

DCMS REVIEW OF BBC DIGITAL SERVICES

REVIEW OF BBC THREE & FOUR

By Steve Hewlett

OCTOBER 2004

CONTENTS

1. Introduction

2. BBC THREE

2.1 Introduction

2.2 Review Against Conditions and Commitments

2.3 The Programmes and The Audience

2.31 Target Audience

2.32 The Programmes – Defining “Specially Commissioned”

2.33 News

2.34 Current Affairs

2.35 Other Factual and Education

2.36 Music and Arts

2.37 Entertainment, Comedy and Drama

2.4 Conclusions

3. BBC FOUR

3.1 Introduction

3.2 Review Against Conditions and Commitments

3.3 The Programmes and The Audience

3.31 Music and performance

3.32 Documentaries

3.33 Topical Debate and Discussion

3.34 Film and Cinema

3.35 News

3.36 Defining “Specially Commissioned”

3.37 The Audience

3.4 Conclusion

1. INTRODUCTION

BBC3&4 were given approval to proceed subject to conditions agreed with the Government. These conditions included general commitments to driving digital take up, high quality – but not at the expense of BBC1&2, the use of home-grown talent and production and to interactivity amongst others. Each new service was also subject to specific conditions designed to ensure it's distinctive contribution to the BBC's public service offering. In addition to the specific conditions referred to by the Secretary of State in the letters and statements granting approval, the BBC was required to comply with all the promises and assurances made in any of their own correspondence and detailed proposals for the channels irrespective of whether they were mentioned specifically by the Secretary of State, and to abide by all the conditions in good faith and to comply with the spirit as well as the letter of them.

I have been asked to review the performance of BBC3&4 with a view to establishing whether or not they have met their purposes and complied with their conditions of launch and to offer recommendations for their future development of the channels. I have not sought to assess the channel's impact on digital take up or looked in any detail at their commitments to interactivity.

I have endeavoured to do this by going back to the original letters and documents containing the Secretary of State's conditions and the BBC's various promises and undertakings and seeking to satisfy myself as to the degree to which they have been complied with. A lot of detailed work has been done especially in the case of BBC3 since the BBC's second application to proceed for this channel was some 48 pages long. In many cases I have been dependent on information provided by the BBC which I have no reason to doubt but have not been able to independently verify.

I should also point out that since both BBC Three and BBC Four are relatively new conclusions concerning performance must necessarily be regarded as to some degree tentative.

In structuring this report however I have sought to focus, for the purpose of more detailed treatment, on those undertakings and conditions that would appear to underpin the basic and essential purposes of BBC Three and Four respectively.

I am indebted in this task to the numerous people at the BBC who worked hard to supply me with information often on tight deadlines.

2. BBC3

2.1 INTRODUCTION

BBC3 was initially denied approval by the government on the grounds that the BBC's proposal was insufficiently distinctive. It was subsequently given approval in September 2002 and started broadcasting in February 2003 as a mixed genre channel primarily aimed at serving the needs of 25-34 year old viewers with a high level of original production. It had the explicit aim of trying to reconnect this group with the BBC's output in particular and public service broadcasting in general.

The Channel was subject to conditions laid out by the Secretary of State and all the promises made by the BBC in a detailed channel proposal (A 48 page document referred to as "Annex one" in the DCMS consent letter). The BBC has produced a report on BBC3's performance against these numerous commitments and the BBC Governors have reviewed this document.

I review below BBC Three's performance against the conditions of launch – though not necessarily in the order in which they appear in the original documentation. I then go on to discuss in more detail some of the bigger questions that arise about the degree to which BBC Three has succeeded in its primary underlying purpose in relation to 25-34 year old viewers.

2.2 REVIEW AGAINST CONDITIONS

2.21 High general standards in all respects (and in particular in respect of content, quality and editorial integrity) will be maintained in relation to the service (Tessa Jowell letter to Gavin Davies Sept 2002)

As far as I can establish, without conducting a much more extensive enquiry into the detailed content and structure of individual BBC 3 programmes, BBC 3 would appear to have met this condition. Whilst recognising that some elements of this condition require a degree of subjective judgement about which there may be differing views, BBC 3's significant number of awards and nominations, some highly complementary reviews and the fact that some of its programmes have been so well received on the BBC's terrestrial channels would seem to support this view. There have been a small number of taste and decency complaints upheld against the channel but I have found nothing to suggest these represent a general or systemic problem.

2.22 Within its defined scope the service shall stimulate, support and reflect the diversity of the UK. (TJ Letter as above)

Taken in its broadest form i.e. to include ethnic and disability issues as well as geographical diversity, the BBC have been able to point to programmes and initiatives which support the view that this condition has broadly been met. BBC 3 decided to set all its original drama outside London, covered culturally diverse festivals and events around the country and has sought to embrace disability in some of its programming. In terms of talent on and off screen BBC Three can show ample anecdotal evidence of its use of and support for new talent from many diverse backgrounds. This is sufficient to persuade me that this condition has been met.

However I have established that there is no formal scheme in place for monitoring cultural diversity on or off screen. This is perhaps surprising given the significance attached to these issues by the BBC generally and BBC Three in particular and I would recommend the implementation of such a formal monitoring scheme for the future.

2.23 Consideration will be given to promoting the understanding and enjoyment of the service by viewers with sensory impairments; and the BBC Governors will monitor the levels of subtitling, signing and audio description provided on each new service, and apply to those levels from time to time the same targets which they apply from time to time to existing BBC digital Channels. (TJ Letter as above)

According to the BBC (Review pg 34) BBC Three exceeds its targets in respect of all three requirements – namely subtitling, audio description and signing.

2.24 25% of the service's output in terms of qualifying hours must be commissioned from the independent sector, with no reduction in the contribution made by other BBC channels to the BBC's overall 25% independent production quota. The Secretary of State also welcomes the BBC's commitment to spend at least one quarter of the BBC 3 programme budget on independent productions. (TJ Letter as above)

According to information provided by the BBC the current run rate for commissioning independent producers on BBC 3 represents in excess of 40% of qualifying hours and in excess of 30% of spend (BBC Review pg 36). The BBC also states "...there has been no reduction in the contribution made by other BBC channels to the overall 25% independent quota"

On this basis I am satisfied that this commitment has been met.

2.25 90% of programme hours for the service, must be allocated to programmes made in the EU/EEA, for first showing in the UK. The Secretary of State also welcomes the BBC's commitments that such programmes will account for around 90% of BBC3's expenditure on programmes and that, as part of the BBC's commitment to regional production, 33% of BBC3's eligible budget will be produced from outside the M25 from 2004-5, with reasonable progress made towards that target in the preceding years. (TJ Letter as above)

Again, on the basis of information supplied by the BBC (Review pg 35) BBC 3 has exceeded its commitments to EU/EEA production in terms of both hours and spend, and

is well on its way to reaching its target of spending 33% of its eligible budget outside the M25 by 2004/5

2.26 The service must deliver a mixed schedule of programmes embracing drama, entertainment, news, current affairs, education, music, the arts, science and including coverage of international issues. The specific content commitments should be as set out in the information provided by the BBC, including the BBC's further commitment to other factual programming including 15 hours covering science, religion/ethics and business. The normal evening on BBC 3, including peak viewing hours, will reflect a mixed schedule throughout the year.

In addition the BBC made the following commitments to particular programme genres. In a letter to Andrew Ramsey at the DCMS on 3rd December 2001, they said:

"It (BBC3) will offer a much greater commitment to News, current affairs, education, music and the arts. These genres will now account for around 15% of hours broadcast and over one third of programming specially made for the channel. There will be a dedicated 15-minute news programme every weekday in peak time and hourly bulletins until midnight. And each year there will be at least 30 new half hour current affairs programmes, 30 hours of new education programmes and 50 hours of new music and arts programmes.

I will deal with the BBC's stated purposes and objectives in relation to some important areas of programming later and here confine myself to whether the BBC has met these specific targets.

According to the BBC (review pg 8) BBC 3 has provided a mixed genre schedule featuring entertainment, factual, news and current affairs, drama and music and arts.

The BBC also reports exceeding its commitment that news, current affairs, education and music and arts should account for 15% of hours broadcast by some margin (Review pg 9) and also that these stipulated programme hours represent in excess of the one third of programmes specially made for the channel (36%).

In addition the BBC reports exceeding their commitment to 50 hours of new music and arts programming (Review pg25) and broadcasting 25 new current affairs titles between launch (Feb 2002) and November 2002. This exceeds the commitment in terms of hours and is well on the way to meeting the target of 30 new half hours in the channel's first year.

Similarly the BBC reports being on target to exceed their commitment to 30 hours of new education programming in a year. Figures from launch to November 2003 show 26 hours (review pg 23) with a strong emphasis on health and social issues.

They also report exceeding the commitment to 15 hours of science, religion/ethics and business. (Review pg 27). However a breakdown of the programmes comprising this commitment supplied to me by the BBC indicates that the only science programme was "Leonardo's Amazing Machines (0.93 hrs), Religion/Ethics was accounted for by "Jerry

Hall's Gurus" (1.85 hrs) and "Thought for Tomorrow" (0.38 hrs), and the only business programme was "Celebdaq" (18.28 hrs).

Whilst there are some other BBC 3 programmes that deal in these subject areas but which are counted in meeting other commitments – e.g. "Body Hits" is a kind of science programme counted towards Education hours, and "New Tycoons" is a kind of business programme which has also been used to count towards meeting the education hours commitment – and whilst the number of required hours has exceeded the 15 hour commitment, I am not convinced that the spirit of this condition has been fully met.

2.27 The specific commitments (referred to above) must not be met at the expense of programmes on BBC 1&2 catering for the 25-34 age group and new programmes made for BBC 3 must also be made available to enhance the provision of programming that will appeal to young adults on BBC 1&2 (TJ Letter as above)

The BBC maintains that this commitment has been met and that there has been no reduction in the importance attached to serving young adult audiences on BBC 1&2 (Review pg10) and that there has been no reduction programming on the terrestrial networks with appeal to this audience. Without conducting an extensive review of programming across BBC 1&2 it is impossible to verify this claim, however given the channel strategies of both BBC 1&2 and of the BBC generally in relation to attracting this audience, I am confident that this commitment will most likely have been met.

In fact it can be argued that BBC 3 has enabled BBC 1& 2 to enhance their provision for this audience through co-commissioning and repeating BBC 3 programming (e.g. "Little Britain" on BBC 2 and "Brief History of Rome" on BBC 1). The BBC also reports broadcasting more than 50 hours of BBC 3's schedule on BBC 1 in "zones".

However the implication in the BBC's review (pg 11) that BBC 3 might be responsible for arresting the observed decline in reach to 25-34 year olds on BBC 1&2 would appear to be without foundation. The decline in reach to 25-34s between 2001 and 2002 and the subsequent recovery of that reach – 2002-2003, affected all terrestrial channels and is acknowledged to be a consequence of the change in the BARB panel that occurred at that time. Indeed the evidence suggests that since the launch of BBC 3 the proportion of 25-34 year olds in BBC 1&2s audience profiles have declined roughly in line with the rest of terrestrial TV.

So to summarise, the key commitment here would appear to have been met but there is as yet no evidence to suggest that BBC 3 has improved the performance of BBC 1&2 in relation to this particular audience.

2.28 Programming must be of a consistently innovative and risk taking character. 80% of the services output in terms of hours must consist of programmes specially commissioned for BBC 3 and genuinely new to television. These programmes will develop untried talent on and off screen. Equally, acquired programmes will concentrate on bringing new material and talent to the screen and not on competing for well established programmes. The Secretary of State welcomes the BBC's commitment that the normal evening on BBC will, across the schedule, reflect these objectives.

For clarity I will separate out the commitments here to new talent and Acquired programming from the broader and in my view more significant question of "specially commissioned" programming.

On new talent there is ample evidence that BBC 3 has taken its obligations in this regard seriously. They have provided me with a list of new talent featured on or involved in BBC 3 in its first 100 days on air and in my view it represents a significant and genuine effort to embrace new talent. As in the case of diversity however there does not appear to be any formalised monitoring in place.

On acquisitions the picture is a little less clear. The BBC reports that "Major acquisitions have been shared titles for which the BBC already has rights and in the case of "24", was a piece that was innovative in its genre. Otherwise they have been programmes that extend the range of the channel within its remit..." (Review pg 14) In fact the vast bulk of the hours of acquisitions shown on BBC 3 (167hrs of a total of 206.39hrs) have been feature films – the bulk of which are big, well known Hollywood titles. Next most significant is "24" which the BBC already had and BBC 3 paid to transmit and only then comes a pure BBC 3 acquisition "Platinum" – a US show about a record label which amounted to some 8 hours at a cost of £336,000. There are then a number of other acquisitions representing relatively small amounts of money and hours.

Whilst there may well be a value for money case in allowing BBC 3 to show films and 24 – thereby allowing viewers more chances to see things they have already in effect paid for – and whilst I have found no evidence of BBC 3 competing in the acquisitions marketplace for established TV properties, I am not sure the bulk of this represents the spirit of the Secretary of State's injunction that acquired programmes should concentrate on bringing new material and talent to the screen in terms of acquired programming.

In terms of the requirements that 80% of programmes be specially commissioned for BBC 3 and consistently innovative, risk taking and genuinely new to television, again the picture is less clear.

Whilst there is ample evidence that BBC 3 has commissioned programming in most genres that fits the bill precisely (review pgs 13 & 14) and can be justly proud of some of its creative achievements - especially in the areas of new animation, drama and comedy – the working definition of "specially commissioned" applied by the BBC is very broad indeed. It can be found as a footnote on page 13 of the BBC's review: "specially commissioned includes: origination and repeats of BBC Three programming; origination and repeats of co-commissions with other BBC channels; spin-offs of existing BBC One and Two brands; commissions of BBC One and Two brands that otherwise would not have been commissioned".

This is a broad definition that inevitably encompasses programming which might be popular but which is hardly risk taking or innovative and quite possibly not genuinely new to television. For example 137 hours of Fame Academy spin-off programming, episodes of What not to Wear, 60 hours of Johnny Vaughan and 61 hours of football

(which includes African Nations Cup but also significant amounts of Match of the day live and European Cup matches) all count as “specially commissioned”.

It seems clear to me that some programming included in the category “specially commissioned” does not meet the spirit expressed in the Secretary of State’s conditions. This is important in its own right as an indicator of the degree to which the channel’s distinctive creative purpose is being met and to that end I would suggest that a much tighter and clearer definition be arrived at to facilitate more meaningful future reviews. It might be appropriate to lower the quota for such programming from 80% at the same time.

However the breadth of the working definition is also significant when trying to assess some of the broader claims made for the performance of the channel in terms of its underlying purpose of serving its specific target audience and reconnecting it with public service broadcasting.

2.29 THE MISSION

The BBC’s primary purpose in launching BBC 3 was to reconnect young viewers, and specifically 25-34 year olds, with public service broadcasting in general and news, current affairs, education in its broadest sense, The arts and other traditional PSB genres in particular. In its second application to launch BBC 3 the BBC made much of this renewed emphasis on news, current affairs etc and the Secretary of State welcomed this commitment.

In this section I will try to assess the degree to which BBC 3 has in fact succeeded in achieving its underlying public purpose in this respect.

2.3 THE PROGRAMMES AND THE AUDIENCE

2.31 THE TARGET AUDIENCE

In its submission to the review the BBC claims to be succeeding “BBC Three is successfully serving this audience of young adults” Review pg6

According to the BBC, BBC3 is relating more strongly to its target audience than to the rest of the viewing population. BBC3’s share of its target audience (25-34 years olds in multi-channel homes) is higher than its share of all viewers, 2% average weekly share since launch of 25-34s as opposed to 1.3% for all viewers.

By comparison however Sky One has double the weekly share of 25-34s and whilst it broadcasts more hours per day than BBC3 it is not available on the DTT (Freeview) platform. However the actual numbers of viewers involved are relatively small

The other primary audience performance measure used by the BBC is “reach”. This is the number of people watching a programme for 3 or 15 consecutive minutes. The BBC claims that since launch BBC 3’s reach amongst 25-34’s is 80%. However this is a

cumulative measure of 15-minute reach over some 14 months. In other words 80% of 25-34's in multi-channel homes are reckoned to have watched at least (but potentially as little as) 15 minutes of BBC3 since launch. However in my view the fact that it is cumulative and over such a long period of time makes this a questionable measure of the degree to which the channel is in reality succeeding amongst the target group.

Average weekly reach would seem to be a more reliable measure of connection with the target audience. For BBC 3 weekly average reach since launch is 20% for 25-34s in multi-channel homes and 15% for all viewers. There is however evidence that BBC3's reach amongst 25-34s is growing - 23% average weekly since October 2003.

By way of comparison BBC1's average weekly reach amongst 25-34s in all homes is round 80% and in excess of 70% in digital homes during BBC3's hours of transmission. Corresponding figures for BBC2 are 55+% and 30+%.

So to summarise, BBC3's audience is small but appears to be growing - albeit slowly. In addition its reach and share, even amongst 25-34s is dwarfed by BBC 1&2. This is perhaps to be expected for a new channel with limited availability but it does raise questions about the degree to which more new programmes on BBC 1&2 might be a better (i.e. cheaper and more effective) way of attracting this audience to the BBC and PSB a dedicated channel

2.32 THE PROGRAMMES – DEFINING “SPECIALLY COMMISSIONED”

The BBC claims that the 80% of “specially commissioned” programming is responsible for 50% of viewing to the channel (Review of BBC3 pg 14). But is this a good measure of the effectiveness of the Channel in terms of its underlying public purpose?

Getting a clear picture from the published information of which programmes (and types of programmes) are actually driving BBC3's audience is not straightforward. This is partly because the breadth of the definition of “specially commissioned” adopted by the BBC and discussed above can make general statements hard to interpret accurately – in terms of the performance of PSB or ‘remit’ programming at least. Also the BBC has chosen not to include much specific programme audience data in its submission to the review. (It should be noted however that no specific audience targets were required by the Secretary of State or offered by the BBC.)

I have looked at the performance of some key programmes and genres that comprise BBC 3's more distinctive public service output in more detail to try and get a better picture of the degree to which they are in fact finding favour with the target 25-34 audience. Again I am indebted to people at the BBC who have painstakingly helped gather the data I have asked for.

In fact the BBC's own internal research acknowledges that the programmes driving audiences on BBC3 are generally not the most distinctive. By contrast audience data for some of BBC3's more distinctive public service programming aimed specifically at 25-34s suggest that it is not finding favour with most of its target audience.

2.33 NEWS

In the case of news, the BBC claims that cumulatively 40% of 25-34s in multi-channel homes have seen at least 3 minutes of at least one news show. That is 1.805million people since launch. However if Liquid News (the BBC Choice celebrity news and discussion show that BBC 3 have now opted to discontinue) is taken out of the calculation the relevant figure drops to just 16% (Three minute reach amongst 25-34s in M/C homes cumulatively since launch). In fact the weekly average reach for news (excluding Liquid News) is just 89,000 viewers, i.e. just 2.005% of the target audience.

Although there were no specific numerical audience targets in the BBC's bid for BBC 3 these figures are very low indeed.

By comparison the BBC's bid for BBC 3 (annex 1) made reference to the low coverage of this target audience by Channel 4 News pointing out that the average weekly 15 minute reach of C4 News amongst 25-34s was just 7.5%. In fact if the comparison is made in terms of 3 minute reach (the way that the BBC measures BBC3's own audience reach to news) the actual comparator is 15.7% in all homes and 11.3% in multi-channel homes. In other words Channel 4 News serves a far higher proportion of this target audience than BBC3 even in multi-channel homes.

At the very least questions arise about the effectiveness of news programming on BBC 3 in terms of connecting with the target audience.

There is one exception to the picture on news and that is BBC3's hourly one-minute bulletin (60 Seconds). This cannot be measured on 3-minute reach since it is only one minute long. However the BBC calculate that 86% of 25-34s in digital homes have watched it at some time since launch. Leaving aside the fact that this would appear to be higher than the corresponding reach figure for the entire channel, it is impossible (by the BBC's own admission) to say that anyone happening to see it actually chose to do so (given its place at every on the hour programme junction). Given this I do not regard it as a significant measure of the degree to which BBC3 is reconnecting its target audience with PSB.

It is also worth noting that the average weekly reach of BBC News on BBC 1&2 amongst 25-34s is 60% in all homes (all time) and over 50% in digital homes and around 35% in digital homes during BBC3's hours of transmission (source BBC 6 months from February to July 04.) and cumulatively over that six months is well over 90% even during BBC 3's transmission hours.

There is also focus group and opinion data suggesting that 25-34's already feel well served by news from other sources – terrestrial TV, 24 Hour news channels etc. It is not clear, notwithstanding all the effort that has gone into it that BBC 3's news is wanted or appreciated by the target audience.

Again this raises questions over whether dedicated news on a dedicated channel is the most effective way of reaching and meeting the needs of this segment of the audience.

2.34 CURRENT AFFAIRS

Current affairs programming is absolutely central to BBC 3's core public service purpose for this audience but generally fares even worse than news. I am satisfied on the basis of detailed programme information supplied to me by the BBC that BBC3 has met its obligations to range and quality in current affairs programming (annex 1 pg 29/30). However the audience performance of these programmes is worth scrutiny.

The "Third Degree" series has managed a cumulative reach (after 209 broadcasts on 147 days) amongst 25-34s of just 14.3%. In fact some of the individual programmes rated less than 10,000 viewers. The overall average of 70,000 viewers would represent regular reach of just 1.57% amongst the target audience.

"Fantasy Retirement" is used by the BBC in their submission to the review of BBC3 as an example of how the Channel is "connecting with young adults..." (Review pg 7) After 12 showings the cumulative reach of this programme amongst 25-34s in MC homes was just 9.5% - in fact the actual numbers of viewers per showing (in 6 cases registering in the single thousands and in two cases as 0) are described as being too small to quote.

Two other factual (education) series are raised by the BBC as indicators of connectedness with the target audience (Review pg 7). Of these "New Tycoons" managed a 4.4% cumulative three minute reach amongst 25-34s and "Body Hits" delivered 22% cumulative three-minute reach. The latter represents a better outcome but again only after multiple repeats. The individual audiences are very small indeed.

This is not a comment on the quality of the programmes or the skill, application and good intentions of those who made and commissioned them but it is hard to see any indication that BBC3's current affairs programming is in fact "reconnecting young audiences with the national debate..."(annex 1 pg 30) or that BBC3 is becoming "... the place where national debates for this audience begin..." (annex 1 pg....) This level of audience performance must also raise significant value for money issues.

So to summarise, the BBC would appear to have met or exceeded their commitments in terms of the range and quality of current affairs programming on the channel but I am not convinced it can be shown to have been effective in terms of BBC 3's underlying public purpose.

2.35 OTHER FACTUAL AND EDUCATION

In terms of other factual and education programme commitments, and subject to my comments concerning business, religion and science programmes (para 2.26) I am satisfied that the BBC have met their commitments to range and quality in documentaries. However, although I have not had time to investigate the audience performance of most of the individual programmes – there were in excess of 500 transmitted hours – the audiences in general were very small. Even the peak time premieres of Jerry Hall's Gurus only managed an average of 40,000 viewers representing an average share (in multi-channel homes) of 0.27%. So, despite all the effort and genuinely creative effort that went into making these programmes there must be

serious questions as to their effectiveness in achieving BBC 3's underlying public purpose.

In terms of education the BBC reports meeting its commitments to volume (30 hours) and follow-up support for programming with an educational element. On the basis of information in the BBC's review (pp 23,24 & 30) I am satisfied that they have met their commitment to "educative learning journeys" and "cross media campaigns" (annex 1 pg 33). Also that BBC 3 has taken the opportunity to run these services and campaigns off the back of a wide range of programmes including drama. In this respect BBC 3 has in my view met the substance of its commitments to education as promised in the channel application.

However the promised "...senior position to work exclusively (on education) on the channel" (annex 1 pg 33) has not materialised. Similarly, as far as I am aware, the promised "coherent cross channel strategy (in particular with radio One) for educating audiences between 16 and 34" (annex 1 pg 33) has also not materialised. In these respects BBC 3 has failed to meet fully its commitments.

2.36 MUSIC AND ARTS

The BBC shows ample evidence of having met their commitments to the full range (and volume) of music and arts programming promised in the channel proposal (annex 1) with their coverage of festivals, urban music and culture, design and photography. Accordingly I am satisfied that BBC 3 has met its obligations in respect of music and arts programming.

2.37 ENTERTAINMENT, COMEDY & DRAMA

Entertainment, Comedy and Drama are identified by the BBC as key genres for BBC Three. The BBC's channel proposal (annex 1 pg 27) says:

"Entertainment and drama are the key drivers of viewing for all mixed genre television channels but are particularly important in the case of BBC Three.

It is with entertainment and drama, genres to which audiences come most often and in the greatest numbers, that BBC Three will connect with younger television audiences. This relationship must be secured if BBC Three is to be trusted to deliver honest and informative content across all its output."

ENTERTAINMENT

The BBC promised entertainment that would be "intelligent" and "...thought provoking television which attempts to take genres to new levels at every opportunity" and be characterised by distinctiveness, with "a strong appeal to audiences with a young mindset, a modern multicultural approach, a focus on creating new shows rather than replicating current trends (and) a showcase for new talent" (annex 1 pg 27)

Entertainment programming formed the largest single block of BBC 3 output, comprising some 930 transmission hours (review pg8) and is subdivided into light entertainment, comedy, factual entertainment and animation.

In terms of Light entertainment (515 hrs) the biggest single commission was for Fame Academy spin-off and brand extension programming (147.37 hrs). This must rate as some of BBC 3's most successful programming in audience terms. The overall average was 110,000 – including all originations and repeats with individual audiences frequently hitting 300,000 and on occasion 800,000. As the BBC says, "An example of how the BBC portfolio of channels can work together...."

Other significant blocks of programming in LE centred round Johnny Vaughan and Dom Joly. These were high profile, expensive signings for BBC 3 but neither is mentioned in the BBC's submission to the review. Neither proved the hits the channel hoped for – in audience or creative terms - but in fairness TV is an inexact and risky business where failure is to some extent to be expected. It would be surprising indeed if a channel with a mandate to innovate did not produce some failures. Although the degree to which the programming featuring these two artistes could be regarded as innovative or even genuinely new to television might be worth further enquiry.

Some other BBC 3 entertainment programming has been criticised as derivative but there are some outstanding examples of genuine innovation e.g. Fightbox and in the area of Animation Angry Kid and especially the critically acclaimed Monkey Dust.

In this area of programming BBC 3 really has tried to take risks and to innovate – at least some of the time – but again audiences have generally been very small with the exception of some spin-off programming for which there is plainly significant audience demand.

COMEDY

This is a genre identified as key to BBC 3's entertainment offering as **"...genres rarely tackled by commercial channels such as home-grown scripted comedy"** (annex 1 pg 3). It has become perhaps BBC 3's most tangibly successful area of programming, attracting on occasion significant audience interest and widespread critical and creative acclaim. Little Britain, 3 None Blondes and Nighty Night have become well known titles and found their place on the BBC's main terrestrial networks.

Whilst average audiences to each showing across the comedy portfolio are only 80,000 (with some more popular BBC1&2 spin-offs and brands in the mix drawing the average up – in fact all the BBC 3 comedy shows with average audiences in excess of 100,000 are either spin-offs from BBC 1&2 or have had exposure on those channels) some of the new titles have drawn significantly higher than average audiences to BBC3. I take this to indicate significant levels of audience interest in this area of programming.

New comedy is expensive and risky to develop and on the face of it would appear to represent a good use of BBC 3's relatively generous budget consistent with the channel's underlying purpose. However it is worth noting that most of BBC 3's more successful comedy is co-commissioned with other BBC channels – mainly BBC 2.

Although a “co-commission” could in reality be mostly paid for by BBC 3 with a relatively small contribution from BBC 2 or the opposite (mostly BBC 2 and a little of BBC 3) or any point in between, it would generally seem to indicate some level of interest in the project from the terrestrial channel.

The only question that arises is to what extent we (the viewers) might have got this comedy anyway. BBC 2 has an outstanding record (probably better than any other UK TV channel) going back over many years of developing new cutting edge comedy. Indeed BBC 2 is the co-commissioner of a number of BBC 3’s more successful programmes. Without knowing more about the details of specific commissioning decisions it is impossible to assess the actual role of BBC 3 in the process.

On the face of it there is some evidence of BBC3 being used to pilot and develop comedy for BBC2 – spend on scripted comedy fell on BBC2 as it rose substantially on BBC3. (BBC - answer to questions from me). The BBC attributes this to the commissioning and subsequent cancellation of two particularly expensive projects, nevertheless the principal beneficiary of increased spending on comedy across all BBC TV channels has been BBC 3.

In any event it might be thought from the point of view of BBC television overall, that using BBC 3 in this way represented a good use of money and airtime irrespective of whether it contributed uniquely to BBC 3’s specific mission in relation to 25-34 year olds.

In summary, new comedy would appear to represent BBC 3’s most tangible success. It is expensive but does attract significant audience and critical interest and is known to be popular amongst the young. Insofar as BBC 3 is used to develop and pilot new comedy aimed ultimately for wider distribution on BBC 1&2 this might be thought of as a good use of money and airtime.

DRAMA

The BBC committed BBC 3 to

“High quality, original and challenging drama with a commitment to developing and showcasing new writers, directors and actors

A forum for established stars to try new things, as well as work alongside new talent

Works which address complex social issues in a relevant way – educating and informing as well as entertaining” (Annex 1 pg 3)

Although there was no commitment to any specific amount of drama, the BBC reports transmitting 200 hours of drama (review pg 18). However only some 80 hours of that – including repeats was actually “specially commissioned” for BBC3. The majority was Eastenders and other BBC 1&2 drama premiers or repeats.

BBC3 has broadcast six original drama series – Burn it, Dose, Grease Monkeys, Pulling Moves, Spine Chillers and Ways to Leave Your Lover. (Nb. This was correct at the time that the BBC's submission to the review was written) There is ample evidence that this output has broadly met the commitments set for it. It has involved new talent (on occasion partnered with tried and tested producers) and has sought to address numerous difficult and complex social issues and some of it has been well received critically – in particular "Burn It" (see review pg 19)

However, the average audience per showing of these programmes is only 60,000 (average share of 25-34s 1.35%). This average though obscures a wide range in performance. Whereas "Burn It" got audiences rising to 150,000 (all viewers) and managed after 128 showings a cumulative three-minute reach of 26% amongst 25-34s, only one of the others ("Grease Monkeys" – 14.67% cumulative 25-34 three minute reach after 76 showings) managed to get into double figures for total reach amongst the target audience. This is partly accounted for the number of times it was shown. The others with cumulative three minute reach figures of 9%, 4%, 2% and 0.88% - were shown less often (and in the last case only once).

Again this must raise questions about the degree to which BBC3 drama – whatever its creative merit - is actually connecting with the target audience. In addition the audience levels are so low in absolute terms as to bring in to question the value for money to licence payers in general of this output.

2.4 CONCLUSIONS

BBC 3 has launched successfully as a mixed genre channel and the BBC has for the most part met the conditions imposed in return for permission to proceed. It has also begun to exhibit signs of 'personality' as it finds its place in the television landscape.

However very little of the "remit" programming aimed at 25-34 year olds with a view to reconnecting them with Public Service Broadcasting appears to be serving that function very effectively. To that extent BBC3 might be regarded – whatever it's other creative successes – as failing in its underlying purpose.

There must be a question for the future as to whether this approach i.e. a channel targeted on a particular audience segment (as opposed to channels focussed on delivering particular types or genres of programming) can be expected to be effective or, on the evidence so far, cost effective. If there are issues relating to this particular age group it may be that they will best be dealt with primarily by ensuring that their needs are understood and catered for as part of BBC's mainstream output.

By contrast there does appear to be audience demand for BBC 3 when it offers additional chances to see BBC 1&2 programming – as premieres or repeats and when it generates brand extension and spin-off programming from BBC 1&2. In addition there would seem to be quite a strong public value case for BBC 3's role in the development and piloting of risky or innovative programming especially in the field of scripted comedy.

At the very least I would suggest for the future that a new more focussed and transparent definition of "specially commissioned" be devised which more closely captures the Secretary of State's original programming condition, which takes account of what appears to work and which would allow a much clearer assessment of BBC3's performance in terms of its underlying purpose. A lower quota but tighter definition of "specially commissioned" might be appropriate. Perhaps the BBC should be invited to suggest a new formula for debate?

I would also suggest that a common measure of audience reach is agreed and used as standard across the portfolio. The use of other measures would need to be justified by particular circumstance.

I would also recommend, given the significance attributed to geographical and cultural diversity, that the BBC devises and implements a formal output monitoring scheme. This could probably be applied across all BBC TV services and would thereby provide another relatively transparent accountability mechanism.

3. BBC4

3.1 INTRODUCTION

BBC4 was given the go-ahead at the first time of asking and has been on air since March 2002. BBC4's was intended to create a "forum for debate" and rather than particular demographics was targeted at "anyone interested in arts, culture and ideas" (DCMS 13.09.01). The service was to be of high quality, not developed at the expense of BBC 1&2, to use home grown talent and productions. In addition BBC4 was charged with meeting a number of other conditions relating to specially commissioned programming, diversity, independent and regional programme supply, interactivity, meeting the needs of audiences with sensory impairments and driving digital take up.

In considering BBC 4 I have looked at the BBC's original application (9/01/01), a BBC response to DCMS enquiries which made some more specific claims for BBC4 (21/05/01) and the Secretary of State's letter of approval for the service (13/09/01). I have also considered the BBC's response to the review (Review of BBC Four against consents and commitments. March 2004) and other information supplied to me by the BBC. Again I am grateful to those at the BBC who have been so helpful in supplying that information. In general there is much less documentation and many fewer specific commitments attached to BBC 4 than to BBC 3.

I go on below to review the performance of BBC 4 against the conditions of its launch – though again, not necessarily in the order in which they appear in the documentation. I then go on to discuss in a little more detail some of the bigger questions over the degree to which BBC 4 would appear to have succeeded in its key underlying purposes.

3.2 REVIEW AGAINST CONDITIONS AND COMMITMENTS

That high general standards in all respects (and in particular in respect of content, quality and editorial integrity) be maintained... (DCMS Approval letter, pg 14, 13/09/01)

BBC 4 programming has received a good deal of mostly positive critical attention since launch. In addition the BBC reports the channel winning some 27 major UK and international awards in the 21 months up to March 2004. (Review pg 4) This is a considerable achievement for a new digital channel. Accordingly, and whilst I have not been able personally to view most of the channel's output, I am satisfied that this condition appears to have been met.

That consideration be given to promoting the understanding and enjoyment of each of the new television services by viewers with sensory impairments: and that the BBC governors should monitor the levels of subtitling, signing and audio description provided...and apply the same targets which they apply from time to time to existing BBC digital channels. (DCMS Approval letter, p14, 13/09/01)

The BBC reports meeting in full the agreed targets for subtitling, audio description and signing. (Review pg 17)

Around 70% of output should be made in the U/EEA. (DCMS Approval letter pg 16, 13/09/01)

The BBC reports exceeding this target by some margin (review pg 18)

Around 70% of airtime must be dedicated to originally produced or commissioned programming, including repeats of that content. (DCMS Approval letter pg 16, 13/09/01)

According to information from the BBC the amount of specially produced or commissioned programming on BBC 4 has risen from 66.2% in the channel's first year to 73% in the latest financial year. On this basis I am satisfied that this condition has been met.

There are some questions arising from the BBC's definition of "specially produced or commissioned" that I will address below.

A proportion of programme production must be allocated to companies based outside London (DCMS letter pg15, 13/09/01)

The BBC reports (review pg 19) achieving in excess of 30% outside London commissioning - by hours and money – rising to over 40% in the most recent complete financial year. It is also apparent (though there does not appear to be a specific quota for this on BBC 4) that a significant portion of this money is finding its way to independent companies. Accordingly I consider this condition met

3.3 PROGRAMMES AND AUDIENCES

BBC Four's primary purpose was to provide

"Culturally enriching programmes covering a broad mix of programme genres. These genres must include news, in particular global news and current affairs, philosophy, science, history, art, performance, music and film" (DCMS consent letter).

The BBC can show ample evidence (review pg 7) of having met the requirement to provide a broad mix of programmes and of significant commitment to the specific genres required.

In addition BBC Four was given permission to proceed provided it did **"...not undermine programming on BBC1&2"** and **"...must not be developed at the expense of music and arts programmes on BBC 1 and BBC2"** (DCMS Service conditions 13.09.01).

In terms of its effect on BBC 1&2 in general, BBC Four would appear to have extended the availability of some BBC1&2 programming (e.g. proms) and to have added to the range of the BBC's programming portfolio. However its effect - if any - on the broad mix of programming, especially on BBC 2, is less easily established. As time goes on and BBC Four develops more sense of personality the temptation to see certain types of programme as "BBC Four" and not "BBC Two" will be hard to resist and would most likely lead to changes in the mix of programmes available on BBC Two. I would suggest that this continue to be monitored in as measurable and transparent way as possible.

In terms of Music and Arts programming in particular I am satisfied that the BBC has met this condition since hours and spend on music and arts programming on BBC1&2 have actually increased since the launch of BBC Four. From 247 hours in FY 00/01 to 348 hours in FY 03/04 (BBC Review 2.4, pg 8)

There was one other notable commitment made for BBC Four That it would offer a range of programming and subject matter well beyond that offered by its competitors. . **"BBC FOUR will feature a far wider and more ambitious range of subject matter than either Artsworld or Performance Channel."** (BBC 09/01/01) I am satisfied that this has been achieved – though as a mixed genre channel up against niche operators this was to be expected.

These more general statements of purpose were fleshed out with a number of more specific commitments to particular genres and types of programme.

3.31 MUSIC AND PERFORMANCE

BBC Four was committed to

" A diverse musical agenda with a commitment to classical and specialist music and specialist music of many kinds....." (BBC Letter 21.05.01) and to **"recording and broadcasting performance from the Nations and regions including coverage of key festivals around the country"**. (BBC original proposal 09/01/01) This work was to be overseen by BBC Wales.

The BBC reports covering numerous events and festivals including the Leeds International Jazz Festival, the Cambridge Folk Festival, Celtic Connections and the Brecon Jazz Festival, Accordingly I am satisfied that this condition has been met. (Review pp 11.12)

In addition BBC Four undertook to facilitate the broadcasting of performance of variable length

"Performance by its nature is of variable duration and the new channel schedule will be designed to accommodate this. (BBC Original proposal 09/01/01)

Given that Proms coverage on BBC4 regularly runs to 120 –150 minutes, with other performance pieces running even longer – Sophie's Choice (245 minutes) Siegfried (245 mins) Die Feldermaus (180 mins) to name a number, and that Storyville documentaries regularly run at 90 minutes, I am satisfied that the BBC has met these conditions also.

However it is worth noting that in terms of performance, whilst BBC Four is plainly offering more of it, BBC Two has in the past broadcast significant performance pieces often running at unconventional length.

BBC Four was also committed to create **"... a new space for performances that extend the reach of arts institutions around the UK."** (BBC Letter, 21/05/01) The BBC reports partnerships with both the Barbican Centre and the Royal Opera House in addition to developing relationships with numerous museums and galleries. BBC Four has also, as promised, televised numerous theatrical performances including – On An Average day, Three sisters and A Day in the Life of Joe Egg starring Eddie Izzard.

Accordingly I am satisfied that this commitment has been met.

3.32 DOCUMENTARIES

Documentaries will regularly be given space to run at greater length or explore subjects in more depth than television generally allows" (BBC 09/01/01) and "BBC Four documentaries would explore new forms of storytelling and examine issues of particular depth or complexity, be it from a global or minority cultural perspective. Four would also build on the BBC's commitment to co-produce or acquire the best documentaries from around the world." (BBC 21/05/01)

In my view the BBC has broadly met these conditions. Documentaries in general, and the "Storyville" strand in particular regularly run at more than 60 minutes duration. The BBC reports that approximately a quarter of its 1400 hours of factual programming does this. (Review pg 10)

In addition Storyville documentaries (and others on the channel) are generally of high quality, do represent some of the best from around the world, have covered matters from a wide variety of subjects and have from time to time embraced a " global or minority cultural perspective...."

However, the BBC's offer to "explore new forms of storytelling..." would appear to be overstated since storytelling in BBC Four documentaries would seem to embrace but fit within the range of commonly used documentary storytelling devices. If BBC Four stands out in this regard it may well be because of a narrowing of range in terms of documentary storytelling on other channels (including BBC 1&2).

It should also be noted that whilst BBC Four commissions and co-produce some 50 titles pr annum for the Storyville documentary strand (Review p11) this used to be a BBC Two Strand. So whilst BBC Four might be delivering more of it, this programming is not strictly new to BBC TV.

3.33 TOPICAL CULTURAL DEBATE AND DISCUSSION

BBC Four was committed to programming featuring cultural debate. **"Topical and discussion programming on BBC FOUR will the genre with serious intellectual debate and interviews on subjects such as philosophy, science and history."** (BBC

Letter 21/05/01) and also **“Cultural debate, comment and discussion will be given primetime space for the first time.”** (BBC original proposal 09/01/01)

The breakdown of hours broadcast by genre and subject matter (BBC Review pp 2,3, &7) satisfies me that the promised range of subject matter has been delivered and that significant amounts of this have been shown in prime time. Also, on the basis of information supplied to me by the BBC I am satisfied that BBC Four has a programme plan for the coming year to continue doing so.

3.34 FILM AND CINEMA

In terms of film the BBC promised that: **“World Cinema will find a more secure home on BBC Four than on any other free to view service”** (BBC Original proposal 9.01.01) and **“BBC FOUR would also offer a number of non-mainstream films on free-to-air television, widening the choice of multicultural films available in the UK.”** (BBC 21/05/01)

The BBC reports broadcasting two foreign language films a week in addition to English language specials and seasons. (Review pg 12) They also report investing in distribution for new world cinema and launching the BBC Four World Cinema Award.

On the basis of the above information supplied by the BBC I am satisfied that these commitments have been met.

3.35 NEWS

In terms of News, the BBC promised **“News with an international and cultural slant”** (BBC original proposal 9.01.01) and **“... an in-depth ‘global news’ bulletin every day, genuinely broadening the BBC’s current news service provision and offering something currently unavailable on free to air television in the UK, appealing to multicultural groups in the UK, business people and those interested in global news and current affairs.”** (BBC Letter 21.05.01)

BBC Four runs a 30-minute news programme “The World” five nights a week. Whilst strictly speaking this falls short of their commitment to run such a programme “every day” (which would require it to be on seven days a week) it otherwise does represent the kind of globally focussed programme promised. As to whether it appeals to multicultural groups or business people, this is virtually impossible to measure through BARB (both in terms of the structure of the panel and its size relative to the very small audiences to these programmes) and to date no other research has been conducted into this. In this regard it is impossible to say whether “The World” appeals in the way envisaged. It would also be interesting to know to what extent BBC Four’s news offering simply delivered a different mix of stories – with a more global focus and some more depth or whether it dealt with stories simply not found elsewhere on free to air television.

It should be noted however that audiences to news on BBC FOUR are very low. Average ratings for news in the 20.00 slots between March and August 2004 were 17,000 viewers (0.14% share) with weekly 3-minute reach of 0.4% of the available audience.

3.36 DEFINING "SPECIALLY COMMISSIONED"

As with BBC Three, the definition of "originally produced and commissioned" goes well beyond what the casual reader of the statement might assume. It includes (on top of BBC Four commissions) BBC 1&2 co-productions, spin-offs and brand extensions, Open University funded programming for BBC Four, new commissions under existing BBC Strand titles (Storyville, Arena etc) and some other categories of programming.

I would only make a couple of observations in relation to this issue and BBC Four. Insofar as BBC Four has facilitated more range and volume of existing BBC material reaching the screen (Proms, arts docs, Storyville etc) then it would appear to be central to the channel's purpose even if it stretches the definition of "specially commissioned".

However, on the question of "co-productions" with other BBC channels the picture is not quite as clear. Programmes that appear in this category might represent very different things. They might be programmes championed by other BBC channels that BBC Four steps in to part finance – possibly to a very small extent - or the reverse, i.e. programmes that BBC Four champions that other BBC channels are induced to part finance to some degree. This is only important in trying to form a view as to whether programmes would most likely have been made and shown with or without BBC Four. It seems to me most likely that two of BBC Four's most noticed programmes (both co-productions with BBC Two) – The Alan Clarke Diaries and The National Trust might well have been made anyway. However without knowing much more about the detailed commissioning process for each project it is impossible to say with certainty. I would also reiterate my earlier point that the more BBC Four develops a 'personality' the more likely programming expectations of other BBC channels will change. To some extent therefore BBC Four's contribution will with time appear to become more distinct from other BBC channels as the output of those other channels adjusts to the presence of BBC Four.

To that extent one needs to take care when assessing the whole of BBC Four's unique contribution to the BBC's overall portfolio and its effect on BBC 1&2. I suggest this is kept under review.

3.37 THE AUDIENCE

Unlike BBC Three, BBC Four had no specific audience or demographic targets.

However, BBC Four's audience is small but growing. The BBC reports that viewing to BBC Four has been "trending upwards" (BBC Review pg 5) from 0.5 million average weekly reach to peak at 1.7 million average weekly reach or 5.7% of the available audience. BBC4 defines reach as watching for a minimum of 15 consecutive minutes. However, if measured on the same basis as some BBC Three ratings i.e. watching for only three consecutive minutes BBC4's average weekly reach would have peaked at near 10%.

Notwithstanding that it is small, BBC4's audience is broad. Whilst not catering for children it has a younger profile than some competitor channels (History Channel, UK Drama and Classic FM TV) and is on a par with others. (BBC Review pg 5)

When looked at in more detail BBC4's average audience is being driven upwards by co productions with other BBC channels and spin offs and other programming related to the analogue channels. Of BBC Four's top 70 programmes only 17 were unique to BBC Four.

3.4 IN CONCLUSION

BBC Four has met the overwhelming majority of the conditions of its launch and would appear to be a well recognised and understood part of the BBC's channel portfolio.

By extending the range of what BBC television offers and by creating more (and extended) opportunities to view existing BBC material the BBC Four would appear to add to the public value offered by the BBC and given its modest cost to represent relatively good value for money.

However some of the Channel's audiences (especially to news) are very small and must in time raise value for money questions about the service.

Given that the challenge, and the BBC recognises this, is to broaden the range of its appeal and raise its audience, I suggest that the audience performance of the Channel – and even some programme genres and strands - should be monitored and reported on in more detail in future

Also for the future, the effects of BBC Four on the commissioning strategies and resulting programme mix on BBC 1 and especially BBC2 and its role in co-commissioning should be carefully monitored.

In general as with BBC 3, it is surprising that in view of the commitment to multicultural programming and to representing the diversity of Britain that there is no formal output/portrayal monitoring scheme in place for or 4. As with BBC 3 I would recommend that one be established.

Second, I am surprised that the measures of reach for BBC 3 and 4 are different (3 minute reach vs 15 minute reach). The BBC should establish a transparent mechanism for assessing the performance of its digital channels.