

Response to the BBC governors' consultation :

Public Value Test and Service Licences

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**Third World & Environment
Broadcasting Project**

www.ibt.org.uk/3WE

19 Akeman St, Combe
Witney, Oxon OX29 8NZ

Tel: 077 865 42615

don.redding@pop3.altohiway.com

Summary

3WE is a long-standing campaign coalition of the UK's leading international NGOs, which works for better mainstream TV coverage of developing countries.

Its concern with regard to this consultation is to help ensure that the new systems of accountability within the BBC protect and support the new international purpose of 'bringing the UK to the world', a wording for which 3WE campaigned.

Recommendations with regard to Service Licences

- the BBC governors should further consider how to ensure that the new purposes 'taken together' are met **for the maximum number of audiences, for the maximum possible time, across all services.**
- the framework of the service licences should set a formal requirement -- that the more **mainstream and mixed schedule** the service, the more it should be attempting to meet **all five of the purposes**
- BBC Online may need a **bespoke licence framework** better suited to the new media paradigm, aiming for detailed reporting of performance against each of the five purposes
- all services should have a **three year review period** in order to give greater confidence to licence fee payers that the governors can call to account in reasonable time any service which is perceived to 'drift' away from its remit and commitments
- the sanctions regime needs further work and should explicitly include the potential for the service to lose its licence, and for the service controller to lose his/her position

3WE response to this consultation

The governors' consultation on the Public Value Test applies to all of the BBC's purposes, and how any proposals to change existing services or launch new ones will be assessed. Accordingly 3WE has chosen to respond to that part of the consultation with its partners in the Public Voice coalition.

Our response here is to the section on **Service Licences**, and is concerned in particular with the way that the governors' plans for the licences ensure that the international purpose is actively pursued by as many of the BBC's channels and services as possible.

Essential Background

Consistently, over 80 per cent of the UK public state that their primary source of information on developing countries is television¹. This has not changed since the 1980s despite all the market changes in information and communications services.

Given that the five TV channels with public service obligations remain the most watched, even in multichannel households², it is likely to be *public service television* to which the public is responding.

In recognition of this the government agreed to amend the Communications Bill so that the final Act requires the public service television channels to include not only international news, but also non-news programmes on 'matters of international significance or interest'.

Despite public service obligations, 3WE's research evidence has shown a continual trend of decline in the amount of non-news factual international programming between 1989-90 and 2003³. Over that period, the hours of factual programmes filmed in developing countries fell across all terrestrial TV by *one half*. That is, even when including Channel Five which began broadcasting in 1996, by 2003 there were 49% fewer hours than in 1989-90.

The BBC has been part of this trend. The situation in 2003 at the start of Charter review was that the BBC's two mass audience TV channels, BBC One and BBC Two, had continued to reduce their commitment to factual international programming, and in that year each of them showed its lowest recorded level of factual programming filmed in developing countries.

¹ 82% of people said TV was their primary source of information on developing countries in 2004: 'Attitudes to Development', Office of National Statistics for the Department for International Development, 2004

² Ofcom, public service television review; also presentation by Stephen Carter to VLV autumn conference 30 November 2005

³ 'The World on the Box' by Professor Steven Barnett and Caroline Dover, 3WE 2004, available on the 3WE website; a copy of the report was sent to each of the BBC's governors

The 2003 research was the first to be able to examine the performance of the two new digital TV channels, BBC Three and BBC Four. BBC Three had made very little contribution. By contrast BBC Four had become the new home for factual international programming. While BBC One for the first time broadcast fewer than 100 hours of international programmes, BBC Four broadcast around 400 hours.

With regard to factual programming filmed in developing countries, BBC One broadcast *less than 20 hours*, while nearly half of BBC Four's factual international output, almost 200 hours, featured developing countries.

In summary, 3WE argued that the BBC had progressively dropped its commitment to factual international programming in general, and developing country programming in particular, by consistently reducing the levels on the two mass audience TV channels, while allowing it to migrate to a niche digital channel with a tiny audience⁴.

This is the situation we wish to see changed as a result of the new international purpose, which requires all BBC services to consider how they will contribute to 'bringing the world to the UK'.

Key points

Q6 : are the structure and contents of the Service Licence appropriate ?

3WE's broad answer is yes. The proposed structure and contents build on existing developments through which the BBC is providing statements of programme policy which include a requirement to state how each service meets certain purposes, including the integration of international themes. 3WE continues to welcome these developments.

Q7 : will the Service Licences provide sufficient clarity about the nature of the BBC's services and their contribution to the public purposes ?

There are several parts to this answer.

First, the service licences will provide clarity at the level of each individual service. Hence our positive answer to Q6, above.

Second, beyond the level of each individual channel 'silo' there is the question of how the BBC *overall* – ie as a holder of a portfolio of tri-media services, utilised in combination – will ensure that all five of the public purposes are fully achieved for as much of the UK public as possible.

For example, if the purpose of 'bringing the world to the UK' is strongly served by a niche TV channel such as BBC Four, whereas BBC One only partially serves it

⁴ This evidence was submitted to the independent review of BBC digital TV, and to the chairman in a letter of 16 July 2004

through its news and not through other genres of programme, 3WE would conclude that the mix is wrong.

In short, *the danger of marginalisation* still exists. In preparing their service licences, mainstream channels with the capacity to reach the widest audience may see one or more of the ‘purposes’ as being of ‘minority interest’, and/or unsuitable to draw large audiences.

- 3WE therefore urges the BBC governors to consider how they will ensure that the new purposes are met **for the maximum number of audiences, for the maximum possible time, across all services.**

To borrow a phrase from the Communications Act, the issue not resolved in the governors’ current document is how the BBC’s services ‘taken together’ will meet the purposes ‘taken together’.

A third part of this answer concerns the related question of *how many purposes* each service should seek to fulfill.

In the 2005-06 statements of programme policy it appears that each service was asked explicitly and specifically to state how it will integrate international themes. This is very welcome. However, it remains open to a service to opt out of this purpose.

While we understand that each service must have the flexibility and space to serve its particular audiences in the way it thinks best, we nevertheless believe that there should be some kind of benchmarking of expectations from the governors to each service with regard to each purpose.

The challenge we wish to set for the services is how to integrate international themes and issues into programming that suits their audiences.

- 3WE further urges that the governors should, through the framework of the service licences, set a formal requirement -- that **the more mainstream and mixed schedule** the service, the more it should be attempting to meet **all five of the purposes**

Q9 : criteria for which services require a licence

The question of how many service licences BBC Online requires remains debatable. 3WE strongly supports the BBC Online service, which offers a wide range and depth of information on international issues, including developing countries. In the Graf review we supported its aspiration to become a core service under the next Charter.

However, the huge spread of websites under the BBC Online presence does make it difficult to apply a framework like that of the service licences, which aims to achieve specificity and measurability with regard to the service’s remit. One short statement

of remit does not seem adequate to the task, and we suggest that Online may need a *bespoke licence framework* better suited to the new media paradigm. The aim should be for detailed reporting of performance against each of the five purposes.

Q10 : do the suggestions for performance reviews seem adequate ?

3WE believes the timing of the cycle for review is confusing, with some reviewed at five year intervals, others at three years, and then the potential for licence variation annually.

We suggest that all services are reviewed on a **three year** rolling basis. Roughly, depending on their place in the cycle, they would be reviewed three times within a ten year Charter. This would give greater confidence to licence fee payers that any service which is perceived to 'drift' away from its remit and commitments could be re-tasked in reasonable time. A five year cycle for the main TV channels, BBC One and BBC Two, for instance, might mean only one review within a Charter period.

3WE welcomes the governors' continued commitment to audience consultation during the periodic reviews. We would like to see the governors clarify at what point in the review this consultation would take place.

Q11 : the principles underpinning sanctions

Section 3.1.5 on the consequences of poor performance appears inadequate.

It is absolutely vital for the BBC's future protection that further work is done to expand and clarify this section, since it is precisely the absence of a robust and reliable sanctions regime that enables the BBC's commercial and political opponents to argue for further radical reform of governance.

- 3WE urges the governors to consider introducing two additional explicit sanctions : a) the possible termination of the licence, allowing the licence fee money spent on that service to be redirected to better-performing services, and b) the potential ending of employment for the service controller.

Appendix : About 3WE

3WE is a coalition of the UK's leading international charities working for development, human rights and the environment, and it campaigns for more and better mainstream TV coverage of developing countries.

3WE was established in 1989. Since that year it has carried out regular monitoring research to examine the amount and type of factual international programming carried on mainstream UK TV. Its most recent report, 'The World on the Box', examined 2003⁵. Research on 2005 has just been commissioned.

This longitudinal research has shown a clear trend of gradual decline in the amount of international programming shown on UK TV – and an even greater decline in the amount of such programming filmed in developing countries. In 2003 all the public service channels, including BBC1 and BBC2, showed their lowest levels of developing country factual programmes in the 14 years of the survey.

Using this research evidence 3WE has engaged in a number of campaigns to try to reverse the trend of declining international output. For example, it successfully persuaded the government to amend the Communications Bill to include non-news programming on 'matters of international significance or interest' in the 'purposes' of public service television⁶.

3WE is part of the International Broadcasting Trust, which works in partnership with UK broadcasters to bring forward new programme commissions on international and developing country themes. IBT is one of several partners which is currently engaged in a series of international seminars for BBC TV executives, aiming to have an impact on programme policy.

3WE is a founding member of the wider voluntary sector coalition Public Voice, which campaigns for citizens' interests in relation to communications.

3WE and BBC Charter review

With regard to BBC Charter review, 3WE has contributed to all the independent reviews of new BBC services, and the coalition and its supporters have responded to the government's public consultations.

3WE has strongly supported the development of clearer, tougher regulatory frameworks to ensure that BBC services stay close to their public service mission and provide real benefits to citizens. We therefore welcome the development of the 'public value' concept and its implementation through the Public Value Test and the Service Licences.

⁵ Available at the website www.ibt.org.uk/3WE

⁶ Communications Act 2003, Section 264

For some years 3WE has argued for the BBC to be given a more specific and defined Mission statement against which its services could be judged. We welcome and support the five new 'purposes' which the BBC will be asked to fulfill under the next Charter.

Following the publication of 'Building Public Value' 3WE mounted a campaign to review and improve the wording of the 'international purpose' which originally emphasised the *export* of BBC content to the rest of the world. Our campaign included an Early Day Motion supported by almost 100 MPs, a meeting with the BBC director general in December 2004, and both written and oral evidence to the Burns panel advising the dcms on Charter review.

As a result of this campaign, the international 'purpose' was improved in the government's Green Paper and now equally emphasises the BBC's role in informing the public of events in the outside world and educating the public on the cultures, views and ways of life of people in other countries, summarised as 'bringing the world to the UK'. We are currently seeking dialogue with the BBC on how this purpose will be implemented across the range of services.