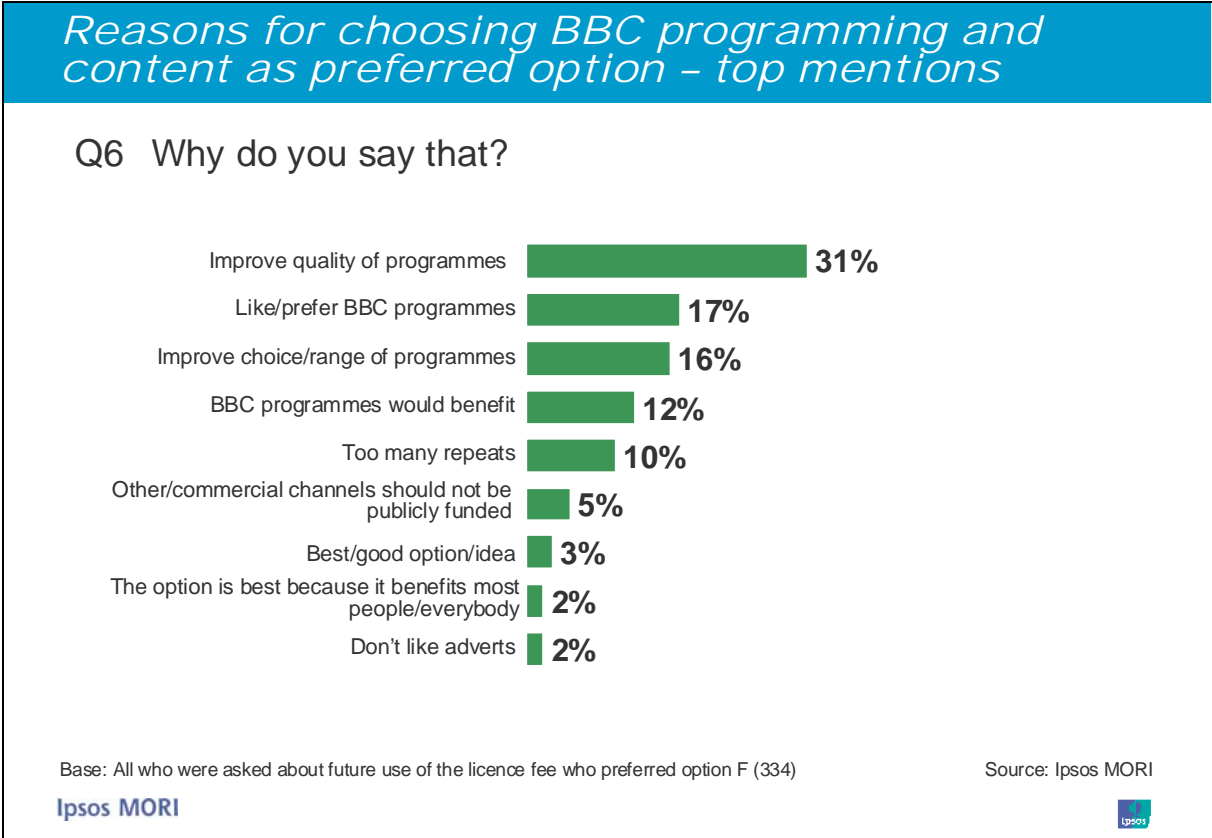
This was the preferred option of one in six UK adults (17%), making it the second most popular choice. In the qualitative findings participants quickly discounted the option of reducing the licence fee (as they felt it was unlikely to happen), leaving this as the most preferred option for the majority.

Again, there is a divide between the opinions of those in the AB social grades and those in the DE social grades. Nearly half of those in the AB social grades (46%) express a high level of support for this option, compared with just one quarter (25%) of those in the DE social grades. Those in the DE social grades are much more likely than others to say that they do not support this option at all (21% versus 17% overall). The same is true for residents of Northern Ireland: one quarter (25%) of those living in this nation say that they do not support this option at all. Looking across the different nations of the UK, support for this option was broadly similar in England and Scotland.

Those who have a favourable impression of the BBC¹¹ are also more likely to express support for this option. Nearly half of those who view the BBC favourably also show a high level of support for using the money to fund BBC programmes and content (45% versus 18% of those with an unfavourable impression of the BBC).

¹¹ Responses were aggregated into: high favourability (8-10), medium favourability (5-7) and low favourability (1-4). See appendix one for more details.

The chart below shows the reasons given by respondents for choosing this option over the other five. Most prevalent was the possibility of improving the quality of programmes on the BBC, mentioned by three in ten respondents (31%). Having a preference for BBC programmes; wanting to improve the choice or range of programmes; and feeling that BBC programmes would benefit were also commonly cited reasons.



The idea of using the 3.5% to fund BBC additional content found strong support amongst the participants in the qualitative workshops in England and Wales. As in the previous case, participants had different reasons to support this option. For some participants, this money was essential as they felt it would improve BBC’s programming and content, which they perceived as needing more investment to avoid having so many repeats.

If it stayed with the BBC it would improve the programmes even though some of them are fairly good now. If you add another £5.50 it could be even better.
 Female, Maidstone, Wales

Other participants felt that this would help the BBC maintain its independence from the government, and reduce the likelihood of a situation where multiple broadcasters would have to vie for the government’s support in order to get licence fee funding.

Spending more money on BBC content: chosen as preferred option by 17% in the quantitative survey

Commonly mentioned pros and cons:

- ✓ Giving the money to the BBC would help to improve the quality and content of the programmes available - this is what the money should be used for.
- ✓ Group participants were keen to maintain the current status quo, so leaving the money with the BBC was most preferable.
- ✓ The money could be spent on improving local BBC programmes.
- ✗ There should be enough money being spent on BBC programmes and content already.

Option of Independently Funded News Consortia

4. Option of Independently Funded News Consortia

Summary

Following discussion of the various options for switchover money, participants in the workshops were introduced to the concept of Independently Funded News Consortia (IFNCs) in detail.

In the workshops there was very little appetite for IFNCs after the proposal was explained to participants. The majority of those in England and Wales felt that news about their part of the UK was not necessarily a priority for funding: particularly as provision will be continued on the BBC. In Northern Ireland and Scotland there was greater support for the proposals; however, this support appeared to be a result of the broader desire to continue provision of news about their nations on ITV1, rather than specific support for funding IFNCs.

Although in the quantitative survey those who currently watch news about their part of the UK were generally positive about it, there was general agreement in the workshops that there is scope for improvement. However, using part of the licence fee to ensure continued plural provision was not necessarily seen to be the solution. Some could see the potential for competition to lead to increased consumer focus and consequently better news coverage, but others noted that there is currently competition in the market but that this doesn't appear to be having an impact on quality in the way they might hope.

Although participants were told that the proposed amount to be used for the proposals would be ring-fenced, there were concerns that the amount of money taken from the licence fee could increase in the future, either because IFNCs will cost more than originally anticipated or because once the licence fee is given to companies other than the BBC there will be increased pressure to use it to support other services seen to be for the public good. For most people this was a negative factor, however, the relatively few participants who did support the idea of using the licence fee to continue news about their area on ITV1 thought that this increase over time would not necessarily be a bad thing. This minority of participants felt that the licence fee money should be shared more widely with other broadcasters, particularly those who could produce locally made programmes (i.e. in Scotland and Northern Ireland).

The concept of IFNCs themselves received less support than the general idea of using the licence fee to fund programming/news on channels other than the BBC (though in fact in most workshops supporting regional news in this way received little support in any case).

The principle concern about the detail of the concept was that many felt uncomfortable with the idea that IFNCs would potentially be profit-making. They were unclear why these organisations should be allowed to make a profit when the reason the licence fee funded them in the first place was because they claimed it was not profitable to make news about their part of the UK. To solve this conundrum many claimed they would be happy if the IFNCs had to plough all (or a portion) of their profits back into news-making (although public investment in regional news was still not considered to be a priority by most participants in England and Wales).

The way the IFNCs would operate was seen by many as leading to increased bureaucracy, particularly as time would have to be spent deciding between bids. Consequently some suggested that if this proposal did go ahead (which they didn't necessarily think it should) then the money should go directly to ITV1 rather than new consortia in order to ensure value for money for the licence fee payer.

Despite their concerns and dislike of the concept generally, few could *spontaneously* see any reason why the proposals should impact on the BBC if the money for IFNCs was truly ring-fenced (which many found hard to believe). Where concerns about the potential impact on the BBC were raised, they related to how the proposals could impact on the BBC's independence in future; for example, if the BBC felt it had to justify its choice of content to the government when re-negotiating the licence fee.

One of the programming options focuses on funding news about parts of the UK, given that ITV may no longer show these programmes. This is because ITV is under cost pressures and may no longer find it financially viable to show these programmes¹². To this end, this option, put forward by the government, proposes using part of the licence fee to fund new organisations that will provide news about various parts of the UK. The BBC would continue to provide this kind of news. But without some kind of additional funding in the future, the BBC might become the only broadcaster who provides this type of news on television. The new organisations would be called 'Independently Funded News Consortia' (IFNCs). Different investors would join together in each part of the UK, specifically to produce news about that area.

¹² For full text see the script for video 3 in the appendix

In the workshops, the idea of IFNCs met with varying levels of acceptance and resistance across the UK. Several factors influence this, and the most important include: the need for plural provision of news, the attitude towards public funds being used for a profit and the sense of affinity with the BBC. As outlined in the previous section this was one of the least popular options for omnibus survey respondents and equally, apart from in Northern Ireland and Scotland there was little appetite in the qualitative work for IFNCs.

4.1 Is plural provision of news about their part of the UK a priority?

The perceived need for plural provision of news about their parts of the UK is linked to the perceived scope for contention and political bias. While provision of regional news in England, and national news in Wales, Scotland and Northern Ireland is seen as being important and useful, the perceived need for plural provision varies between the nations. In England, participants preferred to focus on improving the content of regional news on BBC1, rather than funding an additional provider as regional news is seen to be less politicised and therefore less likely to require competition in order to ensure it is not biased. This preference was noted in Wales as well.

News isn't going to change, probably for different people that are doing the news story have a perspective on it's going to change, but it's pretty much the same story right across the line. You can't make it up to make it do something different. A story is a story.

Female, Maidstone, England

I can see how if we only have one regional news it does become a bit of a dictatorship, where we have to believe everything that they say, but is regional news really that [contentious]. It's not about the war in Afghanistan. Yeah, 'someone robs someone in Cardiff', is there that many different spins on it that we could be like that?

Female, Cardiff, Wales

However, in Scotland and Northern Ireland, where STV and UTV are viewed positively as sources of news, the absence of this provider is more likely to be noticed. Hence, the support is not so much for plural provision, but specifically for ensuring that STV/ UTV continue to show news programmes.

I don't want to lose my STV news, I don't want to lose that, but I still want to keep my Scottish presenters and that.

Female, Glasgow, Scotland

For some workshop participants, while plural provision of news was important, and fit within their political perspective of media, they were not convinced that public funding of an alternate provider was the way forward. They hoped that this provision could continue to be ensured through commercial means such as advertising and product placement. They felt

that the inability of these programmes to be profitable without public funds could be seen as evidence of the content not being valuable enough, and by extension, not deserving of public funds.

There's only two channels that do regional news, so it's only competing against another channel. If nobody's watching that one then why would anybody want to be part of it if it's not going to make any profit?

Female, York, England

Ultimately, particularly in England and Wales, while participants felt that news about their area has some value, they were not convinced that it was important enough to justify spending their licence fee on preserving it on more than one channel.

4.2 Access and content

Workshop participants in Scotland and Northern Ireland were more likely to support the option of funding news about their part of the UK than those in England and Wales. Participants in England and Wales locations felt that they already had access to news about their area through various media including newspapers, radio and television. Participants in Scotland and Northern Ireland felt that the news should continue to be shown on the ITV1 slot on television and ideally would like additional slots to be provided. However, younger participants across the Nations and regions felt that content should be easily accessible and not restricted to time slots so they also expressed a preference for online content.

The content produced by the IFNCs is expected to be more comprehensive and informative than a traditional news bulletin, with some participants suggesting that news includes 'positive stories' and magazine-like features. This resonates with participants choosing to describe news as 'depressing' or 'sad' – emphasising a need for more community oriented and constructive news stories at the regional and national level. However, it should be noted that this is an opinion often expressed in research and may not in fact reflect viewing choices. Some participants, particularly in England, felt that this option, if it must be taken, could provide the opportunity to nurture new talent on television and other media. Equally, some felt that regional news could also have a role in promoting events before they happen – to encourage people to attend and know what's on in their local area.

Participants in Scotland felt that focusing on regional or national issues was a priority. They felt that more reporting on sports and culture from various parts of Scotland would provide encouragement to local talent and forums such as leagues, festivals etc. that are not well-known at the level of UK.

4.3 Impact on licence fee

Workshop participants were concerned that 3.5% of the licence fee might not necessarily be enough to fund IFNCs on an ongoing basis while ensuring high quality content. They felt that this amount may have been adequate for the Digital Switchover fund, but may not be adequate to fund alternate sources of news – although they said they did not really have enough information to judge.

Some participants, across the locations, were concerned that the amount of licence fee that was spent on this option could increase in subsequent years. While they believed that the ring-fenced amount of 3.5% may not change as a percentage of the whole, they felt that increasing costs of producing regional or national content may be accommodated by increasing the licence fee as a whole. Others were concerned that the percentage of the licence fee could increase beyond 3.5% in subsequent years and that this could be ‘the thin end of the wedge’ (a term that was used spontaneously by participants), potentially encouraging commercial broadcasters to demand more money in future, to fund news and other types of public service programming. In general the possibility that the amount of money IFNCs receive could increase was perceived to be a bad thing, particularly by those who think the licence fee is already too high.

Well if they decide they need more money, they'll just put the licence fee up so that the 3.5% will force the kind of money they want regardless.

Female, Maidstone, England

In contrast, some participants, those who felt a lesser degree of affiliation with the BBC and younger participants, felt that more funds from the licence fee as a whole (i.e. more than the 3.5% contestable amount) could be (and potentially should be) used by other providers in general and on news as one aspect of this. These people felt that it should be redistributed so that IFNCs would have adequate funds to provide high quality content: this would prevent the licence fee increasing further but would ensure IFNCs had the resources they needed.

Most participants do not feel that they currently control or are able to influence the licence fee - either in terms of programming and content that it funds, or in deciding which organisations receive the funds. While some were aware that programming on BBC can be influenced through feedback, the licence fee process comes across as complicated and opaque, making it difficult for participants to judge definitively the possible impact of the proposals on the licence fee.

4.4 The concept of IFNCs

As mentioned previously, while some participants felt that plural provision of news was important, they felt that it may not be important *enough* to be funded through public funds. i.e. While regional news may be highly valued, it may not be seen as a priority, particularly in the light of the other options discussed.

While one of the reasons why some participants did not accept the idea was because they felt it offered inadequate value for money, especially the same kind of content was being funded twice, the other difficult issue was that of IFNCs being allowed to generate profit from programmes made with public funds.

Allowing IFNCs to make a profit

In the presentation introducing the government plans for IFNCs, the fact that they would be allowed to make a profit was mentioned (for full script see appendix). This concept made many participants uncomfortable, as it suggested that risks were being taken with public funds and that private companies could potentially make money out of the licence fee. Some participants compared the funding of IFNCs to the recent bail-outs of banks. While it was acknowledged that IFNCs might be separate entities from ITV, this move was seen as 'bailing out' the channel. This fits into the larger issue that for most participants, the process of production and broadcasting are not separate, and consequently they find it hard to understand the exact implications of the proposals.

If they make profit and it comes back, then yeah, that's yeah, that's fine. But if they're keeping it to themselves, then no, I don't want my money going to someone who's just keeping it in their pockets.

Male, London, England

Since the model for public service broadcasting - the BBC - is recognised as a not-for-profit organisation, the move to fund IFNCs was seen as a large deviation from the perceived principle of not making a profit from public funds. However, participants conceded that *if* this profit was ploughed back into the funds available for public service programming, they would be less opposed to the idea of profit. Participants discussed the possibility that the IFNCs may not profit from this type of programming given that ITV have said that it is not worthwhile for them to carry on producing it. However, it was broadly felt that commercial broadcasters would not get involved in this proposal unless they stood to make a profit from it. Despite this, as a matter of principle most participants did not think that profit should be made from the licence fee unless at least part of the profit was put back into programming (although even if this were to be the case, public investment in regional news was still not considered to be a priority).

Awarding contracts to IFNCs

Because IFNCs are for-profit, their motives and ability to produce quality content becomes more important. In this context as well as more generally, participants were concerned about the process of awarding the contract. Some participants felt that the licence fee had never been examined adequately in the public domain, and that this money would be similarly distributed: without much discussion or consultation with the public that they were aware of. As it is public money, people in the workshops felt very strongly that it would be important to ensure that the public perspective is reflected when agreeing how to spend the licence fee.

In a way you could treat the licence payers as shareholders so that we are given more information like a shareholder would be. And some of us could sit on that governing body too.

Female, Maidstone, England

Overall, there was some concern that the process of developing bids and judging the consortia would take more resources which would also have to come out of the 3.5% of the licence fee. As is often seen in workshops about government spending, people reacted against this as producing extra layers of bureaucracy and not necessarily providing value for money. They consequently would be more receptive to the money being allocated by existing bodies but only a few were able to suggest a body that might be appropriate – only Ofcom was suggested spontaneously by participants.

To be honest I'd hope there's a programme of governance in place already to monitor quality, so the extra £5.50 a year I'd just expect that to be taken care of by the normal governance that's in place.

Male, York, England

To enable participants to think further about what kind of organisations could potentially be responsible for awarding the funds, they were prompted with two possible organisations – the BBC Trust and Ofcom (information provided is available in the appendix).

The BBC Trust was not seen as being completely separate from the BBC by some participants and consequently they were unsure whether it would be well placed to award the contestable element of the licence fee. This is partly because most participants did not know much about the BBC Trust, haven't heard its name before, and feel that its name suggests it is linked to the BBC. Also, some of the participants in Northern Ireland felt that the Trustees are effectively government appointed, and that this meant it was not independent. In particular, if the same people were effectively regulating content on both channels, participants questioned how independent the new ITV1 news would be and felt that this would reduce the value of supporting a second channel to show news about their part of the

UK. Some participants who supported the BBC disagreed and thought that the BBC Trust was in the best position to ensure that there is no replication or inefficient use of the funds.

Ofcom was seen by many participants as being independent, was recognised as a name and as an organisation that protects audience interests. However, there were some doubts raised about the suitability of Ofcom, as it is perceived as a regulatory body, rather than an organisation that should be choosing which IFNCs should get the funding.

You can complain to the Ofcom. They know what's harmful or wrong, but may not know what the best programme is.

Female, Exeter, England

They're independent, and if there's something that you see on the telly that you don't like and agree with, the majority of people go to Ofcom anyway. So I think maybe they should be the ones to oversee that.

Female, London, England

However, some questioned why the extra layer of contest was needed – they felt that ITV1 has shown it can produce news about their part of the UK and that therefore the money should go straight to ITV1 rather than establishing new IFNCs. It was thought that this would simplify the process and thus lead to better value for money because the licence fee would not have to pay for the mechanisms to decide which IFNC received the funding: they believed that administrative cost of evaluating the competition could outweigh the benefits.

4.5 Perceived impact on BBC

The perceived impact on the BBC ranges varies between individuals and locations. Participants explored the impact on BBC's programming, content, independence and long-term stability.

Despite their concerns and dislike of the concept generally, few could *spontaneously* see any reason why the proposals should have a direct impact on the BBC if the money for IFNCs was truly ring-fenced (which many doubted would be the case in the long-term).

When prompted to think about the concept of independence, a few felt that the BBC's independence could potentially be jeopardised by the proposal, though many were unsure how this might happen.

Some workshop participants felt that the licence fee *should* fund competition which would provoke and encourage the BBC to improve their programming and content. However, others had concerns that this competition would not have a positive impact:

- Some participants felt that in the long-term, the BBC may have to compete on the basis of popularity of content if these proposals went ahead and that this could potentially harm the quality of some of the programmes produced;
- Others felt that the improvement in BBC's programming should be through audience feedback and BBC Trust's requirements (once they were told about the BBC Trust by moderators); and
- Moreover, with the increase in the number of channels available to viewers, the BBC already does have to compete, and the licence fee is not required to fund the competition. In addition, the existing competition in terms of news about their part of the UK is not necessarily resulting in programmes participants want to watch.

Some participants also felt that if the government had to choose between funding different providers, an organisation that was more favourable to the government had a better chance of winning part of the licence fee, potentially threatening the independence of the BBC, although some already believe that the current licence fee process means that the BBC is not completely independent anyway.

Overview of responses to alternative points of view

5. Overview of responses to alternative points of view

Summary

At the very end of the workshops, participants were presented with two alternative points of view on the issue. The first of these reflected alternative suggestions that have been put forward for the provision of regional news (as suggested in an independent report produced for the Conservative party¹³). The second reflected the potential risks regarding the proposal to have a contestable element of the licence fee that had been raised by the BBC. See appendix 4 for the text which was presented.

Participants instinctively liked the alternative proposals for a market solution which were presented in the workshops, but found it difficult to envisage how they would work in practice. In particular they were concerned that if news about their area as it stands at the moment is not profitable then they could not imagine how more localised news would be supported financially. In particular they were concerned about how areas with sparse populations would be covered. However, if it could be made to work then this type of market-led proposal was seen as preferable to the idea of having to pay for regional news on other channels using the licence fee.

Most participants in the qualitative workshops also agreed broadly with the risks put forward by the BBC as they were presented in the workshops (although less so in Northern Ireland and Scotland). Some of the issues raised resonated more than others. The issues that resonated were related to the idea of the 'thin end of the wedge' argument and concerns about the BBC's independence, as both ideas had spontaneously arisen in the workshops. Most people in the workshops spontaneously associated the BBC with the licence fee. However the argument that the proposal could weaken the BBC's relationship with its audience was less well supported, as many were unclear on the ways in which the BBC is currently answerable to the viewer. Evidence from other parts of the discussion indicates that they did perceive a strong link between the BBC and the licence fee; however they did not necessarily think this meant the BBC was answerable to them in practice and so they did not identify with the idea of a threat to this.

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http://www.conservatives.com/News/News_stories/2009/07/Local_television_consultation_launched.aspx

Participants were provided the opportunity to reflect on two alternative points of view towards the proposal to fund IFNCs to produce news about their part of the UK. These viewpoints were introduced to enable participants explore alternate ideas for provision of regional news or news from the Nations, without using the Licence Fee. They were introduced using the standardised scripts included in the appendix after the findings in previous sections had been gathered in order to ensure that they did not influence reactions to the different options earlier. It should be noted that the introduction of these alternatives did not change the participants' opinions about the options overall.

The first alternative point of view presented was based on an independent report produced for the Conservative party¹⁴, and states that it is possible to provide an alternate source of news without using the licence fee to fund IFNCs. In essence, this viewpoint puts forward the idea that a network of local stations and multi-media providers can be funded through advertising, product placement and private funding, and would be able to produce and show news relevant to that part of the UK. The full text provided to workshop participants is included in appendix 4.

While participants liked this idea in principle (as it means effectively the status quo is maintained without their financial support), they were unsure whether it would be entirely practical. The main concern was that, given they have been told that current news provision is no longer financially viable they struggled to see how it could be viable at an even more local level with fewer economies of scale. Also they felt that as some areas were less populated, and there was a perception that revenue generated through advertising would not be adequate to fund content at the local level.

The idea of 'local' however does find resonance with what participants felt was a big gap in television content. Most of the programming on television, even if it caters to regional or Nations levels, does not concentrate on smaller areas and people we keen to have this more local content if possible. However, a few participants suggested that local television stations could potentially bridge that gap, and be able to show more than news, for example being used for community television projects as well.

The second alternative perspective reflected the potential risks regarding the proposal to have a contestable element of the licence fee that had been raised by the BBC.

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http://www.conservatives.com/News/News_stories/2009/07/Local_television_consultation_launched.aspx

Participants in the workshops who felt more affiliation with the BBC tended to spontaneously agree with the risks presented by the BBC. The viewpoint was seen to broadly reflect some of the concerns already spontaneously raised, particularly in the workshops in South West and South East England, however, some participants in the other locations felt that specific aspects of the viewpoint could perhaps be seen as defensive or reactive.

They've got the general idea especially keeping arm's length from the government. And their concerns that they will lose their independence if the government get more involved in it. And I think that's been a major concern of everyone.

Male, Maidstone, England

Participants felt that the risks presented were oriented to the impact on the BBC, rather than focus on how alternate news could be provided. While participants felt that the threat of the loss of BBC's independence was plausible and one to be concerned about, they were not as convinced about the argument that it would weaken the BBC's relationship with its audience as many are unclear on the ways in which the BBC is currently answerable to the viewer. Evidence from other parts of the discussion indicates that they did perceive a strong link between the BBC and the licence fee, however they did not necessarily think this meant the BBC was answerable to them and so they did not identify with the idea of a threat to this.

While some participants felt that the BBC's offer of assisting ITV with production at the regional and national level may be a step in the right direction, a few felt that it was an indirect use of the licence fee, and that if the BBC was opposed to the use of the licence fee by any other broadcaster then this move was necessary. Others were concerned about how this idea might work in practice – in particular they were concerned it could lead to greater replication between the two channels (e.g. if someone comes to the studio to interview for BBC1 they may as well also do an interview with ITV1 or vice versa).

One particular aspect of the viewpoint that a lot of participants agreed with was to do with the idea of 'thin end of the wedge'. They had already spontaneously raised the fact that they felt that it was unlikely that the ring-fenced amount as a percentage of the whole would stay the same, and that the BBC would have to increasingly compete with others at the cost of its own independence. For example, initially the money would only be used for regional news but what if ITV1 then decided national news was no longer viable. They were concerned that the introduction of such an option – i.e. public funding of regional news and news about the Nations, could introduce distortions in the market. This in turn could mean that in the future ITV1 would no longer have an incentive to make commercially viable public service programmes in other genres as it could potentially claim that these also needed supporting by the licence fee.

I think if we go down this road of funding other companies for local news there's no end to it.

Male, Belfast, Northern Ireland

Options for under-spend of digital switchover fund

6. Options for potential under-spend of digital switchover fund

Summary

Half of UK adults (50%) wanted any money not used for digital switchover to be given back to licence fee payers. Spending money on BBC programmes and content is the second most popular option (17% prioritised this option).

The option of using the money to increase broadband access was prioritised by 14% and the option of spending the potential surplus on PSB programmes shown on channels other than the BBC was preferred by 8%.

As was the case for respondents who were asked about the future use of the licence fee, funding new organisations to provide news about their part of the UK and helping to increase the number of people who can receive DAB digital radio were the least popular options, each chosen by just 5%.

The sub-group differences for these questions were similar to those found when asking about the future use of the licence fee. Though a refund was the most preferred option across all sub-groups, there were some noticeable differences when looking at the popularity of the other options, particularly in relation to age, social grade, location and viewing habits. These were in line with those reported in relation to the future use of the licence fee. For example, the second most preferred option for those in the AB social grades was spending more on BBC programmes and content, though this was the fourth most preferred option of those in the DE social grades.

Half of the survey respondents were told about the possible under-spend of the money that is currently being set aside for digital switchover. They were shown the six options for how this money could be dealt with and asked to rate their support for each on a scale of 1 to 10, where 1 is 'No support at all' and 10 is 'Complete support'. These options corresponded to those listed as the possible future uses of the licence fee (discussed in the previous chapters), though the wording of the money-back option was changed slightly to read 'Giving back the unused £9 to the licence fee payers by reducing the licence fee', rather than

'Reducing the level of the licence fee by £5.50 after digital switchover is complete' and included an additional explanation about how this might work in practice¹⁵.

As shown in the chart overleaf, and similarly to responses for the post 2012 licence fee, giving the money back to licence fee payers receives the highest level of support: six in ten respondents (59%) express a high level of support for this option, while one fifth (21%) express little or no support for it. A similar proportion (20%) expresses a medium level of support for this option.

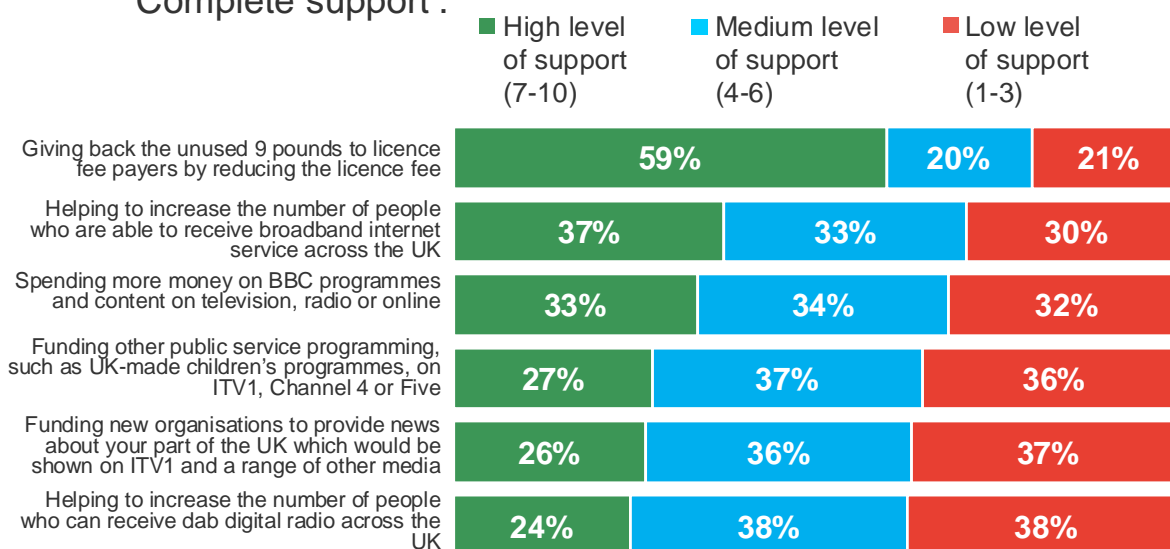
In line with the responses given by those who were asked about the future use of the digital switchover money, discussed earlier in this report, helping to increase the number of people who are able to receive broadband internet and spending more money on BBC programmes and content had some support (highly supported by 37% and 33% of respondents respectively). However, it is important to note that three in ten respondents were against these options (30% and 32% respectively).

Funding other public service programming, funding new organisations to provide news about their part of the UK and helping to increase the number of people who can receive DAB digital radio were less popular with respondents, with greater proportions expressing low levels of support than high levels of support for these options (27%, 26% and 24% respectively express high levels of support, while 36%, 37% and 38% respectively express low levels of support). Again, this is in line with levels of support for this option in relation to the future use of the licence fee.

¹⁵ '(this could be a one-off reduction of £9 per household for one year, or the £9 reduction could be spread over a slightly longer period).'

Options for the unspent licence fee money

Q1 Please indicate your support for each of the options on a scale of 1 to 10, where 1 is 'No support at all' and 10 is 'Complete support'.



Base: All who were asked about the under-spend (2072) – Main question set 1

Source: Ipsos MORI

Ipsos MORI



Sub-group differences are broadly similar to those found in relation to the future use of the licence fee:

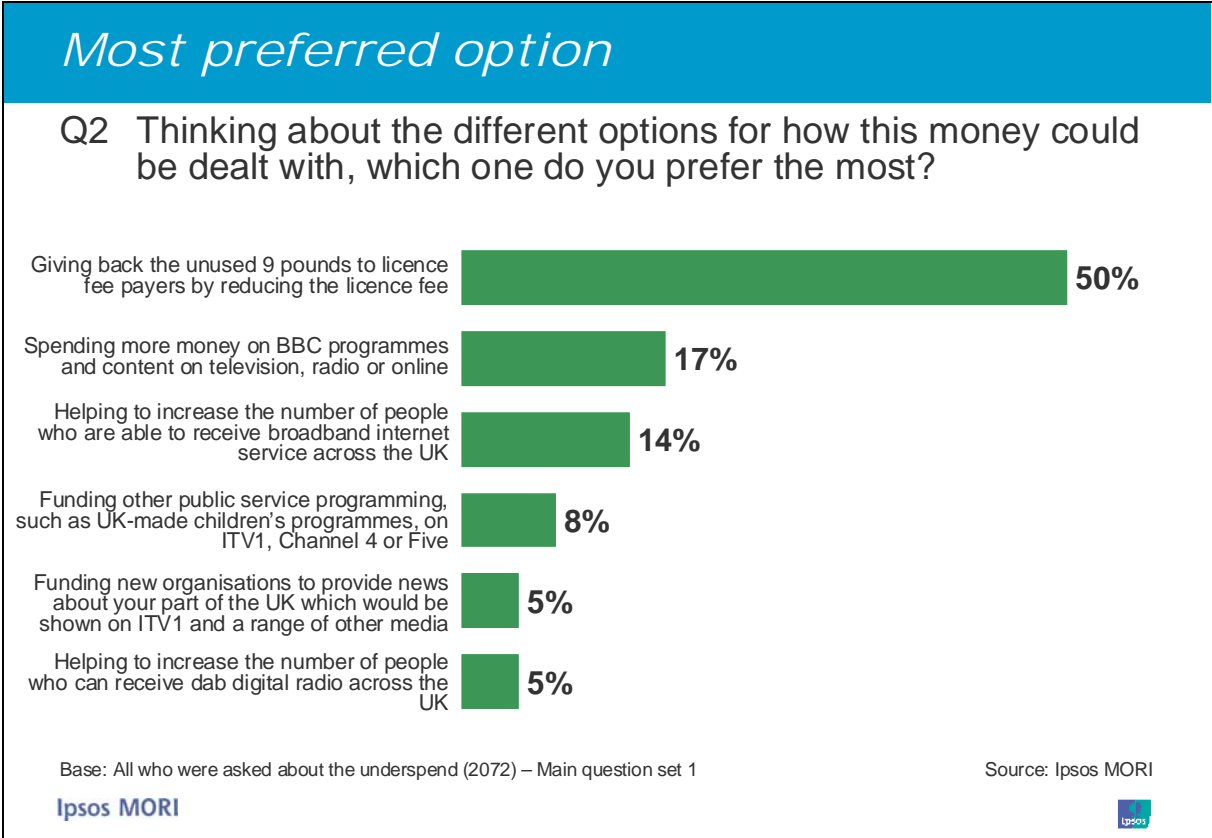
- Differences by age:** Older people (those aged 55+) are significantly more likely to express a low level of support for the option of giving back the unused money to the licence fee payer (25% state they have little or no support for this option, compared with 21% overall); helping to increase the number of people who can receive broadband internet services (38% do not support versus 30% overall); funding new organisation to provide news about their part of the UK (43% do not support versus 37%) and funding other public service programming (43% do not support versus 36%). In contrast, they are significantly more likely to express high levels of support for the option of spending more on BBC programmes and content (37% support this option versus 33% overall).
- Differences by social grade:** Those in the C2DE social grades are significantly more likely than others to support the option of giving back the unspent money to licence fee payers (63% express a low level of support for this option versus 59% overall). Those in the DE social grades are less likely to support the option of spending the money on broadband (33% express a low level of support versus 30% overall); and show less support for spending more money on BBC programmes and content (37% express a

low level of support versus 32% overall). The AB social grades are significantly more likely to express high levels of support for both of these options (44% show a high level of support for broadband versus 37% overall; and 42% show a high level of support for BBC programmes and content versus 33% overall). As noted in section 2.3, social grade has an impact on what channels and what content are watched and therefore these differences are in line with what we would expect.

- **Differences by area of the UK:** Those living in urban areas are least likely to support the options of funding new organisations to provide news about their part of the UK (22% express no support at all, i.e. a score of 1 on the 1-10 scale, compared with 15% of those living in rural areas who give this score); helping to increase the number of people who can receive DAB digital radio (20% express no support versus 14% of rural respondents); and helping to increase the number of people who are able to receive broadband internet services (17% express no support versus 12% of rural respondents). Respondents living in the West Midlands and North West are most likely to express no support at all for the option of spending the money on BBC programmes and content (31% and 25% respectively versus 19% overall). Northern Ireland residents are more likely than others to express high levels of support for all of the options, except the option of spending more on BBC programming and content. Looking at the mean scores each option received, Scotland is more likely than others to support the option of funding new organisations to provide news about their part of the UK (a mean score of 4.93, compared with an overall mean score of 4.54) and funding other public service broadcasting on other channels (5.18 versus 4.67). In fact, Scotland is significantly more likely than others to express complete support for the option of funding other public service broadcasting (10% express complete support, compared with 5% overall). However, in each case these options still fail to achieve majority support in Scotland.
- **Viewing habits:** As might be expected, those who watch news about their part of the UK are significantly more likely to support the option relating to this than those who don't (33% versus 23%). The option does not achieve majority support amongst this group though. There are no significant differences between those who watch regional news on BBC1 and those who watch it on ITV1.

After rating each of the proposed options on a scale of one to ten, respondents were then asked to select which of the six options they preferred. As shown in the following chart, half of respondents (50%) wanted the money to be given back to licence fee payers. Spending money on BBC programmes and content is the second most popular option; though the

proportion of respondents who selected this is significantly lower (17%). As was the case for respondents who were asked about the future use of the licence fee, funding new organisations to provide news about their part of the UK and helping to increase the number of people who can receive DAB digital radio were the least popular options, each chosen by just 5%.



Again, the sub-group differences are in line with those found previously, and discussed earlier in this report. Reasons for choosing each of the options also differ very little from those given by respondents in relation to the future use of the licence fee.

Conclusions

7. Conclusions

Regional news is not a big enough priority in England and Wales to justify spending the licence fee on continued plural provision

Respondents in England and Wales (and additionally Scotland and NI on the basis of the quantitative survey) appear to be broadly happy with the range and quality of regional news available to them currently, which of course includes provision by ITV1. However, particularly from the qualitative research it appears that watching news about their area is not considered a priority, and many who do watch the regional news only do so as it follows on immediately from national news rather than actively switching on to view it.

As a result, the majority of people view news about their part of the UK as 'nice to have' but not essential and this, in part, contributed to their reluctance to see part of their licence fee used to fund a second provider of this type of content. They are happy for the BBC to continue to provide this service but feel that other sources of news about their area exist; for example local newspapers and, for some people, the internet. Additionally, news about their part of the UK is not perceived to be as politicised as national or international news and therefore there is perceived to be less of a risk of bias in reporting at the regional level, which means there is less of a perceived need for plural provision.

Scotland and Northern Ireland value ITV1's provision for the nations

In the quantitative survey, respondents in Scotland and Northern Ireland were no more likely than those in England and Wales to express high levels of support the option of spending money on news from their part of the UK (though the mean level of support was slightly higher in these nations). In the deliberative workshops in Scotland and Northern Ireland, however, views seemed to be driven by more negative perceptions of the BBC, and more positive affiliations to STV and UTV. These are perceived to reflect the needs of each respective nation particularly well (perhaps because they are more strongly branded as providers for the nations) and consequently there is higher support, though not universal support, for using the licence fee to pay for new content on these channels (because it is assumed that such content would be nation specific). Moreover, some participants in Northern Ireland felt that having more than one view on national news had been important because of past political tensions in the Nation, though this was felt to be of less significance in recent years.

IFNCs, as a model for delivering news about their local area, receive very limited support

There were low levels of support for the concept of IFNCs when considered spontaneously and in depth in the qualitative workshops. Key concerns expressed in the qualitative research were about the fact IFNCs would potentially be allowed to make a profit from licence fee investment and whether using IFNCs was the most efficient way to continue provision of news about their part of the UK on other channels. For those in England and Wales regional news was not seen as important enough, in comparison to the other options, to warrant this use of the licence fee. In the qualitative research in Scotland and Northern Ireland the importance of maintaining ITV1 news about Scotland/Northern Ireland was more pronounced, however there was still scepticism about whether or not IFNCs were the best way to deliver this.

Maintaining the BBC as the only recipient of the licence fee is the most popular option in the workshops

The majority of respondents in the survey would like to see the level of the licence fee lowered after digital switchover. The second most popular option in the survey and one that received a lot of support in the workshops was to spend the money on new BBC programmes and content on the television, radio and online. This was more favoured in the workshops because people felt that the idea of getting the money back was unlikely to happen in reality. There was also some support among younger people in the workshops for potentially spending the money on broadband.

According to the qualitative participants, the focus for new money should ideally be on additional BBC television programmes to reduce the number of repeats shown. Many believe it would be more cost efficient to give the money to the BBC as they already receive the licence fee and therefore this would incur no further administration costs. Additionally, the majority are convinced that the BBC does offer high quality content and they are keen to support this.

Appendices

Appendices

Appendix 1: Further information on media habits and news

Television services

To get an overview of the media landscape in which the BBC is operating and to help put discussions about the licence fee into context, survey respondents were asked what types of television services they currently receive on their main television set. Quotas were also set to ensure that the breakdown of participants in each workshop was broadly in line with the population data.

Two in five survey respondents (40%) said they have Freeview services on their main set and a similar proportion (37%) said they have Sky digital. Just over one in seven respondents have access to Virgin Media. One in ten respondents (10%) said they have access to the five terrestrial channels only. This is in line with the quotas on which recruitment for the workshops were based.

Those aged 55 and over were most likely to receive Freeview services (49% versus 40% overall) but were also more likely than others to receive only the five terrestrial channels (13% versus 10% overall). They were least likely to receive Sky digital services (29%, compared with 37% overall), which tended to be more popular among those with children in the household (44% versus 34% with no children in the household).

Channels watched regularly

When asked which of the terrestrial television channels they watched regularly, just over two thirds (68%) said that they watch BBC1, while just over half (53%) watched ITV1. Nearly two in five respondents (38%) said they watch Channel 4 regularly and a similar proportion (37%) watched BBC2. Five is the least watched channel, with just one quarter of respondents (24%) saying they watch this channel on a regular basis (i.e. at least a few times a week).

Similar to the differences observed in relation to favourability towards the different broadcasters, age and social grade appear to be the key determinants of viewing habits. Those from the AB social grade, who also tended to be more favourable towards the BBC, were more likely than others to watch the BBC channels (76% and 53% watch BBC1 and BBC2 respectively, compared with 68% and 37% overall), while those from the DE social grades were more likely than others to watch ITV1 and Five (60% and 27% respectively, versus 53% and 24% overall): broadcasters that they tended to have a higher impression of.

In line with their favourable impression of the BBC as a broadcaster, those aged 55 and over were also more likely than others to watch BBC1 and BBC2 (78% and 48% respectively, compared with 68% and 37% overall).

Viewing habits are also influenced by the part of the UK in which a respondent lives. Those who live in the South West, South East and Eastern regions were more likely than others to watch BBC1 (86%, 75% and 74% respectively, versus 68% overall). Conversely, respondents living in the North East, Wales and Northern Ireland were more likely than others to watch ITV1 (or its equivalent) on a regular basis (66%, 66% and 67% respectively, compared with 53% overall).

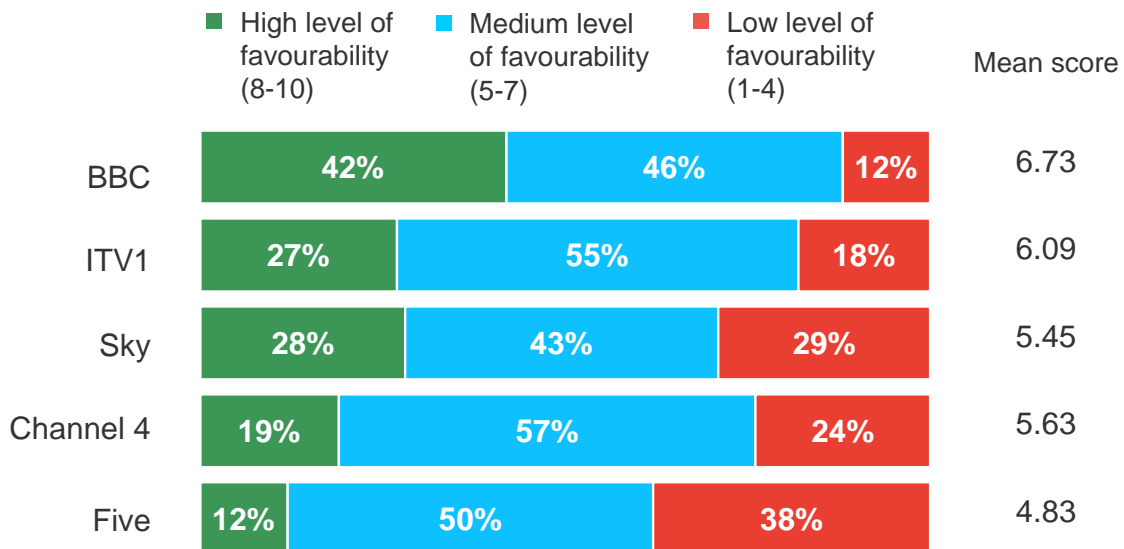
General Impression of the BBC and other broadcasters

Survey respondents were asked to rate their general impression of the BBC and other broadcasters on a ten point scale, where 1 meant extremely unfavourable and 10 meant extremely favourable. The following chart shows aggregates of the scores each broadcaster received: with a score of 8 to 10 being a high level of favourability, 5 to 7 being a medium level of favourability and 1 to 4 being a low level of favourability.

Two fifths of respondents (42%) had a highly favourable impression of the BBC, while just under three in ten (27%) had a highly favourable impression of ITV. Overall impressions of Sky, Channel 4 and Five were more varied: 28%, 19% and 12% respectively expressed high levels of favourability; 43%, 57% and 50% respectively expressed medium levels of favourability; and 29%, 24% and 38% respectively expressed low levels of favourability. Looking at the mean scores, respondents were most favourable towards the BBC and ITV1 (with mean scores of 6.73 and 6.09 respectively). Please see appendices for further details.

General impression of broadcasters

Q16 Overall, what do you think of the following broadcasters?



Base: All respondents (4140)

Source: Ipsos MORI

Ipsos MORI



Older respondents (those aged 55 and over) were most likely to have a highly favourable impression of the BBC (46%, compared with 42% overall), as were those in the ABC1 social grades (48% versus 42% overall). Those in the DE social grades were more likely than others to express a low level of favourability towards the BBC (18% versus 12% overall). Those with internet access were also more likely to express to say they had a highly favourable impression of the BBC than those without internet access (43% versus 39%). In addition, those living in England were more favourable towards the BBC than those living in Scotland (43% had a highly favourable impression of the BBC, compared with 35% in Scotland). However, it is those living in Wales and Northern Ireland who are most likely to have a less favourable impression of the BBC (16% and 18% respectively express a low level of favourability towards the BBC, compared with 12% overall).

In contrast, younger respondents (those aged 15 to 24 years old) and those in the DE social grades were more likely than others to have a highly favourable impression of ITV1 (34% and 36% respectively, compared with 27% overall). Residents of Northern Ireland were also more likely than the other nations to express a high level of favourability towards ITV1 (41%, compared with 26% in England, 29% in Scotland and 28% in Wales).

Current viewing habits

It is clear that the nature of television viewing has changed dramatically over the last decade and that most people no longer rely on only the five terrestrial channels for entertainment and information. In line with other recent studies, the quantitative work found that only 10% of survey respondents said they have access to only the five terrestrial channels, while access to Freeview and Sky is more widespread (40% and 37% respectively have access).

While changes in viewing habits are not the main focus of this study, these changes in the way people access television programmes were discussed by some participants in the qualitative workshops. They felt that changes in the nature of broadcasting have had an impact on their viewing habits. For instance, participants told us that the increase in number of channels and the average number of television sets per household increases the likelihood that an individual rather than the entire family chooses a programme. The wide variety of channels available to many also meant that they were no longer limited to the five terrestrial channels and, as a result, were less likely to view these on a regular basis.

Apart from a wider choice, many participants in the qualitative research felt that their exposure to more channels meant that they saw more advertising and were becoming more accepting of it, although others were still highly critical of advertising, particularly in sports coverage and films where advertising could disrupt the flow. Having more choice had also reduced their loyalty to particular channels. Instead, they were likely to look for specific content.

On the whole, advocates of the BBC in the workshops thought that the BBC's television channels provide good value for money. In some parts of the UK (Scotland and Northern Ireland) participants expressed a preference for watching nation-specific pieces of content on STV/ UTV or content in general which reflected their area. Particularly in these two places, there was a stronger preference for content (of any kind and on all channels) to be locally made or to focus on the local/national context. Nevertheless, it is important to note that many participants in the Scottish and Northern Irish workshops did watch and enjoy programmes made in other nations (e.g. popular soaps and reality TV shows) and their preference for locally made programmes seemed to largely stem from concern about preserving their national identity rather than dissatisfaction with current programmes and content.

I think local programmes would be good but I can't think off the top of my head if any of them are good quality ones. So I'm not jumping into this saying, yeah, definitely local programmes because I don't think it's great quality.

Male, Belfast, Northern Ireland

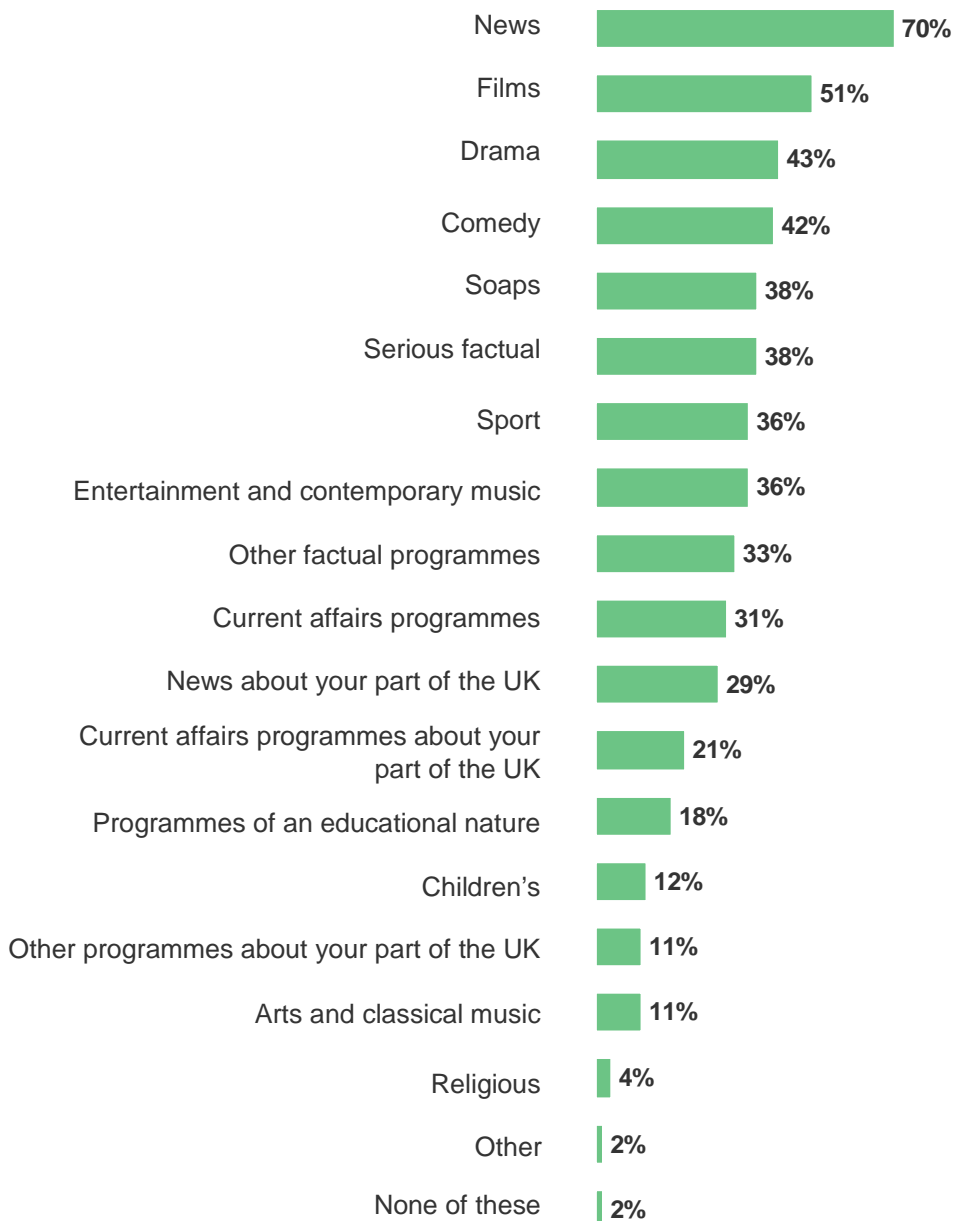
While they value the current programmes available, they felt the need for additional programming that focused on their Nation. For instance, in Scotland, participants felt that there should be additional coverage for local sports and cultural events, along with features on local history. They felt that this would play an educational role, especially for children.

What people watch

Respondents in the quantitative survey were asked what types of programmes they regularly watch on the five terrestrial channels. As shown in the chart below, respondents said they watch a broad range of programmes on the terrestrial channels. News is the most watched programme type, with 70% saying that they watch the news on a regular basis. Films, drama and comedy were also among the most popular, watched regularly by 51%, 43% and 42% respectively.

Types of programmes watched

Q10 And which of the following types of programmes, if any, would you say you watch regularly on the main TV channels?



Base: All with TV in household (4068)

Ipsos MORI



In line with the quantitative findings, participants in the qualitative workshops felt that their television viewing was spread across a variety of programmes and channels. Alongside

news, documentaries and current affairs shows were stated as the biggest viewing preference (though this may be partly linked to the social desirability associated with workshops and discussion groups of this nature). Other than news, workshop participants reported that they liked watching drama and comedy based programmes though, as previously mentioned, their media habits varied according to the television services they had access to. There was also some variation by age, gender and social grade. For instance:

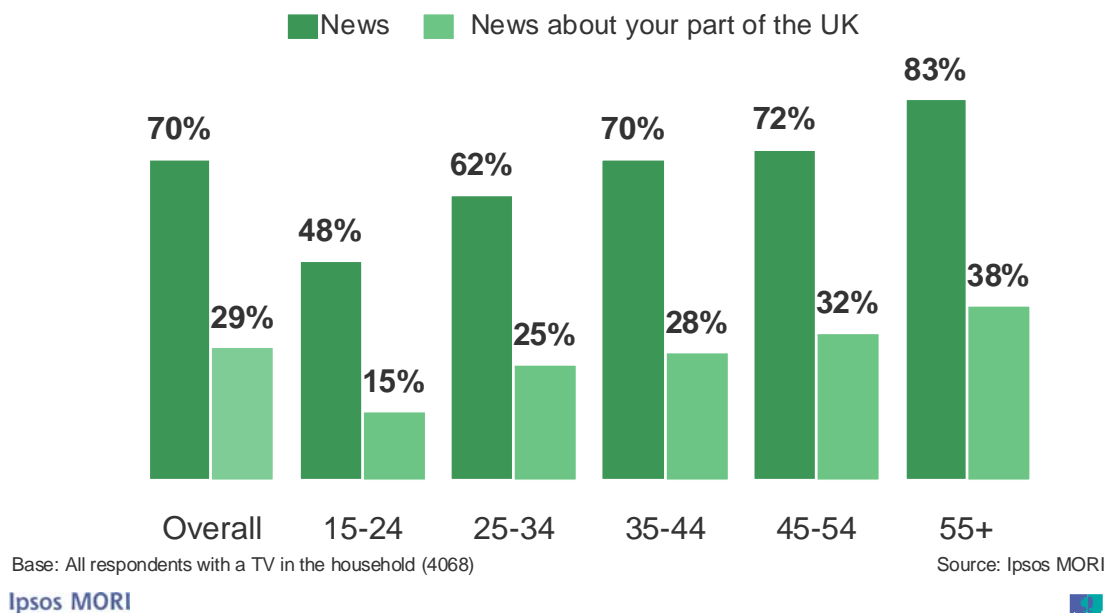
- Older participants were more likely to say that they watched news programmes and documentaries, while younger participants felt that they only viewed these sorted of programmes sporadically. Younger participants were more likely to watch US comedies and drama shown on the Sky and digital channels;
- As might be expected, men were more likely than women to say that they watched sport on a regular basis; and
- On the whole, those from the ABC1 social grades were less likely than others to say they watch soaps or reality programmes.

News consumption

As shown in the chart overleaf, and in line with findings from the qualitative work, news consumption appears to increase with age: those aged 55 and over were most likely to watch news in general (83% versus 70% overall) and were also more likely than others to say that they regularly watch news about their part of the UK (38% versus 29% overall). The 15 to 24 age group were least likely to watch news of any kind.

News consumption by age

Q10 Which of the following types of programmes, if any, would you say you watch regularly on the main TV channels?



Reported news consumption also varied by the area in which someone lives. Those living in the South East and South West regions were more likely than others to say that they regularly watch news programmes in general (76% and 77% respectively, compared with 70% overall), while those who live in the South West and North East were more likely than others to say they watch news about their part of the UK (44% and 41% versus 29% overall). Those living in Northern Ireland were also more likely than others to watch news about their local area (38% versus 29% overall), though there were no other statistically significant differences between the nations.

News about their part of the UK did not feature in the ten most regularly watched programme types of survey respondents but is watched by three in ten respondents (29%) on a regular basis. Just over seven in ten respondents (72%) who said they watch news about their part of the UK do so on BBC1, while around two fifths (42%) watch ITV1. One in six respondents (17%) said they watch this type of news on both BBC1 and ITV1. Again, there is a clear difference between the AB and DE social grades. Nearly nine in ten AB respondents (87%) said they watch news about their part of the UK on BBC1, compared with just over six in ten (62%) of DE respondents. Conversely, just over half (53%) of those in the DE social grade, who said that they regularly watch news about their part of the UK, watch it on ITV1, compared with just under three in ten (29%) of AB respondents.

The nation in which someone lives also appears to have an impact on their chosen channel on which to watch news about their part of the UK. English and Welsh residents were more likely than Scottish residents to say that they watch news about their part of the UK on BBC1 (74% and 80% respectively versus 58% of Scottish residents). Conversely, Northern Irish and Scottish residents were more likely than English residents to say that they watch this type of news on ITV1 (72% and 50% respectively versus 39% in England). According to this survey, similar proportions of Scottish residents watched news about their part of the UK on BBC1 and ITV1 (58% watched news about their part of the UK on BBC1 and 50% viewed this type of news on ITV1). Those in Northern Ireland were more likely to watch news about their part of the UK on ITV1 (72% watch ITV1, compared with 64% who say they watch BBC1 regularly).

Looking at other regional differences, residents of the North East and Eastern regions were more likely than the overall average to say they watch ITV1 for this type of news (56% and 52% respectively, compared with 42% overall). However BBC1 was still the most viewed source of regional news in these areas.

How people get their news

Participants in the workshops said they get their news from a wide range of sources, and prefer one source over another depending on the kind of news, level of trust in the provider, role the news was likely to play in their every-day life and ease of access.

For international and UK-level news, participants felt that it was important for sources to be trustworthy and unbiased. For this reason, many saw the BBC as preferable to other sources because it was believed to provide only the facts, with no political slant or hidden agenda.

I think I'd expect it to be accurate, for the news to be up to date, and also to an extent politically correct, whereas you probably wouldn't expect that from other channels.... But I think the BBC is supposed to be different.

Female, Cardiff, Wales

At the end of the day it [the BBC] is more serious. You want to listen to the news. You want to listen to it serious sort of thing.

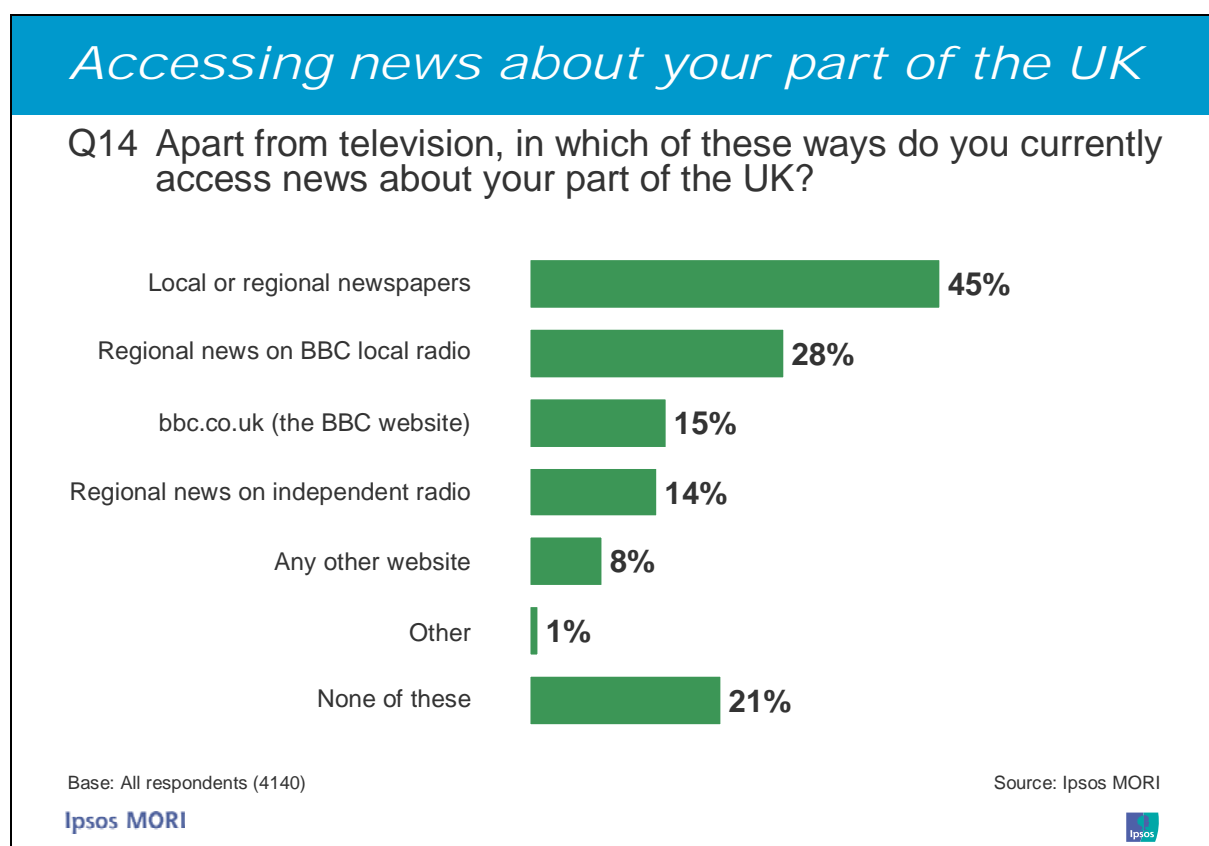
Male, Belfast, Northern Ireland

Conversely, for news about their part of the UK (particularly in Scotland and Northern Ireland and, to a lesser extent, in Wales), some participants preferred providers that they perceived to be more familiar with the region and/or the nation. Some felt this was done well by ITV1.

They talk to each other and they're cracking jokes which on the BBC you'd never get. So you feel as if you're interacting with them.

To this end, it was participants' perceptions of familiarity that influenced their preferences.

Survey respondents were asked whether, apart from television, were there any other ways in which they currently access news about their part of the UK. As shown in the following chart, nearly half of respondents (45%) said they access this type of news in local or regional newspapers and nearly one in three (28%) said they listen to news about their part of the UK on BBC local radio. One fifth of respondents (21%) said they do not access news by any of these sources, which means that they only access news about their part of the UK from television coverage, or they do not currently access any news about their part of the UK.



In line with their stated preference for the BBC, those aged 55 and over were more likely than others to say they access this type of news on BBC local radio (33% versus 28%), though they were also more likely to read local or regional newspapers (53% versus 45% overall).

There were also some statistically significant differences between the nations. Those living in Scotland, Northern Ireland and Wales were more likely than those living in England to say they access news about their area on independent radio (22%, 21% and 19% respectively, compared with 12% in England). Additionally, Scottish residents were more likely than

English residents to say they read local or regional newspapers (51% versus 45% in England).

Workshop participants also reported using a variety of media to access news. Television appeared to be the most used and most preferred medium for international, UK-wide, national and regional news. Local radio was seen by some as convenient and more relevant for local or regional news, while the internet was more often used to access international and UK-wide news, particularly by those who use the internet on a regular basis. Some were also keen readers of local newspapers although the quality of these publications was seen to be variable.

I'll just read up what I need to know on the internet, I just go on the internet for the news, rather than sit and listen to news that you don't really want to hear.
Male, Glasgow, Scotland

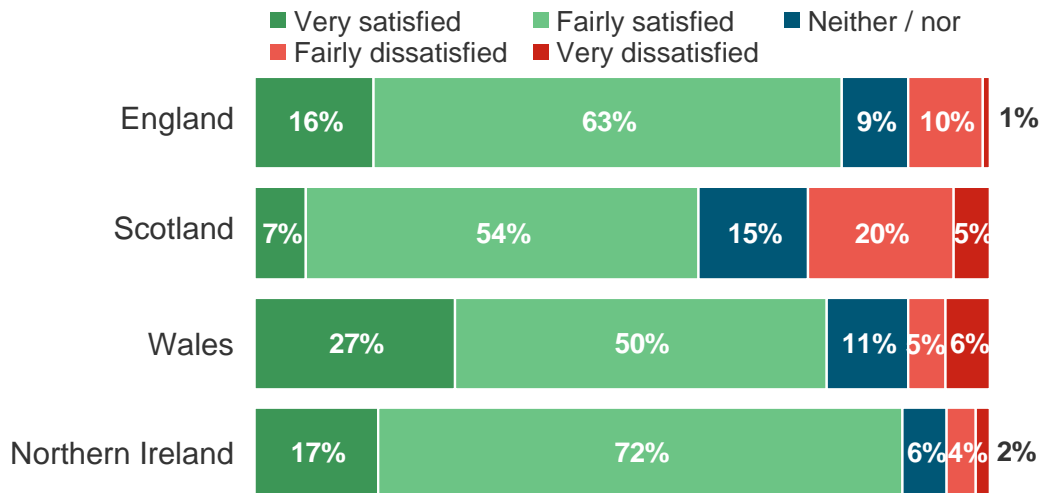
Satisfaction with current news provision

The majority of those who regularly watch news about their part of the UK said they are satisfied with the range and quality of the news that is currently available to them (78%). However, there were some distinct differences between the nations.

As shown in the chart below, those living in England and Northern Ireland were most likely to say that they are satisfied with the range of news about their area (80% and 89% respectively versus 78% overall), while those living in Scotland were most likely to say they are *dissatisfied* (24% said they are *dissatisfied* compared with 12% overall). However, it is important to note that Scottish residents are still more likely to say they are satisfied (60%) than they are to say they are dissatisfied (24%). There were no significant differences between Wales and the other Nations in terms of their satisfaction with news provision.

Range of news about your part of the UK

Q12 To what extent are you satisfied or dissatisfied with the range of the news about your part of the UK available to you on TV?



Base: All who watch news about their part of the UK regularly (1223)

Source: Ipsos MORI

Ipsos MORI



Similar differences were observed in relation to satisfaction with the quality of the news about their part of the UK. Those in England were more likely to say that they are satisfied (80% versus 78% overall), while those in Scotland are more likely to be dissatisfied (19% versus 9% overall). However, as was true in relation to the range of news available, Scottish residents are still more likely to say that they are satisfied (64%) with the quality of news available than they are to say they are dissatisfied (19%).

Additionally, the qualitative work found that the importance or usefulness of regional (in England) or national (in Wales, Scotland and Northern Ireland) news is perceived differently depending on where someone lives. In some locations participants felt that while regional news was not particularly useful, it was important to have at least one provider of this content. By extension, some participants in England and Wales viewed regional news as being 'quaint' or 'interesting' rather than useful or essential.

I don't think everyone rushes home from work and goes, I've got to watch regional news. If it's on it's on. It'd be different if people come home, Corrie. Get a cup of tea and watch Corrie I guess because that's a programme that people want to see. I don't think the same thing applies to regional news.

Male, Cardiff, Wales

In England and Wales, participants felt that while important issues tend to be covered in UK-level news: regional news should focus on providing information that is unlikely to be covered at the UK-level.

In contrast, participants in Scotland and Northern Ireland viewed news about their nation as crucial to knowing more about their area, and in being able to access information that is highly relevant to them. To some extent, the idea of national news resonates with their emphasis on the importance of maintaining a separate identity from England.

Perceived gaps or potential for improvement in news provision

It should be remembered that the majority of respondents in the quantitative survey were satisfied with provision. However in the workshops, many people were still able to think of areas for improvement when asked. A majority of the participants in England and Wales felt that regional news tended to be too negative and that it should have a more 'magazine-like' feel to it. Magazine-like was defined by them as being 'chatty', 'positive' and 'informative'.

In Scotland and Northern Ireland, the gap was perceived as the news provider's lack of familiarity with the area in question. This gap was particularly felt to apply to news on BBC rather than ITV. Participants in the Glasgow workshop perceived STV's news to be more comprehensive and to show more recognition of the differences within Scotland. In contrast, participants felt that the BBC does not differentiate so clearly between different areas and consequently is not seen to reflect local needs as well. This difference directly impacts on views of the different options for the licence fee presented to participants, as discussed in the report.

Appendix 2: Technical report

Introduction

This technical report provides a methodological account of research conducted by Ipsos MORI on behalf of the BBC Trust. This was a mixed methodology project, incorporating a quantitative survey carried out on Ipsos MORI's Omnibus surveys with a total of 4,140 UK adult residents aged 15 years and over (15 cognitive interviews were conducted with UK residents prior to the fieldwork period to test part of the questionnaire) and seven workshops (including a pilot) with UK residents.

The key aim of the research was to gauge the public's view of specific proposals put forward by the government to use some of the television licence fee to fund regional news by providers other than the BBC. This research question was split into two distinct parts:

1. The proposal to use the anticipated **underspend** from the Digital Switchover Help Scheme to fund regional news pilots and also broadband rollout, in advance of the completion of digital switchover in 2013.
2. The proposal to introduce a **contestable element** of the licence fee after digital switchover in 2013, with the purpose of providing funding to news consortia, who will use it to produce regional news for broadcast.

In addition to exploring opinions and attitudes towards the proposals, the following attitudes were explored in detail:

- The perceived importance of regional news provision by providers other than the BBC;
- Perceptions of the potential effect of the contestable element on the future of the BBC;
- Reactions to the principle of using public money from the licence fee to fund commercial providers; and
- The acceptability of some of the specific elements of the proposal, which aim to mitigate the effect of the proposed changes on the BBC.

Fieldwork for the qualitative workshops

Given the complex nature of the proposals, and to avoid confusing participants, it was decided that the workshops would focus solely on the contestable element of the licence fee and how this should be used.

Seven workshops were conducted across different locations in the UK: London, Kent, Exeter, York, Cardiff, Glasgow and Belfast. The London workshop, which took place on 20th August 2009, was treated as a pilot and amendments were made to the discussion guide and stimulus materials after this event. All of the remaining workshops took place in the evenings of the week commencing 24th August 2009. Each workshop started at 6.30pm and lasted approximately three and a half hours in total.

Eighteen participants were recruited for each workshop, and between 12 and 18 attended. The make-up of each workshop was designed to be broadly reflective of the UK adults, with broad quotas applied in terms of age, sex, ethnicity, television platform, consumption of regional news and BBC approval to ensure different behaviours and attitudes were reflected. All participants were assigned a pre-task to complete prior to the workshop, which asked them to record their television viewing habits in the days preceding the workshop; and their spontaneous views on television programmes and the licence fee.

Stimulus material used for each of the workshops included three short videos shown at intervals throughout the group, explaining: what the licence fee was used for; six options for how the contestable element could be used going forward (matching the wording used in the quantitative survey); and providing more detail about the government's proposal to fund Independently Funded News Consortia (IFNCs) to provide news about their part of the UK. At the very end of the workshops, participants were presented with two alternative perspectives on the issue (in a written word document). The first of these reflected alternative suggestions that have been put forward for the provision of regional news in an independent report on behalf of the Conservative party¹⁶. The second reflected the potential risks regarding the proposal to have a contestable element of the licence fee that had been raised by the BBC.

These stimulus materials were standardised so that all workshops received the same information in the same format.

Questionnaire design for the quantitative survey

The questionnaire was designed by Ipsos MORI in collaboration with the BBC Trust. In order to simplify the questionnaire and avoid repetition, two sets of questions were designed so

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http://www.conservatives.com/News/News_stories/2009/07/Local_television_consultation_launched.aspx

that respondents were asked about *either* the under-spend or the contestable element, not both.

The questionnaire was organised into the following sections:

- **Main question set 1:** Asked of half of the respondents. Including an introductory paragraph about the potential under-spend, a question asking respondents to rate their support for the six possible uses of the unspent money, a question asking them to choose their preferred option and an open-ended question asking them to explain why they had chosen that option.
- **Main question set 2:** Asked of half of the respondents. Including an introductory paragraph about the contestable element that is currently allocated to the digital switchover, a question asking respondents to rate their support for each of the six options for how this money could be used after 2012, a question asking them to choose their preferred option and an open-ended question asking them to explain why they had chosen that option. The options provided mirrored those listed in the main question set 1, though the wording of the option relating to 'giving back the unused £9 to licence fee payers...' was amended to read 'Reducing the level of the licence fee by £5.50...'.
- **Additional questions:** Asked of all respondents. General questions relating to respondents viewing habits and attitudes towards programmes and broadcasters.

The introductory paragraph and options provided to participants in relation to how the licence fee money should be used was carefully worded to ensure understanding and to avoid introducing bias. This was further tested in 15 cognitive interviews, which focused on the questions relating to the contestable element but also helped to inform changes that were subsequently made to the questions relating to the potential under-spend.

Fieldwork for the quantitative survey

The Omnibus Survey

Ipsos MORI interviewed a total of 4,140 UK adults aged 15 years and over between 14th August and 1st September 2009. A nationally representative quota sample of 4,140 UK adults was interviewed across 289 sampling points on the Ipsos MORI Capibus and a booster sample of 126 interviews was carried out across 12 sampling points by NBUS in Northern Ireland.

The quantitative survey tested reactions to both parts of the proposal; the use of anticipated under-spend and the introduction of a contestable element. Two versions of the questionnaire were designed (both of which are included in the report appendices): half of the sample was asked version 1 (2,072 respondents) and half version 2 (2,068 respondents).

CAPI (Computer Assisted Personal Interviewing) machines were used for this survey. The answers were all captured electronically, and the results dialled back to our server upon completion of interview, thus eradicating the need for data entry and minimising the possibility of human error. No problems were reported during the fieldwork period.

As part of Ipsos MORI's quality procedures 10% of the total number achieved interviews were back-checked¹⁷. Supervisors also attend some interviews. During the defined fieldwork, 1.2% of interviews had a supervisor with them.

Open-ended questions were coded by Ipsos MORI's coding team and the code frame developed in collaboration with Ipsos MORI Project Executives and the Project Director.

Weighting

The Capibus data are weighted to the known population profile of UK adults. Weights are applied by age, gender social grade, region, working status, ethnicity and household genre.

The Northern Ireland data are given a weighting factor of 1.

Statistical Reliability

It should be remembered that a sample, not the entire population of residents in the UK has been surveyed. Therefore, the figures obtained may not be exactly those we would have if everybody in the UK had been surveyed (the 'true' values). However, the variation between the sample results and the 'true' values can be predicted from knowledge of the size of the samples on which the results are based and the number of times that a particular answer is given. The confidence with which this prediction can be made is usually chosen to be 95% - that is, the chances are 95 in 100 that the 'true' value will fall within a specified range.

The table below illustrates the predicted ranges for different sample sizes and percentage results at the '95% confidence interval' in face-to-face surveys, assuming no design effect. Though these cannot necessarily be applied to the Capibus survey, which used quotas and sampling points rather than purely random sampling, they provide a broad indication of how reliability is affected by sample size.

¹⁷ In general, Capibus telephone validate c. 180 interviews and the send postal validations to the remaining 20. The same proportions apply for NBUS.

An indication of approximate sampling tolerances is given in the table overleaf.

Approximate sampling tolerances applicable to percentages at or near these levels (at the 95% confidence level)			
Size of sample or sub-group on which survey result is based	10% or 90% ±	30% or 70% ±	50% ±
4,140 (i.e. all respondents in the survey)	1	1	2
2,072 (i.e. all respondents to main question set 1)	1	2	2
2,068 (i.e. all respondents to main question set 2)	1	2	2

Source: Ipsos MORI

For example, with a total sample size of 4,140 completed questionnaires, where 50% give a particular answer, the chances are 19 in 20 that the 'true' value (which would have been obtained if the whole population had been surveyed) will fall within the range of two percentage points, plus or minus, from the sample result.

Sample tolerances are also involved in the comparison of results between the groups within the sample. In order to be statistically significant, a difference must be of at least a certain size. The following table is a guide to the sampling tolerances applicable to comparisons between sub-groups.

Differences required for significance at the 95% confidence level at or near these percentages			
	10% or 90%	30% or 70%	50%
Size of sample on which survey result is based			
e.g. All respondents (4,140) vs. all aged 55+ (1,610)	2	3	3
e.g. All with access to the internet (2,764) vs. all with no access (1,376)	2	3	3
e.g. All responding to main question set 1 (2,072) vs. all responding to main question set 1 who watch regional news (600)	3	4	5
e.g. English residents responding to main question set 2 (1,639) vs. Scottish residents responding to main question set 2 (187)	5	7	8

Source: Ipsos MORI

Appendix 3: Discussion guide

BBC – Using Licence Fee to fund plural provision in regional news

Discussion Guide – Post Pilot

These workshops will be held in seven different cities. Each group comprises of 15 participants recruited across gender, age groups, SEGs, media habits and attitudes towards the BBC.

The duration of each group is 3.5 hours. (From 6.30 to 10 PM)

Objective of Workshop

To research views into the use of licence fee to fund plural provision in regional news on television.

In this workshop we will cover the following issues:-

- Explore media habits of individuals and families – with emphasis on exploring consumption of news/ regional news.
- Attitudes towards the licence fee – their perception of what it covers currently, and what it should cover.
- Pros and cons of the options for any ring-fenced part of the licence fee, if it were continued after digital switchover.
- Attitudes towards regional news, perceptions of its importance and exploring views on the current provision of regional news.
- More detailed response to proposal for funding plural provision in news in the Nations, regionally and locally.
- Overall views on a preferred option for the licence fee after digital switchover.

Plenary sessions involve whole group together; Syndicate sessions involve splitting into groups

Activities / aims	Exercises	Notes
<p>6.30 – 6.35 PLENARY 1: Introductions</p>	<p>Main facilitator (Facilitator 1) to lead plenary. Introductions to the day, team and an overview of the day’s agenda. Cover housekeeping, basic rules of discussion.</p> <p><i>Emphasise that there are no right or wrong answers, and that the exercise is aimed at understanding their attitudes. Disagreement is OK.</i></p>	
<p>6.35 – 6.40 Warm up exercise</p>	<p>Facilitator 1 to play stand up/sit down with participants to get them moving about on the following questions based on their pre-task</p> <p><i>(NB if there’s any participants who may have difficulty standing this can be done using put your hands up instead)</i></p> <ul style="list-style-type: none"> - Everyone who has seen a television programme on a BBC channel in the last week please stand up. - Stay standing if you’ve watched a news or current affairs programme in the last week (on any channel) - Everyone who has seen an episode of any drama/soap in the last week, please stand up. - Everyone who has watched any sport on television in the last week, please stand up. - Everyone who has looked at the BBC website in the last week please stand up. 	
<p>6.40 – 6.55 Understanding Media</p>	<p>This session is aimed at understanding media habits. Refer back to pre-task where necessary</p>	<p>Facilitator to take notes on flipcharts.</p>

Habits	<ul style="list-style-type: none"> - What kind of programmes do you regularly watch? - How about other members of your household? - What comments did you make on the programmes in your diaries? - What channels do you prefer and why? <i>(Note for facilitator- Does the BBC feature prominently as the channel provider?)</i> - How many of the programmes that you watched news-related? How many were about your local area? Was it influenced by a particular event at the international/ national/ local level? 	
6.55 – 7.00 Attitudes to Licence Fee,	Look for spontaneous knowledge about what the licence fee is for <ul style="list-style-type: none"> - What do you think the licence fee is used for? What specific components? - PROBE: What did you write in your booklet? <p><i>Note to Facilitators: Issues such as value for money may come up – please park these issues for the time being.</i></p>	
7.00 – 7.05 PLENARY 2: Video 1	Participants to be shown Video 1.	Video 1 has information about the licence fee, and includes an explanation of the digital switchover.
7.05 – 7.25 Probing reactions to video on Licence Fee.	Probe for responses to the video. <ul style="list-style-type: none"> - How does that information compare to what you thought the licence fee was spent on? 	

	<ul style="list-style-type: none"> - Were there any surprises? What surprised you? Why? - What do you think the licence fee should be used for? <ul style="list-style-type: none"> o Which broadcasters should it be used to fund? Should the money just be used to fund the BBC or is it ok for it to fund other broadcasters? o What types of content should it be used to fund? Why? - What principles should govern how it the licence fee is used? {NOTE ON FLIPCHART TO REFER TO LATER] 	
<p>7.25 – 7.30 PLENARY 3: Facilitators to share findings from each table, Video 2</p>	<p>Facilitators to provide a brief summary of the discussion on each table. Participants to be shown Video 2.</p>	<p>Video 2 introduces the options for what could happen to the licence fee after digital switchover</p>
<p>7.30 – 7.50 Capturing spontaneous reactions to SIX options outlined in Video 2.</p>	<p>Ensure all ideas are understood</p> <ul style="list-style-type: none"> - Do you have any questions about the six different options? MODERATOR TO CLARIFY <p>Facilitators on each table to introduce brainstorming activity. This activity is designed to capture spontaneous reactions to the six options shown in Video 2.</p> <ul style="list-style-type: none"> - Six posters have been placed in the room/ on the tables. I want you to take these post-it notes and writes pros and cons of each option, as many as you can think of, and stick them on the sheets. - You have ten minutes to go through all the options, and you can have the same pros and cons for more than one option. - You can sit at the table and write some ideas but then when you're sticking your ideas up make sure you look at other people's ideas too – you can use the star shaped stickers to show you agree with an idea that someone else has put 	

<p>7.50 8.00</p> <p>PLENARY4: Facilitators to share findings from each table.</p>	<p>Facilitators to summarise some of the pros and cons listed on each sheet. Facilitator 2 to sum up Options 1, 2 and 3. Facilitator 2 to sum up Options 4 to 6 (NB do regional news last).</p> <p>Floor to be opened up for comments, and participants to be asked if they have any other thoughts on these options.</p>	
<p>8.00 - 8.10</p>	<p>We talked previously about how the licence fee should be spent. In that discussion you said ... [moderator to recap principles]</p> <ul style="list-style-type: none"> - How do these options relate to your principles – does each of them fit? <ul style="list-style-type: none"> o Do you want to make any changes to your principles having thought about it more? - In principle, is the idea of using the licence fee to fund a) infrastructure b) other broadcasters a good or bad idea? Why? - How do you think this might this impact on the BBC? Is it a positive or negative impact? Does that matter? 	
<p>8.10 – 8.20</p>	<p>COMFORT BREAK</p>	
<p>8.20 – 8.30</p> <p>Discussion on news from their part of the UK</p>	<p>Participants to share their pre-task sheets on news consumption – focus on news in their part of the UK.</p> <ul style="list-style-type: none"> - What role does news about your part of the UK play in your life? How often do you access this type of news? How is it useful? Is it important? Why? - How do you tend to access this kind of news? Television? Radio? Newspapers? Online? What are the strengths and weaknesses of each? How do they differ? - Thinking about news about your part of the UK, what words would you use to describe it? - What do you think of the current state of news about your part of the UK? Where are the areas for improvement? 	

	<ul style="list-style-type: none"> - How do you feel about BBC1's television news coverage? And how about ITV? - How important is it for there to be more than one television channel which shows news about your local area? Would it matter if there was only one source of this kind of news on TV? Why/why not? PROBE: generally good to have challenge/competition, good to have greater quantity of news, like a particular format (e.g. ITV better than BBC) 	
8.30 – 8.35 PLENARY 5:Video 3	Participants to be shown Video 3.	Video 3 introduces concept of IFNCs and how they will work
8.35 – 8.50 Spontaneous reactions to Video 3	<p>Probe on initial reactions to the proposal outlined in Video 3.</p> <ul style="list-style-type: none"> - What are your initial thoughts on this proposal? - Do you feel that the Government is right to be concerned about maintaining these types of programmes on channels other than the BBC? Why, why not? - What do you think are the positive aspects of the proposal? Do you think you would find it useful? What about other people? - What are your main concerns? <p>MODERATOR TO REFER BACK TO PROS AND CONS GIVEN IN EARLIER SESSION</p>	Facilitator to take notes on flipcharts
8.50 – 9.25 Probing specific areas of concerns	<p>Facilitators to note down attitudes to each element of the proposal on a flipchart. One headed sheet per element being discussed.</p> <p>Access and Content</p> <ul style="list-style-type: none"> - Where would you access this news? Which mediums? Television? Online? Radio? Any others? - What kind of news/information would you want it to include? What would be most useful? What do you not currently find anywhere else? 	<p>IMPORTANT NOTE TO MODERATOR:</p> <p>If participants are strongly in favour of the proposal, challenge by bringing up some of the following points:</p> <ul style="list-style-type: none"> - The proposal uses

	<p>Amount of the Licence Fee to be used on the proposal</p> <ul style="list-style-type: none"> - What do you think about the proposed amount that would be used for this purpose? - Do you think it is enough? Or is it too much? Why do you say that? - Do you think it would be likely to stay fixed at 3.5%, or might it change in the future? How would you feel about that? <p>Potential impact of IFNCs</p> <ul style="list-style-type: none"> - What kinds of organisations do you think would be involved in providing this news? Are these the right type of organisations to be delivering this service? - What are the good and bad aspects of the idea to set up IFNCs? - How do you think they should be governed? - What do you think about the idea to part fund them out of the licence fee? - How do you feel about them being run for a profit and receiving money from the licence fee? - Would your reaction be different if money was given via a subsidy rather than directly (e.g. help with studios etc) <p>Gain spontaneous reactions first, then explain: As was explained in the video, in return for providing news about your local area ITV get subsidised access to the airwaves and they are allowed to be channel 3 on the TV guide. These privileges are granted by OFCOM and could otherwise be sold for more money to other broadcasters</p> <ul style="list-style-type: none"> - Is there any difference between DIRECT public funding (i.e. money from the licence fee) and an INDIRECT subsidy, such as the one ITV has been receiving (i.e. discounted spectrum)? Why do you say that? <p>MODERATOR 1 ONLY (MOD 1 do this at end if time)</p> <p>How the funding would be awarded</p> <ul style="list-style-type: none"> - What do you think the minimum standards should be in order to get licence fee funding? - Who do you think should be responsible for making the decision about who gets the 	<p>public money to fund companies who will make a profit – some people think this isn't fair on the licence fee payer.</p> <ul style="list-style-type: none"> - Some people think the licence fee should stay with the BBC and not be shared out more widely, because it is clearer who is spending the money. - Is this the best use of the money out of all the options, including having the money back? What about less well-off people? <p>If participants are strongly against the proposal, challenge by bringing up some of the following points:</p> <ul style="list-style-type: none"> - The existing regional news on ITV1 will stop if it doesn't receive extra funding from somewhere – does
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	<p>funding? Who shouldn't?</p> <ul style="list-style-type: none"> - Should it be a new organisation, or an existing one? Who in particular? (probe: Government? Ofcom? The BBC Trust?) - How would the IFNCs be held to account for the public money received from the licence fee? <p>BOTH</p> <p>Potential impact on the BBC</p> <ul style="list-style-type: none"> - What kind of an impact do you think this proposal would have on the BBC? - Probe: effect on programmes? The BBC as an organisation? - IF NO IMPACT: How would you feel about the proposal if for any reason it DID have an impact on the amount of money that went to the BBC? - What kinds of safeguards are required to address potential issues? <p>Independence</p> <ul style="list-style-type: none"> - What do you understand by the idea of independence in news? How can it be achieved? - Do you think that the way the BBC is funded has any impact on the news it reports? In what way? Do you think that this might be affected by the proposal at all? If so, in what way? - Do you think that the way the new alternative providers are funded could have an impact on the news they report? In what way? PROBE: How do you think newspapers are funded? Do you feel that the way they are funded has an influence? - Do you think that receiving public and private funding might have an impact on the new organisations (IFNCs)? If so, in what way? 	<p>that matter to you? Might it matter to other people?</p> <ul style="list-style-type: none"> - There could only be one source of news from your part of the UK on television in future – could this mean a loss of different perspectives? Is it bad for democracy? - Why should the BBC get all of the money from the licence fee when there are lots of channels?
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	<p>MODERATOR 2 (MOD 1 do this at end if time) Funding other PSB programmes</p> <ul style="list-style-type: none"> - What do you think of this proposal? Is it a good or bad idea? - Do you have any concerns about the money being used for this type of programming? - Is this more or less important than regional news provision? - Do you think it would be feasible for the funding to be shared? Why, why not? - What types of programmes, if any, would you like to be funded in this way? On which channels? 	
<p>9.25 – 9.30 PLENARY 7: Overall views on the proposal</p>	<p>Facilitators to provide a brief summary of the discussion on each table (concerns and balance of views)</p>	
<p>9.30 – 9.40 Preferred option and views on licence fee price</p>	<p>Establish preferred optional and priorities</p> <ul style="list-style-type: none"> - Having discussed the 6 proposals about what to do with the extra licence fee money, which is your preferred option? (Use posters from previous exercise to run through listed pros and cons and challenge participants). - Why? What are your priorities? Is it about value for money? Do you think it fits with the priorities of various kinds of people? - Thinking about your preferred option, do you think the licence fee would increase over time if this is chosen? Why/why not? IF NECESSARY: Some people worry that if the licence fee starts to be used more widely than just the BBC, the level of the licence fee might go up in the future. What do you think about this? 	

**9.40 – 9.55
Presenting the BBC's
and Conservatives'
points of view.**

We would like to discuss with you your reaction having heard this information.

**MODERATOR 1 DO BBC POV FIRST, MODERATOR 2 DO CONSERVATIVE POV
FIRST**

Facilitator to read out BBC's point of view from handout

Firstly, thinking about the BBC position:

What do you think about this position?

If the licence fee was shared more widely:

- Would you be concerned if there was any damage to the BBC's independence?
- Would you be concerned if the relationship between audiences and those spending the licence fee was weakened?
- Would you be concerned about how those spending the licence fee would be held to account?
- Would you be concerned if the quality of some BBC programmes was damaged, due to the amount of funding available to the BBC decreasing over time?
- And what about the level of the licence fee itself? Do you expect this to decrease, remain the same or increase in price as a result of these changes? Why do you say that? PROBE FULLY: Why do they think the licence fee will increase/decrease/remains the same?

For those who were in favour of one of the options to use the licence fee more widely:

- Having heard about the BBC's perspective, does this affect your views at all? Why/why not?

Facilitator to read out Conservatives' point of view from handout

So now, thinking about the Conservative's position:

- What do you think about this position?
- How would you feel if it was shown that it could be commercially viable for commercial providers to make news from your part of the UK?

	<p>For those who were in favour of using the licence fee to fund news from your part of the UK:</p> <ul style="list-style-type: none"> • Having heard about the Conservative's perspective, does this affect your views at all? Why/why not? <p>And overall (ask all): If an alternative proposal could be found to fund the provision of news from your part of the UK, which did not use money from the licence fee, would your views change at all?</p>	
<p>9.55 – 10.00 PLENARY 8:</p>	<p>Facilitators to provide a brief summary of the preferred options.</p> <p>Thank You and Wrap-Up.</p>	

Appendix 4: Stimulus material

1. Script used for video 1:

The television licence fee is now £142.50 per household per year for a colour TV.

Most of the licence fee funds the range of BBC services on television, radio and online but since 2007 about £5.50 of this is used to help older or disadvantaged people get prepared for digital switchover.

Digital switchover is the process of switching off the UK's old analogue television broadcast signal region-by-region, and replacing it with a digital signal. This will be complete in 2012. After digital switchover everyone will have access to a greater choice of TV channels and access to new features, such as on-screen listings and interactivity.

As the different regions approach their switchover, some people may not be aware of what they need to do to continue to be able to watch television. There is therefore a help scheme for older and more vulnerable people, to assist them with making the necessary changes

The pie chart on the screen¹⁸ shows how much your licence fee is per month – that's £11.88 per household per month. Just over two thirds of this amount, £8.17, is spent on television programming for BBC1 and BBC2 and other BBC channels including BBC3, BBC4, CBBC and Cbeebies and the BBC News Channel. £2.05, is spent on radio broadcasts and £0.62 pays for the BBC website. £0.46 pays to help people with the Digital Switchover and the rest is spent on other costs.

2. Script used for video 2:

When digital switchover has been completed, the government will need to decide what should happen to the part of the licence fee which is currently being used to pay for it. This amount of money (£5.50 per household per year) could be dealt with in a number of different ways.

Reducing the level of the licence fee by £5.50 after digital switchover is complete.

¹⁸ Info: <http://www.bbc.co.uk/info/licencefee/> pro-rata to 2009 licence fee level

Helping to increase the number of people who are able to receive broadband internet services across the UK (this would help ensure that all parts of the country can receive a broadband service with a guaranteed minimum speed, which may not be the case without additional funding).

Helping to increase the number of people who can receive DAB digital radio across the UK (this would help ensure that all parts of the country can receive the DAB radio signal, which may not be the case without additional funding).

Funding new organisations to provide news about your part of the UK, which would be shown on ITV1 and a range of other media. (These types of programmes may no longer be shown on ITV1 in the future without additional funding, but would continue to be shown on the BBC.)

Funding other public service programming, such as UK-made children's programmes, on ITV1, Channel 4 or Five. (UK-made children's programmes may decrease across these channels in the future without additional funding, but would continue to be shown on the BBC).

Spending more money on BBC programmes and content, on television, radio or online (this would mean the BBC would provide programmes and content which it may not provide without additional funding)

3. Script used for video 3: Funding new organisations

We're now going to look in a bit more detail at one of the options you have been discussing. This is the option to use part of the television licence fee to fund new organisations which will provide news about your part of the UK.

The government has put together a proposal for how this idea could work, and it is currently consulting with the public about whether it should go ahead.

If it went ahead, the licence fee could start to be used in this way from 2013, after the digital switchover process is complete.

This presentation will explain the government's proposal so we can ask you your views about it. Later, we will also explain some alternative points of view, and will ask for your thoughts about those.

Why is the government proposing this option?

At the moment, news about your part of the UK is provided on television by BBC1 and ITV1. News about your part of the UK is also available on local radio stations (both BBC and commercial stations), in local and regional newspapers, and online.

The government has put together this proposal because ITV have said that in the future they may no longer make and show these programmes on television. This could happen because of cost pressures on ITV.

In the past, ITV1 was asked to provide some public service programmes including regional news, in return for being allowed to broadcast as one of only a handful of channels and being allowed to be number 3 on the TV guide.

Nowadays, there is now more choice and so more competition for ITV1, and there has been a significant drop in the amount of money they make from advertising. Other commercial broadcasters like Sky, Virgin, MTV and Discovery are not required to produce any public service programmes such as regional news.

Regional news programmes are also relatively expensive for ITV to produce, because they need to provide different programming from each part of the country.

ITV believe that the burden of providing these programmes now outweighs the benefits they receive in exchange.

If ITV1 did stop showing news about your part of the UK in the future, the BBC would continue to provide this kind of news. But without some kind of additional funding in the future, the BBC might become the only broadcaster who provides this type of news on television.

The government believes it is important make sure there is more than one provider of television news from your part of the UK. One idea which has been put forward by the government is to provide additional funding for this purpose by using part of the television licence fee.

How would the public access the news which would be produced?

Although the alternative providers of news would be new organisations, the news they made would be shown in the existing slots on ITV1, where news from your part of the UK is already shown. The news would cover the same geographic areas as the ITV1 regional news covers currently. It is possible that advertising would be shown around the programmes in some form.

As well as being available on television, the news produced with the licence fee funding might also be available on the internet, on local radio and in local newspapers, or via digital technology such as the 'red button'. This would depend on what sorts of organisations were involved in producing the news.

As a condition of the funding, the news provided with licence fee funding would be regulated, with the aim of making sure it was of a high quality, accurate and impartial.

How much of the licence fee would be used on this proposal?

The government would set a maximum limit on the amount of the licence fee which could be used for the proposal. The amount set aside would be up to 3.5% of the licence fee. This amount would be ring-fenced, meaning that it would be separate from the rest of the licence fee which would go to the BBC.

It is not yet known how much the total licence fee will be in 2013. But if the licence fee were to continue at the same level as it is now (that is, £142.50 per household per year), the ring-fenced part would be the equivalent of about £5.50 per household per year. This is about the same amount of the licence fee as is currently used to help elderly and vulnerable people with the digital switchover process.

The level of the licence fee is decided by agreement between the government and the BBC. In the future, the overall level of licence fee could increase, decrease, or stay the same. The amount ring-fenced for the proposal would still be a maximum of 3.5% of the total new licence fee amount.

What sort of organisations would receive the licence fee funding?

The new organisations would be called 'Independently Funded News Consortia' (IFNCs). Different investors would join together in each part of the UK, specifically to produce news about that area.

It is likely that the following sorts of organisations might want to take part:

- Local newspapers and radio stations;
- Regional and local broadcasters (for example Channel M in Manchester, S4C in Wales, STV in Scotland);
- Online news providers (for example websites such as 'this is...'); or
- Websites who publish news collected by others (e.g. Google, Yahoo).

The new consortia would be partly privately funded, and partly publicly funded from the licence fee, but they would be run commercially (for a profit).

How would the licence fee funding be awarded?

The new organisations (IFNC's) would bid for contracts in particular areas of the UK. The areas would match the existing ITV1 regions. The contracts would include minimum standards which the bidders would have to meet.

It has not yet been decided which body would award the licence fee funding: it could be a new or an existing body. In order to make sure the news providers had editorial independence and freedom, the licence fee funding would need to be awarded by a body separate from the government.

Could the money be spent on anything else in the future?

If this proposal went ahead the ring-fenced part of the licence fee would mainly be used to fund alternative providers of news about your part of the UK.

However, it is also possible that if not all the money were needed for this, some of the money could be spent on supporting other types of public service programming, such as UK-made children's television programmes on ITV1, Channel 4 or Five.

This type of programming might decrease across these channels in the future without additional funding, but would continue to be shown on the BBC.

4. Alternative perspectives

You have given us your own views on the pros and cons of each option, and those are very important to us and will form the main basis of our report.

However, just before we close, I'm going to give you some brief information about some alternative perspectives on the issue of using the licence fee to fund things other than the BBC. There are two alternative points of view to the Government's: one is from the BBC and the other is from the Conservatives. The purpose of presenting these is to see whether any of the points made by others might affect your views at all.

The BBC point of view

The BBC is currently funded through the licence fee. The level of income the BBC receives in this way is set by the Government. The last settlement determined the level of the licence fee, and future increases, for a period of 6 years. This allowed the BBC to plan for the long term. The BBC is concerned that sharing the licence fee with others will make the BBC less independent from Government. This is because it is concerned that the BBC will no longer be at arm's length from the Government if the proportion of the licence fee it receives is constantly being debated and adjusted.

The BBC also believes that sharing the licence fee between a range of providers could weaken the relationship between audiences (who pay the licence fee) and those who spend it, because if the licence fee was spread across a number of organisations, it would be less clear where the money was going and what it was being spent on. It would also be harder to hold the users of the licence fee to account for their performance or their actions. The BBC feels it would be unclear if public funding (such as the licence fee) and commercial funding (such as advertising) are being used by the same company or for the same programme.

The BBC is also concerned that this initial ring-fenced amount might be the 'thin end of the wedge' and could lead to more money being held back from the BBC over time if any Government in future thought there was a need to use the licence fee to fund other things. The BBC feels that this could then affect the programmes and services it is able to offer to audiences.

Instead of using a portion of the licence fee, the BBC has suggested that there are other ways regional news on ITV1 could be funded. The BBC has also offered to help support other organisations making regional news for ITV1 by sharing its regional news facilities, which might make up some of the shortfall.

The Conservative point of view

The Government proposal looks for ways to continue to provide regional news on television. The Conservatives, on the other hand, do not believe that regional news should be supported by public money. They have instead published an independent consultation paper on how they believe it would be possible to fund news from your part of the UK without the need to use public money.

They believe that it would be possible to create a national network of commercially viable local television stations without using money from the licence fee. According to the proposals, these networks would provide local news and information across all different types of media, so on TV, on radio, on the internet and in the press. They would be funded by advertising, programme sponsorship, product placement and by selling newspapers or magazines (a broader range of funding than that currently received by ITV around their regional news programming).

These stations would serve smaller, more local areas than the current ITV regions.

Appendix 5: Marked up questionnaire

BBC Trust - Digital Britain

FINAL Topline – 8th September 2009

Fieldwork took place between 14th August and 1st September.

Final results are based on **4,140** interviews conducted face-to-face in respondents' homes with UK adults aged 15 years and over.

A nationally representative quota sample of 4,014 British adults were interviewed across 289 sampling points on the Ipsos MORI Capibus and a booster sample of 126 interviews were carried out across 12 sampling points with a representative quota sample of adults in Northern Ireland.

Two versions of the questionnaire were produced and half of the sample was asked version 1 (2,072) and half version 2 (2,068).

Data are weighted to reflect the UK population.

Where results do not sum to 100, this may be due to multiple responses, computer rounding or the exclusion of don't knows/not stated.

Multiple responses mean that respondents can give more than one answer to a question; therefore results will total more than 100, as percentages are based on the total number of responses given divided by the total number of people answering the question, e.g. Q5.

The use of showcards indicates that responses to a question are prompted i.e. respondents are given a list of responses from which they can choose.

An asterisk (*) represents a value of less than one half or one percent, but not zero.

Main question set 1

READ OUT:

The television licence fee is now £142.50 per household per year for a colour TV. Most of the licence fee funds the range of BBC services on television, radio and online, but since 2007 about £5.50 per year from each licence fee is used to help older or disadvantaged people get prepared for digital switchover.

Digital switchover is the process of switching off the UK's old analogue television broadcast signal region-by-region, and replacing it with a digital signal. This will be complete in 2012.

Based on current estimates and the way the switchover has gone so far, it is possible that not all of this money will be needed, and there may be an amount of money left over when switchover is complete in 2012. It is not yet known how much money might be left over, but one estimate is about £9 per household or a total of £230 million.

When digital switchover has been completed, this amount of money could be dealt with in a number of different ways.

Q1 **The options for how this money could be dealt with are listed below.**
SHOWCARD WITH ALL OPTIONS (R)¹⁹

Please read through the different options first. I will then ask you to indicate your support for each of the options on a scale of 1 to 10, where 1 is 'No support at all' and 10 is 'Complete support'.
SHOWCARD WITH SCALE 1 TO 10. SINGLE CODE ONLY

NOTE TO INTERVIEWER: Allow participant time to read all options, then ask them to indicate their level of support for each option in turn. Show screen for each option.

Base: 2,072

A. Giving back the unused £9 to licence fee payers, by reducing the licence fee (this could be a one-off reduction of £9 per household for one year, or the £9 reduction could be spread over a slightly longer period)

	%
No support at all - 1	13
2	4
3	5
4	4
5	11
6	5
7	8
8	10
9	9
Complete support - 10	31

¹⁹ Options D and E remained in the same order on the reverse showcard, to ensure that the list made sense to respondents (i.e., 'Funding new organisation to provide news about your part of the UK' always preceded 'Funding other public service broadcasting').

B. Helping to increase the number of people who are able to receive broadband internet services across the UK (this would help ensure that all parts of the country can receive a broadband service with a guaranteed minimum speed, which may not be the case without additional funding)

	%
No support at all - 1	16
2	7
3	6
4	7
5	17
6	9
7	10
8	12
9	5
Complete support - 10	10

C. Helping to increase the number of people who can receive DAB digital radio across the UK (this would help ensure that all parts of the country can receive the DAB radio signal, which may not be the case without additional funding)

	%
No support at all - 1	19
2	11
3	8
4	10
5	19
6	10
7	9
8	7
9	3
Complete support - 10	5

D. Funding new organisations to provide news about your part of the UK, which would be shown on ITV1 and a range of other media. (These types of programmes may no longer be shown on ITV1 in the future without additional funding, but would continue to be shown on the BBC)

	%
No support at all - 1	20
2	9
3	8
4	9
5	16
6	11
7	12
8	9
9	2
Complete support - 10	4

E. Funding other public service programming, such as UK-made children's programmes, on ITV1, Channel 4 or Five. (UK-made children's programmes may decrease across these channels in the future without additional funding, but would continue to be shown on the BBC)

	%
No support at all - 1	19
2	9
3	8
4	8
5	19
6	10
7	11
8	8
9	3
Complete support - 10	5

F. Spending more money on BBC programmes and content on television, radio or online (this would mean the BBC would provide programmes and content which it may not provide without additional funding)

	%
No support at all - 1	19
2	7
3	6
4	8
5	18
6	8
7	10
8	10
9	4
Complete support - 10	9

Q2 Thinking about the different options for how this money could be dealt with, which ONE do you prefer the MOST?
SHOWCARD WITH ALL OPTIONS (R) SINGLE CODE ONLY

Base: 2,072

		%
A	Giving back the unused £9 to licence fee payers, by reducing the licence fee (this could be a one-off reduction of £9 per household for one year, or the £9 reduction could be spread over a slightly longer period)	50
B	Helping to increase the number of people who are able to receive broadband internet services across the UK (this would help ensure that all parts of the country can receive a broadband service with a guaranteed minimum speed, which may not be the case without additional funding)	14
C	Helping to increase the number of people who can receive DAB digital radio across the UK (this would help ensure that all parts of the country can receive the DAB radio signal, which may not be the case without additional funding)	5
D	Funding new organisations to provide news about your part of the UK, which would be shown on ITV1 and a range of other media. (These types of programmes may no longer be shown on ITV1 in the future without additional funding, but would continue to be shown on the BBC)	5
E	Funding other public service programming, such as UK-made children's programmes, on ITV1, Channel 4 or Five. (UK-made children's programmes may decrease across these channels in the future without additional funding, but would continue to be shown on the BBC)	8
F	Spending more money on BBC programmes and content on television, radio or online (this would mean the BBC would provide programmes and content which it may not provide without additional funding)	17

Q3 Why do you say that?
PROBE FULLY. DO NOT PROMPT

Base: All who were asked about the underspend who preferred option A (1,083)

	%
Refund/should receive a refund/get money back	27
Licence is expensive/too expensive/reduce cost of fee	22
It is my/people's money	6
Best/good option/idea	5
Economic climate/credit crunch/people need the money	4
It needs to be cheaper/it's too expensive (NSF)	4
Save money	4
Fairest option	3
Should not pay it in the first place/should be free	3
The option is best because it benefits most people/everybody	2
Too many repeats	2
Not good value for money/waste of money	2
Staff receive high salaries/should reduce salaries	2
Will help people	2
Money/cash/financial reasons/constraints	1
Other/commercial channels should not be publicly funded/licence should remain for BBC	1
It's affordable/costs less/so makes its affordable to all	1
Do not watch BBC	1
I subscribe to sky	1
Quality of programmes is poor/needs improving	1
Personal view/my opinion	1
Do not watch TV	1
Choice/range of programmes is poor/needs improving	1
I am selfish/do not care about anybody else	1
Good benefits/older people	*
BBC already receives enough/too much money	*
Better value for money	*
Other	5
No answer	3
Don't know	4

Q3. Why do you say that?
PROBE FULLY. DO NOT PROMPT

Base: All who were asked about the underspend who preferred option B (276)

	%
Broadband/internet is important for everyone/for certain groups in society	41
Poor coverage in this area/get better coverage/speed	17
Everybody should have access (NSF)	10
I think it's the future/the way forward/part of the future	5
Best/good option/idea	5
Will help people	4
Everybody should have access (to information)	4
The option is best because it benefits most people/everybody	3
Do not have internet/broadband access	3
Important for children's education	2
Fairest option	1
Improve communications/contact friends abroad/keep in touch with people	1
It's affordable/costs less/so makes it affordable to all	1
Internet/broadband is expensive/not everybody can afford	1
Benefits children	1
Refund is too small/will not have any effect on my finances	1
Do not watch TV	*
It needs to be cheaper/it's too expensive (NSF)	*
I have children/grandchildren	*
Other	6
No answer	1
Don't know	1

Q3.. **Why do you say that?**
 PROBE FULLY. DO NOT PROMPT

Base: All who were asked about the underspend who preferred option C (102)

	%
Prefer radio/most people listen to radio	24
Poor coverage in this area/get better coverage	13
The option is best because it benefits most people/everybody	9
Cannot access digital radio (DAB)	9
Favourable comments about DAB	7
Fairest option	3
Good benefits/older people	3
Everybody should have access (to information)	3
Best/good option/idea	3
Everybody should have access (NSF)	2
Will help people	1
It's affordable/costs less so makes it affordable to all	1
Do not watch TV	1
Improve quality of programmes	1
I think it's the future/the way forward/part of the future	1
It needs to be cheaper/It's too expensive (NSF)	1
BBC already receives enough/too much money	1
Other	13
No answer	2
Don't know	10

Q3. Why do you say that?
PROBE FULLY. DO NOT PROMPT

Base: All who were asked about the underspend who preferred option D (117)

	%
To receive more news/local news/information programmes	56
Best/good option/idea	5
Improve choice/range of programmes	3
Poor coverage in this area/get better coverage	3
Refund is too small/will not have any effect on my finances	2
Better value for money	2
The option is best because it benefits most people/everybody	2
Improve quality of programmes	2
Everybody should have access (to information)	1
It is my/people's money	1
Important for children's education	1
Other/commercial channels should be publicly funded	1
Will help people	1
Do not watch BBC	1
Other	11
No answer	5
Don't know	9

Q3. Why do you say that?
PROBE FULLY. DO NOT PROMPT

Base: All who were asked about the underspend who preferred option E (166)

	%
Children need better/more programmes	27
Children's education/more educational programmes	21
I have children/grandchildren	16
Benefits children	9
More UK-made programmes/children's programmes	7
Improve quality of programmes	5
Best/good option/idea	3
Children are our future	3
Improve choice/range of programmes	2
The option is best because it benefits most people/everybody	1
Other/commercial channels should be publicly funded	1
To receive more news/local news/information/programmes	1
Too many repeats	1
Do not watch BBC	1
Refund is too small/will not have any effect on my finances	1
Will help people	*
Other	9
No answer	*
Don't know	4

Q3. **Why do you say that?**
PROBE FULLY. DO NOT PROMPT

Base: All who were asked about the underspend who preferred option F (328)

	%
Improve quality of programmes	31
Like/prefer BBC programmes	18
Improve choice/range of programmes	13
Too many repeats	11
BBC programmes would benefit/more should be spent on BBC programmes	11
Other/commercial channels should not be publicly funded/licence should remain for BBC	6
Best/good option/idea	4
The option is best because it benefits most people/everybody	4
Refund is too small/will not have any effect on my finances	3
To receive more news/local news/information programmes	1
Better value for money	1
Children's education/more educational programmes	1
Good benefits/older people	1
Don't like adverts	1
More UK-made programmes/children's programmes	1
Children need better/more programmes	*
BBC is a unique/a national institution/quality of BBC programming should not be lost	*
Money/cash/financial reasons/constraints	*
It is my/people's money	*
It needs improving (NSF)	*
Other	6
No answer	1
Don't know	2

Main question set 2

READ OUT

The television licence fee is now £142.50 per household per year for a colour TV. Most of the licence fee funds the range of BBC services on television, radio and online, but since 2007 about £5.50 of this is used to help older or disadvantaged people get prepared for digital switchover.

Digital switchover is the process of switching off the UK's old analogue television broadcast signal region-by-region, and replacing it with a digital signal. This will be complete in 2012.

When digital switchover has been completed, the government will need to decide what should happen to the part of the licence fee which is currently being used to pay for it. This amount of money (£5.50 per household per year) could be dealt with in a number of different ways.

Q4 The options for how this money could be dealt with are listed below.
SHOWCARD WITH ALL OPTIONS (R)²⁰

Please read through the different options first. I will then ask you to indicate your support for each of the options on a scale of 1 to 10, where 1 is 'No support at all' and 10 is 'Complete support'.

SHOWCARD WITH SCALE 1 TO 10. SINGLE CODE ONLY

NOTE TO INTERVIEWER: Allow participant time to read all options, then ask them to indicate their level of support for each option in turn. Show screen for each option.

Base: 2,075

A. Reducing the level of the licence fee by £5.50 after digital switchover is complete

	%
No support at all - 1	11
2	4
3	3
4	4
5	12
6	5
7	8
8	11
9	7
Complete support - 10	36

²⁰ As with main question set 1, Options D and E remained in the same order on the reverse showcard, to ensure that the list made sense to respondents (i.e., 'Funding new organisation to provide news about your part of the UK' always preceded 'Funding other public service broadcasting').

B. Helping to increase the number of people who are able to receive broadband internet services across the UK (this would help ensure that all parts of the country can receive a broadband service with a guaranteed minimum speed, which may not be the case without additional funding)

	%
No support at all - 1	16
2	6
3	5
4	6
5	17
6	10
7	11
8	12
9	5
Complete support - 10	11

C. Helping to increase the number of people who can receive DAB digital radio across the UK (this would help ensure that all parts of the country can receive the DAB radio signal, which may not be the case without additional funding)

	%
No support at all - 1	20
2	9
3	8
4	9
5	21
6	8
7	9
8	7
9	3
Complete support - 10	6

D. Funding new organisations to provide news about your part of the UK, which would be shown on ITV1 and a range of other media. (These types of programmes may no longer be shown on ITV1 in the future without additional funding, but would continue to be shown on the BBC.)

	%
No support at all - 1	19
2	8
3	9
4	9
5	19
6	10
7	12
8	8
9	2
Complete support - 10	5

E. Funding other public service programming, such as UK-made children's programmes, on ITV1, Channel 4 or Five. (UK-made children's programmes may decrease across these channels in the future without additional funding, but would continue to be shown on the BBC).

	%
No support at all - 1	18
2	8
3	8
4	8
5	19
6	11
7	11
8	8
9	3
Complete support - 10	6

F. Spending more money on BBC programmes and content, on television, radio or online (this would mean the BBC would provide programmes and content which it may not provide without additional funding)

	%
No support at all - 1	17
2	6
3	7
4	6
5	20
6	9
7	11
8	12
9	4
Complete support - 10	9

Q5. Thinking about the different options for how this money could be dealt with, which ONE do you prefer the MOST?
SHOWCARD WITH ALL OPTIONS (R) SINGLE CODE ONLY

Base: 2,068

		%
A	Reducing the level of the licence fee by £5.50 after digital switchover is complete	49
B	Helping to increase the number of people who are able to receive broadband internet services across the UK (this would help ensure that all parts of the country can receive a broadband service with a guaranteed minimum speed, which may not be the case without additional funding)	15
C	Helping to increase the number of people who can receive DAB digital radio across the UK (this would help ensure that all parts of the country can receive the DAB radio signal, which may not be the case without additional funding)	4
D	Funding new organisations to provide news about your part of the UK, which would be shown on ITV1 and a range of other media. (These types of programmes may no longer be shown on ITV1 in the future without additional funding, but would continue to be shown on the BBC)	6
E	Funding other public service programming, such as UK-made children's programmes, on ITV1, Channel 4 or Five. (UK-made children's programmes may decrease across these channels in the future without additional funding, but would continue to be shown on the BBC)	9
F	Spending more money on BBC programmes and content on television, radio or online (this would mean the BBC would provide programmes and content which it may not provide without additional funding)	17

Q6 Why do you say that?
PROBE FULLY. DO NOT PROMPT

Base: All who were asked about the underspend who preferred option A (1063)

	%
Licence is expensive/too expensive/reduce cost of fee	29
Refund/should receive a refund/get money back	17
Save money	6
It needs to be cheaper/it's too expensive (NSF)	5
Best/good option/idea	4
Should not pay it in the first place/should be free	4
Economic climate/credit crunch/people need the money	3
It is my/people's money	3
Will help people	3
It's affordable/costs less so makes it affordable to all	3
Not good value for money/waste of money	3
The option is best because it benefits most people/everybody	3
Too many repeats	2
Staff receive high salaries/should reduce salaries	1
Money/cash/financial constraints	1
Quality of programmes is poor/needs improving	1
Do not watch BBC	1
Fairest option	1
Personal view/my opinion	1
Other/commercial channels should not be publicly funded/licence should remain for BBC	1
Good benefits/older people	1
Do not watch TV	*
I am selfish/do not care about anybody else	*
Better value for money	*
Choice/range of programmes is poor/needs improving	*
Cannot access digital radio (DAB)	*
Do not have internet/broadband access	*
BBC already receives enough/too much money	*
Other	7
No answer	3
Don't know	3

Q6. Why do you say that?
PROBE FULLY. DO NOT PROMPT

Base: All who were asked about the underspend who preferred option B (287)

	%
Broadband/internet is important for everyone/for certain groups in society	43
Poor coverage in this area/get better coverage	17
Everybody should have access (NSF)	8
Will help people	5
I think it's the future/the way forward/part of the future	3
Best/good option/idea	3
Important for children's education	2
Do not have internet/broadband access	2
The option is best because it benefits most people/everybody	2
Internet/broadband is expensive/not everybody can afford it	2
Improve communications/contact friends abroad/keep in touch with people	2
Everybody should have access (to information)	1
It's affordable/costs less/so makes it affordable to all	1
Benefits children	1
Good benefits/older people	*
Refund is too small/will not have any effect on my finances	*
Do not watch TV	*
Fairest option	*
Other	8
No answer	1
Don't know	4

Q6. Why do you say that?
PROBE FULLY. DO NOT PROMPT

Base: All who were asked about the underspend who preferred option C (84)

	%
Prefer radio/most people listen to radio	20
Favourable comments about DAB	11
Cannot access digital radio (DAB)	10
The option is best because it benefits most people/everybody	8
Will help people	8
Poor coverage in this area/get better coverage	7
Money/cash/financial reasons/constraints	3
Good benefits/older people	3
Best/good option/idea	3
Everybody should have access (NSF)	3
Everybody should have access (to information)	2
Choice/range of programmes is poor/needs improving	1
Do not watch TV	1
Better value for money	1
Other	16
No answer	3
Don't know	3

Q6. Why do you say that?
PROBE FULLY. DO NOT PROMPT

Base: All who were asked about the underspend who preferred option D (126)

	%
To receive more news/local news/information programmes	65
Best/good option/idea	7
Choice/range of programmes is poor/needs improving	4
Poor coverage in this area/get better coverage	1
The option is best because it benefits most people/everybody	1
Quality of programmes is poor/needs improving	1
Will help people	1
Economic climate/credit crunch	1
Everybody should have access (to information)	1
Do not have internet/broadband access (NSF)	1
Do not watch TV	1
Everybody should have access (NSF)	1
Personal view/my opinion	*
Other	11
No answer	3
Don't know	5

Q6. Why do you say that?
PROBE FULLY. DO NOT PROMPT

Base: All who were asked about the underspend who preferred option E (174)

	%
Children need better/more programmes	26
Children's education/more educational programmes	13
I have children/grandchildren	10
More UK-made programmes/children's programmes	8
Benefits children	7
Too many repeats	5
Quality of programmes is poor/needs improving	5
Children are our future	4
Choice/range of programmes is poor/needs improving	2
Best/good option/idea	1
Refund is too small/will not have any effect on my finances	1
Economic climate/credit crunch	1
Do not watch BBC	*
Other	18
No answer	2
Don't know	7

Q6. Why do you say that?
PROBE FULLY. DO NOT PROMPT

Base: All who were asked about the underspend who preferred option F (334)

	%
Improve quality of programmes	31
Like/prefer BBC programmes	17
Choice/range of programmes is poor/needs improving	16
BBC programmes would benefit/more should be spent on BBC programmes	12
Too many repeats	10
Other/commercial channels should not be publicly funded/licence should remain for BBC	5
Best/good option/idea	3
The option is best because it benefits most people/everybody	2
Don't like adverts	2
BBC is a unique/a national institution/quality of BBC programming should not be lost	1
Refund is too small/will not have any effect on my finances	1
To receive more news/local news/information programmes	1
More UK-made programmes/children's programmes	*
Cannot access digital radio (DAB)	*
Better value for money	*
Good benefits/older people	*
Do not have internet/broadband access	*
Will help people	*
I am selfish/do not care about anybody else	*
Children need better/more programmes	*
Benefits children	*
Economic climate/credit crunch	*
Children's education/more educational programmes	*
Other	11
No answer	*
Don't know	2

Additional questions

Q6a. SHOWCARD **Which, if any, of these types of television does your household receive at the moment on your main set?**

MULTICODE OK (EXCEPT THOSE WHO SELECT THE FIVE TERRESTRIAL CHANNELS ONLY)

Base: 4,140

	%
The five terrestrial channels only (i.e. BBC One, BBC Two, ITV1, Channel 4/S4C, Five)	10
Freeview (i.e. digital TV accessed through a set-top box, or integrated into your TV, that you do not have to pay a subscription for)	40
Freesat	3
Sky Digital (i.e. digital TV through a satellite dish that you pay a monthly subscription for)	37
Virgin Media (i.e. TV through a cable connection that you pay a monthly subscription for)	15
Digital TV via a broadband DSL line (from Tiscali, Homechoice or Kingston Communications)	1
Other (please write in)	*
No TV in household	2
Don't know	1

Q7. SHOWCARD **Thinking about an average day, how many hours would you say you spend watching TV?**

SINGLE CODE ONLY

Base: 4,140

	%
Up to about an hour	10
1-3 hours per day	47
4-6 hours per day	30
Over 6 hours a day	10
Never watch TV	2
Don't know	1

- Q8. SHOWCARD **And thinking about an average day, how many hours would you say you spend listening to the radio – either at home, in the car, at work or elsewhere?**
SINGLE CODE ONLY

Base: 4,140

	%
Up to about an hour	32
1-3 hours per day	27
4-6 hours per day	12
Over 6 hours a day	9
Never listen to the radio	19
Don't know	1

- Q9. SHOWCARD **Which of these television channels, if any, would you say you watch regularly?**
MULTICODE OK

Base: All with TV in household (4,068)

		%
A	BBC One	68
B	BBC Two	37
C	ITV1	53
D	Channel 4	38
E	Five	24
	None of these	7
	Don't know	1

- Q10. SHOWCARD **And which of the following types of programmes, if any, would you say you watch regularly on the main TV channels (that is BBC One, BBC Two, ITV1, Channel 4 and Five)?**
MULTICODE OK

Base: All with TV in household (4,068)

		%
A	News	70
B	Current Affairs programmes such as Tonight and Panorama	31
C	Arts and classical music	11
D	Children's	12
E	Religious	4
F	Serious Factual, including history, nature or science programmes	38
G	Other factual programmes including hobbies, leisure and consumer affairs e.g. Grand Designs, Watchdog and The Gadget Show	33
H	Programmes of an educational nature	18
I	Soaps	38
J	Drama	43
K	Films	51
L	Sport	36
M	Entertainment and contemporary music e.g. Doctor Who, Strictly Come Dancing and X Factor	36
N	Comedy	42
O	News about your part of the UK	29
P	Current affairs programmes about your part of the UK	21
Q	Aside from news and current affairs, other programmes about your part of the UK	11
	Other	2
	Don't know	*
	None of these	2

- Q11. SHOWCARD **On which of these television channels would you say you regularly watch news about your part of the UK?**
MULTICODE OK

Base: All who watch news about their part of the UK regularly (1,223)

		%
A	BBC One	72
B	BBC Two	3
C	ITV1	42
D	Channel 4	3
E	Five	2
F	Channel 4 Wales (S4C) WALES ONLY	*
	Don't know	1

- Q12. SHOWCARD **To what extent are you satisfied or dissatisfied with the range of the news about your part of the UK available to you on TV?**
SINGLE CODE ONLY

Base: All who watch news about their part of the UK regularly (1,223)

		%
A	Very satisfied	16
B	Fairly satisfied	62
C	Neither satisfied nor dissatisfied	10
D	Fairly dissatisfied	10
E	Very dissatisfied	2
	Don't know	*
	Refused	-

- Q13. SHOWCARD **And to what extent are you satisfied or dissatisfied with the quality of news about your part of the UK available to you on TV?**
SINGLE CODE ONLY

Base: All who watch news about their part of the UK regularly (1,223)

		%
A	Very satisfied	19
B	Fairly satisfied	59
C	Neither satisfied nor dissatisfied	13
D	Fairly dissatisfied	8
E	Very dissatisfied	1
	Don't know	*
	Refused	-

- Q14. SHOWCARD **Apart from television, in which of these ways do you currently access news about your part of the UK?**
MULTICODE OK

Base: 4,140

	%
Regional news on BBC local radio	28
Regional news on independent radio	14
Local or regional newspapers	45
BBC.co.uk (the BBC website)	15
Any other website	8
Other (please specify)	1
None of these	21

Q15. Do you read or look at a local regional newspaper regularly?
SINGLE CODE ONLY

Base: 4,140

	%
Yes	53
No	46
Don't know	*

Q16. SHOWCARD Overall, what do you think of the following broadcasters?
SINGLE CODE ONLY

Base: 4,140

Please tell us your general impression of each one, giving a score of 1-10, where 1 means extremely unfavourable and 10 means extremely favourable

General impression of the BBC

	%
Extremely unfavourable - 1	2
2	2
3	3
4	5
5	14
6	13
7	19
8	26
9	10
Extremely favourable - 10	6

General impression of ITV1

	%
Extremely unfavourable - 1	3
2	3
3	6
4	7
5	21
6	16
7	18
8	17
9	6
Extremely favourable - 10	4

General impression of Channel 4

	%
Extremely unfavourable - 1	5
2	4
3	7
4	8
5	25
6	16
7	16
8	12
9	4
Extremely favourable - 10	3

General impression of Five

	%
Extremely unfavourable - 1	9
2	8
3	10
4	11
5	26
6	14
7	10
8	8
9	2
Extremely favourable - 10	2

General impression of Sky

	%
Extremely unfavourable - 1	15
2	5
3	3
4	5
5	25
6	8
7	10
8	13
9	7
Extremely favourable - 10	8

Q17. SHOWCARD Who pays the Licence Fee in your household?
SINGLE CODE ONLY

Base: 4,140

	%
I do	48
I share the cost with others	18
Somebody else pays	21
I am / we are given it for free because somebody in the household is over 75	9
I don't have a licence	2
Don't know	1

Appendix 6: Questionnaire

Main question set 1

This will be asked of half the sample in each week (2,000 UK adults in total).

READ OUT:

The television licence fee is now £142.50 per household per year for a colour TV. Most of the licence fee funds the range of BBC services on television, radio and online, but since 2007 about £5.50 per year from each licence fee is used to help older or disadvantaged people get prepared for digital switchover.

Digital switchover is the process of switching off the UK's old analogue television broadcast signal region-by-region, and replacing it with a digital signal. This will be complete in 2012.

Based on current estimates and the way the switchover has gone so far, it is possible that not all of this money will be needed, and there may be an amount of money left over when switchover is complete in 2012. It is not yet known how much money might be left over, but one estimate is about £9 per household or a total of £230 million.

When digital switchover has been completed, this amount of money could be dealt with in a number of different ways.

Q1 The options for how this money could be dealt with are listed below. SHOWCARD WITH ALL OPTIONS – 2 VERSIONS.

Please read through the different options first. I will then ask you to indicate your support for each of the options on a scale of 1 to 10, where 1 is 'No support at all' and 10 is 'Complete support'.

Allow respondent time to read all options, then ask them to indicate their level of support for each option in turn. Show screen for each option. Showcard with scale 1 – 10.

- Giving back the unused £9 to licence fee payers, by reducing the licence fee (this could be a one-off reduction of £9 per household for one year, or the £9 reduction could be spread over a slightly longer period).
- Helping to increase the number of people who are able to receive broadband internet services across the UK (this would help ensure that all parts of the country can receive a broadband service with a guaranteed minimum speed, which may not be the case without additional funding)
- Helping to increase the number of people who can receive DAB digital radio across the UK (this would help ensure that all parts of the country can receive the DAB radio signal, which may not be the case without additional funding)
- Funding new organisations to provide news about your part of the UK, which would be shown on ITV1²¹ and a range of other media. (These types of programmes may

²¹ Interviewers will be briefed to clarify that ITV1 includes STV/UTV if needed

no longer be shown on ITV1 in the future without additional funding, but would continue to be shown on the BBC).

- Funding other public service programming, such as UK-made children's programmes, on ITV1, Channel 4 or Five. (UK-made children's programmes may decrease across these channels in the future without additional funding, but would continue to be shown on the BBC).
- Spending more money on BBC programmes and content on television, radio or online (this would mean the BBC would provide programmes and content which it may not provide without additional funding)

Q2 Thinking about the different options for how this money could be dealt with, which ONE do you prefer the MOST? SHOWCARD AGAIN

Q3 Why do you say that?
(Open-ended question)

Main question set 2

This will be asked of half the sample in each week (2,000 UK adults in total).

READ OUT

The television licence fee is now £142.50 per household per year for a colour TV. Most of the licence fee funds the range of BBC services on television, radio and online, but since 2007 about £5.50 of this is used to help older or disadvantaged people get prepared for digital switchover.

Digital switchover is the process of switching off the UK's old analogue television broadcast signal region-by-region, and replacing it with a digital signal. This will be complete in 2012.

When digital switchover has been completed, the government will need to decide what should happen to the part of the licence fee which is currently being used to pay for it. This amount of money (£5.50 per household per year) could be dealt with in a number of different ways.

Q4 The options for how this money could be dealt with are listed below. SHOWCARD WITH ALL OPTIONS – 2 VERSIONS.

Please read through the different options first. I will then ask you to indicate your support for each of the options on a scale of 1 to 10, where 1 is 'No support at all' and 10 is 'Complete support'.

Allow respondent time to read all options, then ask them to indicate their level of support for each option in turn. Show screen for each option. Showcard with scale 1 – 10.

- Reducing the level of the licence fee by £5.50 after digital switchover is complete
- Helping to increase the number of people who are able to receive broadband internet services across the UK (this would help ensure that all parts of the country can receive a broadband service with a guaranteed minimum speed, which may not be the case without additional funding)
- Helping to increase the number of people who can receive DAB digital radio across the UK (this would help ensure that all parts of the country can receive the DAB radio signal, which may not be the case without additional funding)
- Funding new organisations to provide news about your part of the UK, which would be shown on ITV1²² and a range of other media. (These types of programmes may no longer be shown on ITV1 in the future without additional funding, but would continue to be shown on the BBC.)
- Funding other public service programming, such as UK-made children's programmes, on ITV1, Channel 4 or Five. (UK-made children's programmes may decrease across these channels in the future without additional funding, but would continue to be shown on the BBC).

²² Interviewers will be briefed to clarify that ITV1 includes STV/UTV if needed

- Spending more money on BBC programmes and content, on television, radio or online (this would mean the BBC would provide programmes and content which it may not provide without additional funding)

Q5 Thinking about the different options for how this money could be dealt with, which ONE do you prefer the MOST? SHOWCARD AGAIN

Q6 Why do you say that?
(Open-ended question).

Additional questions – asked to all

SHOWCARD

Q6A Which, if any, of these types of television does your household receive at the moment on your main set? READ OUT. MULTICODE OK

The five terrestrial channels only (i.e. BBC One, BBC Two, ITV1, Channel 4/S4C, Five)
Freeview (i.e. digital TV accessed through a set-top box, or integrated into your TV, that you do not have to pay a subscription for)

Freesat

Sky Digital (i.e. digital TV through a satellite dish that you pay a monthly subscription for)

Virgin Media (i.e. TV through a cable connection that you pay a monthly subscription for)

Digital TV via a broadband DSL line (from Tiscali, Homechoice or Kingston Communications)

Other (please write in)

No TV in household

Don't know

Q7 Thinking about an average day, how many hours would you say you spend watching TV? SINGLE CODE

Up to about an hour	1
1-3 hours per day	2
4-6 hours per day	3
Over 6 hours a day	4
Never watch TV	5
Don't know	6

Q8 And thinking about an average day, how many hours would you say you spend listening to the radio – either at home, in the car, at work or elsewhere?

SINGLE CODE

Up to about an hour	1
1-3 hours per day	2
4-6 hours per day	3
Over 6 hours a day	4
Never listen to the radio	5
Don't know	6

ASK ALL WITH TV IN HOUSEHOLD - SHOWCARD

Q9 Which of these television channels, if any, would you say you watch regularly? That is, a few times a week. MULTICODE OK

A	BBC One	1
B	BBC Two	2
C	ITV1	3
D	Channel 4	4
E	Five	5
	None of them	6
	Don't know	7

SHOWCARD

Q10 And which of the following types of programmes, if any, would you say you watch regularly on the main TV channels (that is BBC One, BBC Two, ITV1, Channel 4 and Five)? [IF NECESSARY: That is, a few times a week.] MULTICODE OK

- A News
 - B Current Affairs programmes such as Tonight and Panorama
 - C Arts and classical music
 - D Children's
 - E Religious
 - F Serious Factual, including history, nature or science programmes
 - G Other factual programmes including hobbies, leisure and consumer affairs e.g. Grand Designs, Watchdog and The Gadget Show
 - H Programmes of an educational nature
 - I Soaps
 - J Drama
 - K Films
 - L Sport
 - M Entertainment and contemporary music e.g. Doctor Who, Strictly Come Dancing and X Factor
 - N Comedy
 - O News about your part of the UK
 - P Current affairs programmes about your part of the UK
 - Q Aside from news and current affairs, other programmes about your part of the UK
- Other
- None of these
 - Don't know

ASK ALL WHO WATCH NEWS ABOUT THEIR PART OF THE UK REGULARLY

Q11 SHOWCARD On which of these television channels would you say you regularly watch news about your part of the UK? [IF NECESSARY: That is, a few times a week.] **MULTICODE OK**

- A BBC One
- B BBC Two
- C ITV1
- D Channel 4
- E Five
- Channel 4 Wales (S4C) WALES ONLY
- F Don't know

Q12 To what extent are you satisfied or dissatisfied with the range of the news about your part of the UK available to you on TV? READ OUT. SINGLE CODE ONLY

- A Very satisfied
- B Fairly satisfied
- C Neither satisfied nor dissatisfied
- D Fairly dissatisfied
- E Very dissatisfied
- F Don't know
- G Refused

Q13 And to what extent are you satisfied or dissatisfied with the quality of news about your part of the UK available to you on TV? READ OUT. SINGLE CODE ONLY

- A Very satisfied
- B Fairly satisfied

- C Neither satisfied nor dissatisfied
- D Fairly dissatisfied
- E Very dissatisfied
- F Don't know
- G Refused

ASK ALL

Q14 Apart from television, in which of these ways do you currently access news about your part of the UK? (MP)

- Regional news on BBC local radio
- Regional news on independent radio
- Local or regional newspapers
- BBC.co.uk (the BBC website)
- Any other website
- Other (please specify)
- None of these

Q15 Do you read or look at a local or regional newspaper regularly (By regularly I mean 3 out of 4 issues on average)?

- Yes
- No
- Don't know

Q16 Overall, what do you think of the following broadcasters? Please tell us your general impression of each one, giving a score of 1-10, where 1 means extremely unfavourable and 10 means extremely favourable. READ OUT EACH STATEMENT. RANDOMISE ORDER. SINGLE CODE PER BROADCASTER

- General impression of the BBC
- General impression of ITV1
- General impression of Channel 4
- General impression of Five
- General impression of Sky

Q17 Who pays the Licence Fee in your household?

- SP. ALLOW DK
- I do
- I share the cost with others
- Somebody else pays
- I am / we are given it for free because somebody in the household is over 75
- I don't have a licence

Appendix 7: Showcards

J08-021299-32-01

LOOSE SHOWCARD WE01A

- A. **Giving back the unused £9.00 to licence fee payers, by reducing the licence fee (this could be a one-off reduction of £9.00 per household for one year, or the £9.00 reduction could be spread over a slightly longer period).**

- B. **Helping to increase the number of people who are able to receive broadband internet services across the UK (this would help ensure that all parts of the country can receive a broadband service with a guaranteed minimum speed, which may not be the case without additional funding)**

- C. **Helping to increase the number of people who can receive DAB digital radio across the UK (this would help ensure that almost all parts of the country can receive the DAB radio signal, which may not be the case without additional funding)**

- D. **Funding new organisations to provide news about your part of the UK, which would be shown on ITV1 and a range of other media. (These types of programmes may no longer be shown on ITV1 in the future without additional funding, but would continue to be shown on the BBC).**

- E. **Funding other public service programming, such as UK-made children's programmes, on ITV1, Channel 4 or Five. (UK-made children's programmes may decrease across these channels in the future without additional funding, but would continue to be shown on the BBC).**

- F. **Spending more money on BBC programmes and content on television, radio or online (this would mean the BBC would provide programmes and content which it may not provide without additional funding).**

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- A. Reducing the level of the licence fee by £5.50 after digital switchover is complete**

- B. Helping to increase the number of people who are able to receive broadband internet services across the UK (this would help ensure that all parts of the country can receive a broadband service with a guaranteed minimum speed, which may not be the case without additional funding)**

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1. **No support at all**
- 2.
- 3.
- 4.
- 5.
- 6.
- 7.
- 8.
- 9.
10. **Complete support**

- 1. The five terrestrial channels only (i.e. BBC One, BBC Two, ITV1, Channel 4/S4C, Five)**
- 2. Freeview (i.e. digital TV accessed through a set-top box, or integrated into your TV, that you do not have to pay a subscription for)**
- 3. Freesat**
- 4. Sky Digital (i.e. digital TV through a satellite dish that you pay a monthly subscription for)**
- 5. Virgin Media (i.e. TV through a cable connection that you pay a monthly subscription for)**
- 6. Digital TV via a broadband DSL line (from Tiscali, Homechoice or Kingston Communications)**
- 7. Other**
- 8. No TV in household**

6. **Digital TV via a broadband DSL line (from Tiscali, Homechoice or Kingston Communications)**
5. **Virgin Media (i.e. TV through a cable connection that you pay a monthly subscription for)**
4. **Sky Digital (i.e. digital TV through a satellite dish that you pay a monthly subscription for)**
3. **Freesat**
2. **Freeview (i.e. digital TV accessed through a set-top box, or integrated into your TV, that you do not have to pay a subscription for)**
1. **The five terrestrial channels only (i.e. BBC One, BBC Two, ITV1, Channel 4/S4C, Five)**
7. **Other**
8. **No TV in household**

A. BBC One

B. BBC Two

C. ITV1

D. Channel 4

E. Five

E. Five

D. Channel 4

C. ITV1

B. BBC Two

A. BBC One

- A. News**
- B. Current Affairs programmes such as Tonight and Panorama**
- C. Arts and classical music**
- D. Children's**
- E. Religious**
- F. Serious Factual, including history, nature or science programmes**
- G. Other factual programmes including hobbies, leisure and consumer affairs e.g. Grand Designs, Watchdog and The Gadget Show**
- H. Programmes of an educational nature**
- I. Soaps**
- J. Drama**
- K. Films**
- L. Sport**
- M. Entertainment and contemporary music e.g. Doctor Who, Strictly Come Dancing and X Factor**
- N. Comedy**
- O. News about your part of the UK**
- P. Current affairs programmes about your part of the UK**
- Q. Aside from news and current affairs, other programmes about your part of the UK**

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- D. Children's**
- C. Arts and classical music**
- B. Current Affairs programmes such as Tonight and Panorama**
- A. News**

A. BBC One

B. BBC Two

C. ITV1

D. Channel 4

E. Five

E. Five

D. Channel 4

C. ITV1

B. BBC Two

A. BBC One

- A. BBC One**

- B. BBC Two**

- C. ITV1**

- D. Channel 4**

- E. Five**

- F. Channel Four Wales (S4C)**

F. Channel Four Wales (S4C)

E. Five

D. Channel 4

C. ITV1

B. BBC Two

A. BBC One

- 1. Regional news on BBC local radio**

- 2. Regional news on independent radio**

- 3. Local or regional newspapers**

- 4. BBC.co.uk (the BBC website)**

- 5. Any other website**

- 6. Other**

- 4. BBC.co.uk (the BBC website)**
- 3. Local or regional newspapers**
- 2. Regional news on independent radio**
- 1. Regional news on BBC local radio**
- 5. Any other website**
- 6. Other**

- 1. I do**

- 2. I share the cost with others**

- 3. Somebody else pays**

- 4. I am / we are given it for free because somebody in the household is over 75**

- 5. I don't have a licence**

4. **I am / we are given it for free because somebody in the household is over 75**
3. **Somebody else pays**
2. **I share the cost with others**
1. **I do**
5. **I don't have a licence**

