



**Submission to the public consultation
on the BBC,
'Your BBC, Your Say'**

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**Third World & Environment
Broadcasting Project**

www.ePolitix.com/forum/3WE

19 Akeman St, Combe
Witney, Oxon OX29 8NZ

Tel: 077 865 42615
dredding@ntlworld.com

**THE KEY SOURCE OF INTERNATIONAL
INFORMATION AND EDUCATION FOR CITIZENS IN
THE DIGITAL AGE**

1. Summary

Maintain and strengthen the BBC in the digital era

- For the UK citizen, acting as an autonomous, choice-making, participative user of communications services, good public service communications in the digital era will need to be:
 - converged and multimedia
 - both individuated and collective
 - participative and connective – bringing the user into contact with others at many levels, from near localities to the global level
 - driven by high quality broadcast-standard content, attracting users to the services
 - rich with news, having the greatest possible range and depth of news information
 - designed to serve the user with information and knowledge in areas where s/he is under-served by other media, such as 'matters of international significance or interest'
- In a UK-specific context, only the BBC's digital offering can approach these goals.
- The BBC should therefore continue to exist to 2016 as (among other things) the principal public service communications provider of international information and education for citizens
- The BBC should remain publicly-owned and publicly-funded

- The BBC will need to be large in scale and scope in order to provide wide, deep, multimedia and interactive coverage of the world
- Only licence-fee funding can guarantee a BBC of sufficient scale and scope; the licence fee should rise with inflation year on year

Clarify ‘public service added value’ of all services

- Public service performance must improve, especially on the mass audience channels, which should clearly provide wide and deep information and education as well as entertainment
- There should be clear boundaries to the expansion of BBC services, in order to provide predictability and security to other providers (including non-profit ‘community media’-type providers, as well as commercial players)
- New mechanisms are therefore required to ensure the BBC is held to task in providing a public service, and that it does not expand into areas where there is no ‘public service added value’

BBC Purposes enshrined in the statutory framework

- The statutory basis of the BBC should be modernised, with the Agreement radically rewritten, to become a publicly comprehensible statute which enshrines the public service purposes and social roles of the BBC and its various services
- The overall purpose of the BBC, defined within this Agreement, should be ‘to serve the communications needs, rights and interests of citizens’, thereby bringing all the UK communications industries under a common framework (c.f. Ofcom’s ‘principal duty’)
- The Agreement should continue to state that this purpose will be achieved with reference to the set of standards and specific content objectives currently found in Sections 3.1 and 3.2
- Additionally, the Agreement should include a definition, for each core channel and service, of its own purpose, supporting the overall purpose, and expressing how it will distinctively serve citizens on the basis of its own specific audience, platform and/or range of content
- This new ‘hierarchy of purposes’, expressing the will of parliament on behalf of the public, should be explicitly related to the Declaration and Action Plan of the World Summit on the Information Society, and other multilateral instruments such as the UNESCO Declaration on Cultural Diversity, in order to help strengthen the legitimacy of the BBC in pursuing its purpose

Government action to define citizens’ interests

3WE promotes sustained and imaginative coverage of global affairs on UK television. Its Board of Management consists of ACTIONAID, Amnesty International, CAFOD, CIIR, Christian Aid, Comic Relief, ITDG, International Broadcasting Trust, One World Broadcasting Trust, OXFAM, RSPB, Save the Children, Sightsavers International, Skillshare International, UNA-UK, UNICEF-UK, VSO, and the World Association for Christian Communication.

- The government should commission a new process to develop a definition of citizens' communications needs, rights and interests in the UK, in the context of the World Summit on the Information Society, and to examine the implications of such a definition for the provision of public service communications

Future shape of services

- BBC Online should be given a secure future, becoming a core service within the renewed Charter and Agreement.
- BBC Online's primary roles should be refined and clarified; and should include duties to serve citizens in areas of information and knowledge in which they are increasingly 'under-served' by mainstream broadcast media (including BBC broadcast channels), such as:
 - 'Matters of international significance or interest'
 - Science
 - Social issues
 - Religion and cultures
 - Matters of interest to minority ethnic communities
- The BBC World Service should be maintained and strengthened; a reliable funding formula must be cemented in place; and the access of UK citizens to its content extended.
- Channels and services which do not offer clear 'public service added value' should either be closed or re-organised.
- If re-organised, they must be kept 'on probation' as 'ancillary' rather than 'core' services, thereby requiring regular review by the Secretary of State. Any spectrum from closed services should be reserved for other public service uses, and any money saved should be reinvested in programmes for other services.

Accountability

- Holding the BBC to account against the hierarchy of purposes proposed above will require the development of new performance indicators, benchmark targets, and means to monitor and measure these. In the digital/interactive age, these should include measurements of 'impact' on the audiences/users, of audience/user satisfaction, of interaction and participation, and of the degree to which users were encouraged to move on to extended sources of related information.
- 3WE will support Public Voice to develop further proposals on the means to ensure parliamentary accountability; and on governance and regulation

2. Background: 3WE

3WE promotes sustained and imaginative coverage of global affairs on UK television. Its Board of Management consists of ACTIONAID, Amnesty International, CAFOD, CIIR, Christian Aid, Comic Relief, ITDG, International Broadcasting Trust, One World Broadcasting Trust, OXFAM, RSPB, Save the Children, Sightsavers International, Skillshare International, UNA-UK, UNICEF-UK, VSO, and the World Association for Christian Communication.

2.1 About 3WE

3WE, the Third World and Environment Broadcasting Project, was established in 1989 and is a coalition of the UK's leading international development, environment and human rights charities, which works for better broadcasting on 'matters of international significance or interest'.

Its members include: ACTIONAID, Amnesty International, CAFOD, CIIR, Christian Aid, Comic Relief, ITDG, International Broadcasting Trust, One World Broadcasting Trust, Oxfam, RSPB, Save the Children, Sightsavers International, Skillshare International, UNA-UK, UNICEF-UK, VSO, and the World Association for Christian Communication.

3WE has worked to improve Acts of parliament, reviews of public service broadcasting and regulatory frameworks in order to protect and strengthen non-news-and-current-affairs programming on international issues. Most recently it successfully campaigned for the government to insert 'matters of international significance or interest' into the Communications Act as one of the 'Tier 3' requirements for public service broadcasting.

3WE is also a steering group member of the voluntary sector coalition, Public Voice, which successfully influenced parliament to give the new communications regulator, Ofcom, a 'principal duty... to further the interests of citizens in relation to communications matters'.

2.2 3WE empirical research

From 1989-90 onwards 3WE has regularly monitored the programme output of the main public service channels on international subjects. Its most recent report, 'Losing Reality', covered the year 2000-01 and was published in 2002.

3WE's next research report, commissioned from the University of Westminster, is currently in preparation, with publication due in May or June 2004. Data from this research is used in this submission, hence this document must remain confidential and not for publication.

2.3 3WE guiding principles on communications

The principles below, adopted in 1997, reflect the concerns of 3WE's member agencies regarding adequate common understanding of the world in which we live. These concerns are shared by millions of UK supporters of our organisations.

3WE's members, being intimately and operationally concerned with the effects of 'globalisation' on communities and environments around the world, and with communicating across the world, welcome the advent of the global information society (GIS).

We believe the provision of information society services has the potential to:

- bring individuals, communities and countries together in common understanding of the processes of globalisation, the challenges of sustainable development and the necessity to care for the planet and for each other;
- contribute to protecting human rights, peace and security;
- enable effective global networking and interaction between concerned constituencies, including the formation of new non-geographical communities;
- create stronger public awareness of globalisation and its impacts on all our lives, and thereby to 'make sense of the world'.

3WE believes that public policy should aim to achieve a Global Information Society which is:

- inclusive;
- diverse and pluralistic;
- enabling and empowering of its citizens, giving them the means to fulfil their potential as individuals in an interdependent world;
- adequate to the great challenges of globalisation;
- capable of supporting the universal goal of sustainable development

3. BBC: principal source of citizens' international information and knowledge

International information 'essential to citizenship' and a key part of public service broadcasting

A key aspect of the convergence era is that a 'global information society' is being created, in which we are all citizens. Communications become global; and information exchange becomes a main driver of economics, politics and social interaction.

Every aspect of the lives of UK citizens is now intimately affected by events, trends and processes in the wider world. Jobs and livelihoods, environment and security, human rights, health and freedom, are all part of global interdependence. This realisation was given additional impetus by the events of September 11th 2001. As the prime minister subsequently noted in his speech to party conference in 2001: "*Interdependence defines the new world we live in... What is the lesson of the financial markets, climate change, international terrorism, nuclear proliferation or world trade? It is that our self-interest and our mutual interests are today inextricably woven together.*" To achieve our full potential as citizens, therefore, requires access to high quality 'information and education' on the wider world.

There is some evidence that UK citizens are becoming increasingly conscious of this need. The Office of National Statistics carries out an annual survey of attitudes to development for DFID. Its 2002 survey found that:

*'respondents' attitudes towards poverty in developing countries have changed since the terrorist attack on the World Trade Centre in New York on 11th September 2001. There appears to be a general increase in concern about the possible effects of poverty in developing countries on the UK...'*¹

The survey showed that:

- 73% of respondents were concerned about poverty in developing countries;
- 66% of respondents agreed/agreed strongly with the statement "poverty in developing countries could have effects which damage the interests of this country". The proportion of respondents who agreed strongly with the statement rose from 9% in 2001 to 14% in 2002
- 42% of respondents agreed with the statement that "poverty in developing countries could have consequences that may affect me personally"

The government has recognised that international information and knowledge are among the elements of communications services that are 'essential to citizenship'. Its White Paper of 2000, 'A New Future for Communications', building on the preceding Green Paper's recognition that in the global information society public service broadcasting was 'as important, if not more important' than ever before', stated that psb would be expected to: "*guarantee the availability of full and balanced information about the world at local, regional and **global** levels... the key foundation of an open, balanced public debate*"[5.3.10].

¹ 'Public Attitudes towards Development', ONS for DFID, July 2002;
<http://www.dfid.gov.uk/Pubs/files/omnibus2002.pdf>

This promise led to two explicit requirements for international programming within the ‘purposes’ of public service broadcasting as defined in the Communications Act 2003:

- ‘a comprehensive and authoritative coverage of news and current affairs in, and in the different parts of, the United Kingdom and from around the world’ [264(6)(c)]; and
- ‘a suitable quantity and range of programmes dealing with... matters of international significance or interest’ [264(6)(f)].

Public service TV most important provider of objective international information

For 85% of people in the UK, television remains the primary source of information on developing countries, where the majority of the world’s population live². This figure has remained constant since the 1980s³, despite the subsequent explosion of the internet and new communications services.

[The next most used source of international information is newspapers. While there is some high quality coverage of the world in some UK newspapers, it cannot be relied upon to be independent, objective and unbiased. Moreover, the coverage is now very patchy, with only a small number of staff correspondents maintained. Large regions of the developing world, where the majority of the world’s people and biodiversity are located, are excluded.]

Within television, it is the channels bearing public service broadcasting obligations (Channels 1-5) that have special responsibilities to provide objective international information and knowledge. First, they have the statutory requirements, codified in the Communications Act, draft communications bill, to provide ‘information and education’ as well as entertainment; to cover international as well as national news; and to provide a range of programmes on ‘matters of international significance or interest’. Second, they are the universally available, and are the most-used services for citizens to access this knowledge (retaining 80% of the TV audience). Third, the high quality, universal reach and ‘impact’ of public service broadcasting content is critically important to drive the take-up of related information through other communications platforms.

Channels 3, 4 and 5 not providing wide range of international programming

The BBC becomes all the more important to citizens in the wake of the Communications Act 2003, as the significance of Channels 3 and 5 as providers of international information and knowledge will continue to decline.

Both will continue to carry international news, but with small budgets and declining audiences. From 1992 to 2004 ITV’s news service lost half its budget in real terms, and the main bulletin lost half its audience⁴. It will be likely to lose more when moved to 10.30 pm. Both carry minimal international current affairs programming: in 2000-01 ITV provided 5.8 hours and Channel 5 less than one hour of international current affairs.

With regard to ‘Tier 3’ programming on ‘matters of international significance or interest’, these two channels are likely to use the lighter remits provided by the Act to reduce what limited factual international programming they have previously supplied. For example, in 2000-01 ITV showed only four programmes on in-depth issues affecting developing countries. It preferred to represent those countries as holiday destinations or locations for reality TV game shows.

² ‘Viewing the World’, DfID, 2000

³ Harris survey, 1989, found the figure to be 84%

⁴ Richard Tait, ex-editor-in-chief, ITN, and now professor of journalism at Cardiff, speaking at the Oxford Media Convention, 13 January 2003

By 2003, once it was aware of the likely remit and lighter requirements in the then Communications Bill, ITV1 was emboldened not to offer a single programme on 'matters of international significance or interest' in the whole year. In correspondence to 3WE ITV's Director of Programmes said it would be 'unrealistic' to expect them to do so. The then regulator, the ITC, although also aware of the Bill's wordings, refused to take enforcement action.

Channel 4 is increasingly unreliable as a provider of a wide range of international information. In 2000-01 there was clear evidence that Channel 4 cut its output of factual international programmes in the 'hard' or 'in-depth' subject areas, showing only 12 programmes looking at developing countries in categories such as 'politics', 'conflict and disaster', and 'development, environment and human rights'; while introducing reality TV, and increasing the number of travel and lightweight 'cultural' formats to view other countries⁵.

The channel has an excellent record for international news, and remains capable of outstanding and innovative Tier 3 international programming, as its Khumb Mela season in 2000-01 demonstrated. Moreover it has a licence condition to cover 'global and international conditions' that underpins the requirements of the Communications Act in this regard. But in its analysis of Channel 4's programme policy statement for 2003 3WE questioned whether the channel had the courage of its convictions in fulfilling these requirements. The channel appeared to be providing the minimum levels of Tier 3 programmes; to be marginalizing these within the schedules; and not to be creating new regular slots capable of commissioning factual international content. Similarly its international current affairs coverage was confined to a narrow range of formats and schedule slots.

Finally it should be noted that Channel 4 will potentially have most to lose from the way the Communications Act re-regulates the other commercial channels, with whom it must compete for advertising. The light remits given to Channels 3 and 5; the centralisation of Channel 3; the rule change allowing US takeovers of 3 and 5; and the rule change allowing a newspaper group to take over Channel 5; all will tend to increase the competitiveness and decrease the public service content of Channel 4's main rivals. This could potentially make Channel 4's public service commitments hard to sustain.

BBC as main provider of international information to citizens to 2016

The analysis above leaves the BBC, by default, as the principal provider of free, independent, unbiased, and high quality information and knowledge about the wider world.

The BBC as a publicly owned and funded broadcaster, accountable to the public through parliament, is the only broadcaster that can provide a full range of international information and knowledge as *merit goods*.

It is not just the public status of the Corporation but its scale and scope which is important. The BBC holds large enough segments of the television and radio audiences to ensure that large masses of people will see and hear its news and other information; can maintain a comprehensive establishment of international bureaux and correspondents; and can afford to invest the additional resources sometimes required by international filming assignments.

This also implies that the licence fee funding mechanism, rising roughly in line with inflation, should remain, as 3WE knows of no other funding formula likely to guarantee the resources required for these goals.

3WE therefore believes that:

- **The BBC should continue to exist to 2016 as the principal public service provider of international information and knowledge for UK citizens**

⁵ 'Losing Reality', 3WE, 2002

- **The publicly-owned and publicly-funded status of the BBC should be maintained, as this will reduce its exposure to the competitive pressures that may undermine provision on the other main public service channels**
- **The BBC will need to remain a broadcaster of large scale and scope in order to provide such coverage of the wider world**
- **Only licence-fee funding can guarantee a BBC of sufficient scale and scope; the licence fee should therefore rise reliably year on year in line with inflation**

4. BBC services' international content: are they doing what they should?

Research evidence on BBC1 and BBC2

The key services of the BBC for providing high quality factual international programming to UK citizens are the two mass audience TV channels, BBC1 and BBC2. 3WE has monitored their output of such programmes since 1989-90.

BBC1 currently describes its remit⁶ as offering a 'broad range' of 'popular' programming in all genres, with 'something of value for everyone'. The wording of the remit has a particular UK national emphasis. Accordingly, outside news, one would expect a limited amount of factual international programming, but also that this should include 'making serious [international] subjects accessible and relevant'.

BBC2 was historically a 'minority' channel with less obligation to reach large audiences, and therefore was home to a higher level and wider range of documentary and factual programming, including on international subjects. Its current remit still reflects that ambition by emphasising 'challenging, intelligent' television that makes an impact on viewers and can 'get under the skin of the modern world'. This includes a promise to 'ensure that serious subjects are given further regular coverage at the heart of prime time'. Accordingly one would expect BBC2 to be a natural home to factual international programming on 'serious subjects'.

How does their performance match to these ambitions and expectations?

BBC1 was, in 2000-01, the only one of the public service channels to show a long-term trend to *increase* its factual international programming – from under 100 hours to around 133 hours. However, in part, like other channels, this was due to a trend to expand holiday travel programming (45 hours), and lightweight human interest programmes watching Britons in foreign locations (20 hours of 'Passport to the Sun' plus eight episodes of 'Escape to the Sun'). Many of these programmes were shown during daytime. BBC1 also expanded its international wildlife programming to 27 hours.

BBC1's non-news coverage of 'harder' international subject areas had not increased. Of the 240 factual international programmes shown in 2000-01, 203 were 'travel', 'wildlife' or 'miscellaneous' (mainly light human interest). Only 16 programmes dealt with 'development, environment and human rights'; six with 'conflict and disaster'; and one with 'history'. None covered 'politics'. This was a better record than its main competitor, ITV1, which only showed two programmes on 'development, environment and human rights'. Although BBC1 showed nearly 26 hours of peak time factual programming filmed in developing countries, its highest level in 3WE's 13 years of research, 19 hours of this was wildlife, travel and 'docu-soap'. However, it did show a three part series on 'The State of the Planet', and a Comic Relief film about Rwanda.

Therefore, although BBC1 had a surprising amount of room, including in peak time, for factual international programming, the majority of this came from a small range of subject areas – travel, wildlife and lightweight human interest – which closely mirrored trends across all the public service

⁶ Remits drawn from the BBC's statements of programme policy, 2003-04

channels, including the commercial ones. These are programme types which offer very limited insights into other countries, their societies and cultures, and their environmental and development challenges⁷.

BBC1's main news bulletins maintained a good record of international coverage. Both the Six and Ten O'Clock bulletins demonstrate a high commitment to international news, little changed from the 1970s⁸. However, BBC1 had, in 2000-01, abandoned current affairs coverage of developing countries to BBC2's 'Correspondent', with the main channel's 'Panorama' only making 2.8 hours of developing country programmes.

BBC2's record in 2000-01 gave rise to serious concern among 3WE's member charities. To its credit, it should be said that in news and current affairs BBC2 continues to give attention to the wider world. 'Newsnight' has a good level of international coverage, often through films made by its own reporters; while the presence of 'Correspondent' meant that in 2000-01 BBC2 broadcast more current affairs on developing countries than the other public service channels combined (14.7 hours). However, 'Correspondent' has historically suffered from being shown in off-peak, weekend slots, somewhat undermining the channel remit's claim to put serious subjects 'at the heart of prime time'.

But with regard to factual international programming BBC2's record has deteriorated significantly. In 2000-01, compared to 1998-99, BBC2:

- Cut its hours of factual international programming
- Cut its hours of developing country factual programming, including cutting its peak time output to its lowest level in 3WE's 13 years of research
- Cut its developing country factual programming in serious subject' areas such as history, politics, and conflict and disaster

3WE's report described BBC2 as 'drifting, retaining aspects of its factual international programming but without renewing this commitment'. For example, BBC2 had no single documentary strand or series capable of commissioning 'challenging, intelligent' programmes on international issues.

3WE therefore remains concerned that, while their news provision remains excellent, in other areas, as a result of the competitive pressures in the UK broadcasting system, the main BBC channels are having difficulty in maintaining an adequately wide and deep programme menu that is capable of bringing information and knowledge of the wider world to large audiences of UK citizens.

BBC remedies for One and Two

3WE took these concerns to the chair of BBC governors in 2002. Since then a dialogue has been established between board-level executives and 3WE, which should lead to some key seminars during 2004. The BBC has said that it recognises some of 3WE's concerns, and had itself identified weaknesses, especially in BBC2's range of programming, and in the peak time menu on that channel. Remedies promised by the BBC include bringing more factual international programming onto BBC2 from BBC Four (100 hours in 2003-04 according to the statement of programme policy; and relaunching 'Correspondent' as 'This World', a new peak time international documentary series.

⁷ BBC1 during this period consistently stated that wildlife programming was a key part of its public service offering. It had been encouraged to increase its provision by the success of the landmark series 'The Blue Planet', on the world's oceans. While such programming clearly has a place within public service, and can create public consciousness of the value of nature, 'straight' wildlife programming has been criticised by film-makers and environmentalists for not linking the natural world to a wider context, including threats to the environment. For example, the six 'Blue Planet' programmes, made with Discovery, did not include any material on environmental threats to the oceans. Perhaps aware of this critique, the BBC made an extra programme for the series – without Discovery money – that was broadcast outside peak time and with little publicity.

⁸ 'New News, Old News', Hargreaves, ITC 2002; drawing on 'From Callaghan to Kosov', Barnett et al, ITC 2000

For 3WE these are welcome commitments.

At this stage 3WE remains concerned that the bulk of the BBC's factual international programming now occurs on BBC Four. Whether this has undermined provision on BBC1 and BBC2, or whether by feeding back onto BBC2 it may have increased provision, will be shown by our next research, on the basis of which we will contribute to the government's review of BBC digital services.

In the last three years the BBC has been moving more in the direction of staging significant broadcast events across a number of its services. These are often in the form of themed days or seasons of broadcasting, with keynote programmes on BBC1, and back-up programming rolled out on other services, including radio support and online interactive participation. 3WE has asked the BBC to ensure that large international subjects or 'matters of international significance' will also benefit from this approach.

While 3WE's members do not doubt the sincerity of the BBC in wishing to address some of the failings in factual international programming, they remain suspicious that this openness to criticism and dialogue is a feature of periods of regulatory uncertainty (especially Charter review). This leads us to ask questions about the future governance and accountability of the BBC which we address in section 6, below.

BBC digital channels

These are provisional comments, given that 3WE's first research on the content of BBC Three and Four will not be published until May/June 2004.

BBC Four appears to have become the home of international documentary programming on BBC TV, principally through the extensive 'Storyville' strand, which both acquires and commissions international programmes. In 3WE's view there are examples of excellence as well as of programmes (usually acquired) which do not meet the usual BBC quality standards.

BBC Four is now available to over half of the population. However, programmes on niche digital channels get very little publicity or promotion, except for the BBC's own cross-promotion; therefore the content available on Four will remain largely a mystery to many of those who can receive it. Although the BBC is promoting some BBC Four programmes back onto BBC2, including a disproportionately high number of international stories, these are usually shown in the off-peak post-'Newsnight' slot, where the previous programme has only one to 1.5 million viewers. In the choice of which programmes to promote to BBC2, there appears to be a focus on 'authored' programmes, such as 'Holidays in the Axis of Evil', which are as much about the programme-maker's efforts to film as they are about the ostensible subject matter. 3WE has criticised the overuse of this format by Channel 4 and does so here also.

3WE notes that the remit for BBC Four, with its emphasis on international perspectives, and on the space to 'contextualise' and 'go deeper into the subjects it examines' would at one time have described part of the output of BBC2 which is no longer there.

We note and welcome the experimental news bulletin on BBC Four, which has been given its own budget in order to be mainly about international stories.

BBC Three appears to have had almost nothing to offer its target audience in terms of factual international programming until now, when a series of Africa programmes has been hung around coverage of the African Nations Cup football.

BBC Online

3WE's views on BBC Online have been submitted to the review of that service by Philip Graf and are available on the 3WE website. In summary, 3WE believes that:

- **BBC Online should be given a secure future within the BBC’s overall services by fully recognising it within the renewed Charter and Agreement**
- **Among the primary roles of BBC Online should be to serve citizens in areas of information and knowledge in which they are increasingly ‘under-served’ by mainstream broadcast media, (including the BBC’s own broadcast channels), such as:**
 - **‘Matters of international significance or interest’**
 - **Science**
 - **Social issues**
 - **Religion and cultures**
 - **Matters of interest to minority ethnic communities**

BBC World Service

3WE’s member agencies have long been strong supporters of the BBC World Service. The impartial, objective and accurate information and education it provides to hundreds of millions of people, many of them living in ‘information-poor- regions of the world, make a powerful contribution to human rights, freedom, and sustainable development.

3WE has long wished to see the World Service made available in the UK, and is encouraged that both through digital radio and through BBC Online UK citizens can have access to its content.

3WE wishes to see the BBC World Service maintained and strengthened through a secure, inflation-proof government grant formula; and to see access to its content for UK citizens continue to be extended.

5. BBC in the digital-only future

BBC Online test case: the true ‘market failure’ argument

The consultation raises the question of why the BBC should continue to be needed in the multi-channel, potentially diverse and choice-rich future. 3WE believes that BBC Online has been a test case for the arguments around the BBC’s future. We therefore repeat here some key points from our submission to the review of BBC Online.

The online communications world is certainly one of a countless multiplicity of content and service providers, with minimal barriers to entry, minimal regulation, and high levels of user autonomy, choice and interactivity. To many observers it foreshadows many of the features of the digital broadcasting universe that is developing in the run-up to analogue switch-off.

Commercial publishers, rivals and opponents of the BBC have criticised the scale and scope of the BBC’s intervention in the online market. Given the features of the market described above, they say there is no possible case for the market ‘failing’; indeed, that by distorting the market the BBC is itself creating failure (in that, for example, commercial publishers won’t launch new products in many content areas because they fear the BBC has or will colonise the space.

Against this, 3WE asks the government to reassert a the full ‘market failure’ argument, which remains relevant to the future of the BBC even in a digital, multichannel world. ‘Market failure’ does not simply refer to whether or not there are other providers in the marketplace. It refers to the fact that, *whatever the number of providers in the market at any given time, the market may still fail the citizen.* This is because:

- information is difficult to sell ‘normally’, because people don’t know what they need until they first have it

- quality broadcasting is a ‘merit’ good – as with health checks, people if left to themselves would use it less than may be in their long term interests
- if consumers are unwilling to pay the high prices required for high quality information, producers will cease to invest in producing it, tending to reduce choice even where there is a multiplicity of providers
- high quality multimedia content has high fixed costs for production, and relatively low marginal costs for distribution, and these factors tend towards the creation of monopolies – ‘the natural monopoly of economies of scale’⁹

3WE’s submission to the review of BBC Online argued that no other provider was able to do what BBC Online is doing, namely a combination of:

- multimedia news and information, rather than the text-and-graphics offered by newspapers online
- news and information relevant to UK audiences, from local to national levels, as opposed to the US dominance of multimedia sites
- news and information produced to public service standards of impartiality, objectivity, accuracy and balance – as opposed to newspaper, US media, and most other websites that are not bound by such standards
- with a comprehensive coverage of the world through the BBC’s unrivalled spread of correspondents
- free to users, without interference from banner ads, pop-ups, subscription requests, log-ins, etc
- with the benefit of a unique level of public trust in an information market that is generally more prone than others to be untrustworthy¹⁰

Converged communications services for the benefit of citizens

As the discussion of the Online test case above concludes, there is a strong case for seeing the BBC as a necessary presence even – perhaps especially – in future markets where the benefits of choice in the communications market are balanced by the need for trustworthy services operating to the benefit of citizens.

In 3WE’s view the BBC is the only provider which by 2016 will be capable of providing trustworthy, comprehensive, converged multimedia services with the purpose of benefiting UK citizens, both individually and in collectives, across diverse platforms.

This is not to denigrate other public service broadcasters who will also continue to develop and refine their online and interactive services. But it is to assert that the advertiser-funded model that is common to the other public service TV channels will be difficult to extend successfully to their online and convergence services. These broadcasters are likely to innovate and extend their convergence services mainly around market-leading broadcast programmes, rather than across the full range and depth of public service information and knowledge.

With regard to ITV and Channel 5, their future potential ownership by US media corporations may or may not threaten the UK-cultural-specific content of the broadcast channels, which are protected by layers of statutory regulation – but will certainly threaten their capacity to innovate UK-specific information in the virtually unregulated online world.

- **For the UK citizen, acting as an autonomous, choice-making, participative user of communications services, good public service communications in the digital era will need to be:**

⁹ For the full exposition of this argument see ‘Broadcasting, Society and Policy in the Multimedia Age’, Andrew Graham and Gavyn Davies, University of Luton Press, 1997

¹⁰ The BBC claims its own survey of 30,000 Online users reported a 94% trust rating

- **converged and multimedia**
 - **both individuated and collective**
 - **participative and connective – bringing the user into contact with others at many levels, from near localities to the global level**
 - **driven by high quality broadcast-standard content, attracting users to the services**
 - **rich with news, having the greatest possible range and depth of news information**
 - **designed to serve the user with information and knowledge in areas where s/he is under-served by other media, such as matters of international significance or interest**
- **In a UK-specific context, only the BBC’s digital offering can approach these goals.**
Again, this implies a BBC of sufficient scale and scope to mount this range of services.

Scale and scope *versus* limits to expansion

Both in the near and in the more distant future (to 2016) 3WE is arguing for the BBC to maintain a critical scale and scope.

However, while we dismiss their agenda of undermining and seeking to marginalise the BBC, there is justification in some of the commercial players’ criticisms of BBC service expansion. Both in traditional print publishing and in online publishing, for example, the BBC appears to have colonised areas of content that are not directly related to its broadcast programming; and where the BBC content does not measurably add to the service to citizens. In television and radio, too, the case is not proven for all of the BBC’s recent expansion of its suites of channels.

The BBC is a conscious device for distorting the communications marketplace – in favour of the citizen – and against this, it is legitimate for other communications service providers to ask for as much clarity and predictability as possible with regard to the areas of provision that the BBC will and will not enter. Similarly, voluntary sector and not-for-profit communications service providers need to know that the BBC is not going to colonise their territory.

It is also legitimate for UK citizens of the information society to seek to hold the BBC to account on its expansion of services. If money and human resources, directly funded by UK citizens, are expended on services that do not appear to add benefits for citizens, then these need to be redirected.

- **Channels and services which do not offer clear public service added value should either be closed or re-organised. If re-organised, they must be kept as ‘ancillary’ rather than ‘core’ services, thereby requiring regular review by the Secretary of State.**

From these points – and from the failure of the BBC’s main channels consistently to uphold public service standards and commitments (see 4.2, above) – arise questions about how the BBC can be tasked to provide a public service in the future. These are questions of statute, governance and accountability.

6. Rewriting the Charter: putting citizens first

Our BBC, accountable to us?

The BBC, being publicly owned and funded by every citizen with a television set, should be seen as in Trust on behalf of the public, and accountable to the public through our elected representatives in parliament.

Current arrangements in that regard are imperfect for the following reasons:

3WE promotes sustained and imaginative coverage of global affairs on UK television. Its Board of Management consists of ACTIONAID, Amnesty International, CAFOD, CIIR, Christian Aid, Comic Relief, ITDG, International Broadcasting Trust, One World Broadcasting Trust, OXFAM, RSPB, Save the Children, Sightsavers International, Skillshare International, UNA-UK, UNICEF-UK, VSO, and the World Association for Christian Communication.

- a) the BBC exists by Royal Charter, not statute – it is a dispensation of the monarch allowing the BBC to exist, not an Act of Parliament
- b) the Charter merely permits the BBC to exist and to pursue certain generic activities – it does not specify the BBC’s purposes and role in society
- c) the Agreement between the BBC and the Secretary of State, which provides parliamentary accountability, again specifies general requirements for high standards, a range of content, and so on, and specifies some of the core services of the BBC, but 3WE would argue these amount to ‘objectives’, not ‘purposes’
- d) between Charter reviews, the BBC Governors are free to write and rewrite their own statements of ‘purpose’ for the Corporation, and to decide what the remit of each service shall be

The current formulation of the BBC’s ‘purpose’ is: *“The BBC exists to enrich people’s lives with great programmes and services that inform, educate and entertain. Its vision is to be the most creative, trusted organisation in the world.”*¹¹ So far as 3WE is aware, this formulation was produced at the behest of the last director general, and marks the vision of the organisation adopted by his executives under his stewardship. It has not been debated by parliament; and it can be changed at any time without wider debate. In fact the BBC has now formulated a new set of ‘purposes’ which will form its ‘manifesto’ for Charter renewal, and be subject to public consultation during 2004 (see 6.2, below).

This hierarchy wrongly puts ‘objectives’ at a higher level than ‘purposes’, and distances the public from ownership of the BBC’s social purposes and role.

3WE therefore believes that:

- **the statutory basis of the BBC should be modernised, with the Agreement radically rewritten, to become a publicly comprehensible statute which enshrines the public service purposes and social roles of the BBC and its various services**

¹¹ see <http://www.bbc.co.uk/info/purpose/>

Formulating the BBC's new purposes

The BBC will propose a new set of six 'purposes' that will guide its operations until 2016. These are largely framed in the language of 'social action', familiar to the voluntary sector, and include¹²:

- Reflect the **diverse culture** of the UK – in terms of both race and the ageing population
- Act as a **global leader** whose impartiality and independence are respected around the world
- **Connect with communities** – through big events like the Olympics, as well as smaller initiatives such as the Big Screen in Manchester, regional TV and local radio
- Help create an **'informed democracy'** by providing credible news services nationally, regionally and locally, and innovative programming similar to NHS Day and Crime Day
- Develop a **'learning society'** using education projects such as the Digital Curriculum and Bitesize revision service, and programmes like Restoration and Colosseum

3WE welcomes and supports these statements of the BBC's ambitions. We look forward to discussing with the BBC how to refine them (especially with regard to the 'global leader' formulation).

However, we remain concerned about how any set of purposes like this will be 'anchored', and how the BBC will be held accountable to them for a ten year period. Will these be the only and exclusive purposes of the BBC in this period? Will the BBC cease activities which do not clearly support these purposes? Can the statement be changed at any time that it suits BBC management and governors?

3WE suggests that the BBC Agreement with the Secretary of State should stipulate the purposes of the BBC (see 6.1, above). We suggest that this should not be by importing the BBC's formulation into the Agreement, but by finding the common thread that unites these goals and enshrining that in statute.

In 3WE's view, the overarching purpose of the BBC should be to serve the communications needs, rights and interests of citizens. All of the BBC's stated goals, above, could fit into that definition. So could others that might be elaborated to emphasise, for example, interaction and participation.

In the next section we advance further arguments around the concept of 'citizens'.

Serving the interests of citizens

The Communications Act 2003 states that:

"It shall be the principal duty of OFCOM, in carrying out their functions –
a) to further the interests of citizens in relation to communications matters; and
b) to further the interests of consumers in relevant markets, where appropriate by promoting competition"

[Section 3.1]

where "'citizens' means all members of the public in the United Kingdom" [Section 3.14], and does not relate to formal nationality requirements.

Section 3.1 of the Act thus shows the clear parliamentary will to ensure that the regulation of the communications industries serves, first and foremost, the interests of citizens – and that these are distinct and separate from the interests of the public as 'consumers'.

This Act covers the whole of the communications industries with the exception of the BBC. This is paradoxical, as the BBC is by far the single most important provider of communications services

¹² This version, trialled with BBC senior managers, appeared in the BBC magazine 'Ariel', 21 October 2003; and may be revised before the public consultation

which are ‘essential to citizenship’. But the government rightly argued that the Charter review process would be the best opportunity to examine the purpose, role, structure and services of the BBC.

Further work is required to define ‘citizens’ interests in relation to communications matters’. Some of this work was done through civil society participation in the World Summit on the Information Society. 3WE therefore recommends that:

- **the government should commission a new process to develop a definition of citizens’ communications needs, rights and interests in the UK, in the context of the World Summit on the Information Society, and to examine the implications of such a definition for the provision of public service communications**

For the time being, 3WE continues to work with the definition which it helped the Public Voice coalition to formulate, namely:

“We are all citizens of the global information society with interests in a fair and just society in which fundamental human rights such as the right to freedom of expression and freedom of thought are recognised. We need access to a wide range of information so that we can be informed, educated and enabled to play a full part in this society.”¹³

This approach is consonant with – and embraces --- the BBC’s formulation of its future ‘purposes’, but has two additional merits:

- a) it interlocks with, and extends the principal statutory wording governing the communications industries which reflects the will of parliament on behalf of the public, thereby providing a common framework for the operation of all communications services in the UK; and
- b) as with Ofcom’s principal duty, the use of ‘citizens’ would ensure that parliament, on behalf of the public, is clearly directing the BBC to ensure that all its activities have the benefit to the citizen as their end goal

3WE therefore recommends that:

- **The overall purpose of the BBC, defined within a radically rewritten Agreement, should be to serve the communications needs, rights and interests of citizens**

The Agreement should further state that this purpose shall be carried out with reference to the standards and content areas currently specified in paragraphs 3.1 and 3.2 of the 1996 Agreement (but now amended by the Communications Act 2003).

In order to bind each service to that overall purpose, thereby increasing accountability to parliament:

- **Each core channel and service should have its own purpose, expressing how it will distinctively serve citizens on the basis of its own specific audience, platform or service**

For example, BBC Online would have the purpose to ‘serve the communications needs, rights and interests of citizens... through the internet-based provision of multimedia information, combined with the means to respond and participate in open and democratic debate’.

Thus a new hierarchy of purposes is created, enshrined in statute, expressing the will of parliament with regard to the social and cultural functions of the BBC, and able to be used to hold the BBC accountable and on task for the full period of the next Charter.

Accountability

¹³ Written evidence to the joint scrutiny committee on the draft communications bill, 2002

3WE is suggesting that a new hierarchy of purposes, enshrined in statute, and therefore held outside the BBC itself, and expressed in modernised, comprehensible language, will provide a better instrument for the public, through parliament, to hold the BBC to account.

To do so will require the development of new performance indicators, benchmark targets, and means to monitor and measure these. In the digital/interactive age, these should include measurements of 'impact' on the audiences/users, of audience/user satisfaction, of interaction and participation, and of the degree to which users were encouraged to move on to extended sources of related information. IPPR has recently offered proposals in this regard¹⁴.

3WE believes that the parliamentary mechanisms to scrutinise and hold the BBC accountable, while onerous for the BBC, are deficient in providing clarity and satisfaction for the public. We will be assisting the voluntary sector coalition, Public Voice, to contribute proposals to the public consultation.

Governance/regulation

3WE will support the position of the Public Voice coalition on governance and regulation.

¹⁴ 'From Public Service broadcasting to Public Service Communications', IPPR, 2004

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