Response to the BBC Charter Review DCMS Green Paper Public Consultation

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The Faculty of Media and Communication at Bournemouth University has a world-class reputation for media and communications practice, research and education. It is home to the Bournemouth Skillset Media Academy, hosts the UK's only Centre for Excellence in Media Practice (CEMP), and in 2012 was awarded the Queen's Anniversary Prize for its outstanding contribution to computer animation.

We have an international reputation for delivering high-quality research projects, with some of our work published in leading national and international journals. Within the faculty we have experts in journalism, communication, animation techniques, software development, media education and digital archiving, all of whom work together to deliver exciting and ground-breaking research.

Our research isn't limited to the areas of media, communication and law, as we also collaborate with colleagues from across the university's faculties to undertake research projects that transcend subject-specific boundaries and make a real difference to people's lives.

In many cases, we are directly involved in developing new policies and approaches for commercial and non-commercial organisations, and work closely with a variety of organisations, including the BBC, the British Library, the Dart Centre for Journalism and Trauma, and the Chartered Institute of Public Relations.

Biographical note:

<u>Dr Einar Thorsen</u> is Principal Lecturer in Journalism and Communication at Bournemouth University, and Associate Director of the <u>Centre for the Study of Journalism</u>, <u>Culture and Community</u>. His research explores online journalism, news innovation, citizens' voices and news reporting of political change. He has published research on BBC News Online during the 2005 and 2010 UK General Elections, the BBC iPlayer, and public service broadcasting online. Einar is on the Executive Committee of the <u>Media</u>, <u>Communication and Cultural Studies Association (MeCCSA)</u> and Editor of <u>Three-D</u>.

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Why the BBC? Mission, purpose and values

Q1 How can the BBC's public purposes be improved so that there is more clarity about what the BBC should achieve?

The public purposes as defined in the current Charter and remits outlined by the BBC Trust provide in our view sufficient clarity about the purpose of the Corporation. There is merit in the broadness of the public purposes, since they ensure that all interests of citizens are catered for and avoids a narrow definition of PSB as catering to niche or marginal audiences only, and not serving the needs of the whole population.

However, we are concerned that their inclusion in the Green Paper and Charter renewal process means they are subject to the whim of the Government, thus can be diminished in future. For us, the purposes of the BBC should be set by an independent regulator, subject to public consultation and parliamentary scrutiny.

Q2 Which elements of universality are the most important for the BBC?

The BBC is the main PSB provider in the UK and is therefore essential to the provision of universality that cannot be left to the market. Commercial operators are driven by programming that will ensure profit, and will therefore not cater to all audiences and nor (with the exception of terrestrial commercial broadcasters) will it be free at the point of access. Similarly, universality should be understood in terms of access to content across platforms. Again this is an area where it could not be guaranteed that commercial operators would fulfil the need of citizens. The principles of universality of the BBC should be protected both in the short and long-term future.

The question implies that universality can be broken down into distinct parts with different weighting. We view this as a dangerous precedent that would undermine the very principle of universality, which encompasses "all types of content, and meets the needs of all audiences, regardless of the extent of provision by others" (p. 15, BBC Charter Review: public consultation).

Q3 Should Charter Review formally establish a set of values for the BBC?

In our view the Government - of any time - should not play a role in setting these criteria as it will inevitably politicise the BBC. If there are to be a set of BBC values, they should be established and overseen by a body independent of the Government.

The values proposed in the Green Paper are vague and imprecise, causing potential difficulties in how "performance" might be measured against them. Moreover, this imprecision could be used by critics of the BBC to selectively interpret them as a basis for arguing for a diminished BBC.

What the BBC does: scale and scope

Q4 Is the expansion of the BBC's services justified in the context of increased choice for audiences? Is the BBC crowding out commercial competition and, if so, is this justified?

The implication of this question is that a) the BBC is over-reaching its current scale and scope and interfering with the market and b) that recent developments in multi-channel television and online platforms have led to increased choice for audiences.

Even the most superficial unpacking of the concept of choice should tell us that it is problematic to equate volume of content with diversity of content. In other words, just because we have more TV channels does not automatically mean we have more choice of content - as the market will tend to cater towards certain audiences and content that deliver the best profits.

The expansion of BBC's services are justified in order to ensure the Corporation meets its public purposes and universality - and thus catering to the needs of licence fee payers. We disagree with the premise of the Green Paper that the "scale" and "scope" of the BBC infringes on opportunities for commercial operators. Global online-only services, such as Amazon or Netflix, represent a greater challenge to the commercial sector than PSB.

Any cuts to BBC services would outweigh a potential increase in investment by commercial operators, thus the UK media landscape would suffer - particularly in terms of diversity, universality and quality. This is essential in a rapidly changing technological environment, where the BBC needs to be able to respond to both changes in audience demand / needs and platforms / technologies. Failing this, the role of the BBC would gradually diminish and its ability to meet its public purpose obligations eroded. This would also remove an important benchmark of quality against which the standards of commercial operators can also be judged. In other words, undermining the scale and scope of the BBC would be to the detriment of not only UK citizens, but also the quality of content produced by commercial operators.

Q5 Where does the evidence suggest that the BBC has a positive or negative wide impact on the market?

The BBC is a public service provider and as such has an obligation to UK citizens that should be distinct from market considerations. It is not appropriate to seek ways of restricting the ability of the BBC to meet its public purposes for the benefit of commercial operators, who should compete among themselves for advertising revenue.

Q6 What role should the BBC have in influencing the future technological landscape including in future radio switchover?

The BBC has a rich history as a technological innovator, and also in developing forms and practices that take advantage of such technological advances. Whilst the obvious examples concern broadcast technology and standards, the Corporation's contribution to innovation is much broader than that. In the mid-1990s, for example, the Corporation's ambitions in delivering programme content online helped precipitate a drive in online audio and video experimentation - allowing producers to deliver new services, or make use of material that would not otherwise have made it on to their traditional broadcast channels. The BBC was particularly well placed to take on such a challenge given its diverse programming teams and also its commitment to providing forums for public debate. In other words, the motivations for the Corporation's move online were anchored in its historical commitment to civic engagement and public service. Moreover, it did so independently after first exploring formal partnerships with commercial organisations. Indeed we would argue that the findings from the independent panel on the future funding of the BBC in 1999 still ring true - whereby they rejected external pressures to turn BBC Online (including news and sport) into a commercial operation, as they expected it: "to become a core part of the BBC's public service in the next few years. We also expect that closer convergence will take place between websites and broadcast services, so that the BBC's domestic audience will increasingly access BBC output via the website." (Davies et al., 1999, p. 65)¹. Of course this has proven to be correct with the BBC leading the way in terms of on-demand audio and video following the launch of the iPlayer in 2007. The BBC also transformed how traditional news narratives are enriched with video content through the EMP (Embedded Media Player) launched in 2008, that also facilitated the ability to select from multiple simultaneous live feeds (enhancing diversity of coverage ranging from political events, to music festivals and sporting occasions).

It is important to note that this innovation has been driven by the BBC's stated public purposes, which means developing opportunities that commercial operators would not always have been able to or interested in catering for. We would highlight two examples of this: firstly, the BBC's innovation in relation to sustaining citizenship and civil society (public purpose 1) through the launch of Democracy Live in 2009. This website brought together for the first time on BBC Online live and on–demand video footage of all the proceedings from UK national political institutions and the European Parliament, thus enhancing the connection between the British public and their elected representatives (Thorsen, 2011)². Secondly, innovation in relation to promoting education and learning (public purpose 2) through education technology, from the initial BBC Micro (released in 1981) to the recent BBC Micro Bit (released in 2015). Through developing accessible hardware in this way the

¹ Davies, G., Black, H., Budd, A., Evans, R., Gordon, J., Lipsey, D., Neuberger, J., & Newton, T. (1999). *The Future Funding of the BBC: Report of the Independent Review Panel*: Department for Culture, Media and Sport.

² Thorsen, E. (2011) 'The Second Digital Wave: BBC News Online, Embedded Video and the iPlayer', in Burns, M. and Brügger, N. (eds) *Histories of Public Service Broadcasters on the Web*, Peter Lang: New York

BBC is addressing computer literacy and digital skills gap in the UK, targeted specifically at schoolchildren.

Such projects are made possible by the Corporation's obligation to "Delivering to the Public the Benefit of Emerging Communications Technologies and Services" (public purpose 6), the long-term investment in research and development at the Corporation, directly linked to the licence fee and predictability of 10-year funding cycles.

With regards to digital switchover, it is natural for the BBC to play a part in these developments. However, the Corporation should not be expected to shoulder this burden alone given the obvious benefit for commercial operators. The work on broadcast infrastructure (such as future radio switchover) should also not impact on the funding provided to the BBC through the licence fee, since this would have a detrimental impact on quality programming, and additional support should be provided for any such involvement.

Q7 How well is the BBC serving its national and international audiences?

We believe the BBC is broadly serving its national and international audiences well. There is room for improvement with regards to representing and serving specific groups or audiences - for example, black and ethnic minorities; disabled people; young people (especially 12-16 year olds); and certain regions. The BBC should continue to serve minority languages, though this should be funded directly by DCMS rather than top-slicing the licence fee. The BBC is recognised globally for quality programming, and generally high journalistic standards. It is important that this work continues, but the priorities of the BBC towards international audiences (e.g. through the World Service) need to be differentiated more clearly from those of the Foreign Office to ensure the Corporation's independence and impartiality.

Q8 Does the BBC have the right genre mix across its services?

Yes, the BBC has the right genre mix across its services. It is important for the BBC to continue its appeal to mass audiences through popular programming - this both achieves universality and enables the economies of scale that makes it possible to cater for marginalised and diverse audiences. Moreover, we do not believe it should be the role of a Green Paper to determine or influence BBC programme content / genres. This should be the reserve of BBC programme makers, editors, and management, with scrutiny by an external body independent of Government.

Q9 Is the BBC's content sufficiently high quality and distinctive from that of other broadcasters? What reforms could improve it?

Yes, the BBC is sufficiently distinctive from other broadcasters and the content it provides is both popular and high quality. Evaluating "quality" should be done by BBC programme makers, editors, and management, with scrutiny by an external body independent of Government. This should be anchored in evidence based research, analysing both audiences and content, working in collaboration with the UK HEIs.

BBC Funding

Q11 How should we pay for the BBC and how should the licence fee be modernised?

We are strong advocates for public funding of the BBC through a distinct mechanism - set by an independent body - such as the existing license fee. However in our view, the continued framing of the licence fee as a "TV licence" is problematic as it is platform specific. As media content is increasingly consumed (and will continue to be) across a range of devices and platforms, the concept of a TV licence may appear increasingly anachronistic. Even though there is a logical argument for retaining the link between licensing and TV, it is a source of potential confusion amongst the general public and thus ammunition for the opponents of the licence fee.

We propose the licence fee should be reframed as 'public service media licence', or even 'BBC licence'. This licence fee should be determined by a body independent of Government, to ensure there is no perceived or actual threat to the BBC's independence through negotiations with the Government about the level of the fee.

There should be no mixed funding or subscription for premium content introduced since this evidently contradicts the principles of universality.

Q12 Should the level of funding for certain services or programmes be protected?

Throughout this consultation response we are keen to stress the importance of retaining the independence of the BBC from Government interference. This question, again, trespasses on what is for us dangerous territory.

However, if this issue is forced through, then we believe there is some merit in protecting funding for and investment in news and journalism. This is for the following reasons:

- The state of the commercial news industry. Declining print sales and migration to
 online news has meant the economic model of news has undergone significant
 challenge and remains particularly vulnerable. Resultantly, quality, independent
 journalism is under threat, and there is evidence for the ongoing commercialisation of
 news content.
- If we consider the media environment as a whole, there can be little doubt that we are overwhelmingly addressed as consumers rather than citizens. The circulation of goods, the material and symbolic meanings of commodities, and the dominant position of advertising in its many forms make civic culture look diminutive in comparison to consumer culture. The news is one of the few areas that still addresses people as citizens, which speaks directly to the core principles of "public service". In parts of the commercial news sector, even this concept has undergone significant challenge in recent decades, as news organisations apply consumer principles to news provision. A strong BBC, with its public service ethos, can be a champion for the concept of citizenship.

• The BBC has a global reputation as a world class provider of independent and impartial news. This should not be squandered.

Should some funding be made available to other providers to deliver public service content?

No, there should be no top-slicing of the licence fee. This effectively means using public money to support commercial operators.

Q13 Has the BBC been doing enough to deliver value for money? How could it go further?

We disagree with the framing of this question and believe strongly that the value of the BBC cannot and should not be reduced to a financial argument about "value for money". The public service remit of the BBC is essential to the healthy functioning of UK democracy, since its commitment to universality is positioned to ensure a diversity of voices, information about political processes, fostering civic engagement and in principle providing a forum for public debate. It is reductive and crude to suggest that this democratic function is possible to measure in monetary value (in a similar way, of course, to public funding of arts and culture).

The performance of the BBC should be understood in terms of how it meets its public service obligations (as outlined in the Green Paper). Where there are opportunities for restructuring or streamlining operations to reduce costs (for example curbing excessive executive pay), funds should be redirected as investment into quality programming and new content - rather than be seen as cost savings.

Q14 How should the BBC's commercial operations, including BBC Worldwide, be reformed?

BBC Worldwide provides a strong vehicle for marketing BBC content overseas, and we agree with the premise in the Green Paper that this allows the BBC to continue to invest in quality programming. We disagree with the implication of "reform" as posed in the Green Paper, which is equated to privatisation and a preoccupation with commercial broadcasters and producers. We strongly believe that there should be no "full or part privatisation of Worldwide" (page 61) as suggested in the Green Paper, since this will simply allow commercial operators to reap profits from publicly funded investments.

BBC governance and regulation

Q15 How should the current model of governance and regulation for the BBC be reformed?

The BBC Trust has in our view proven to be ineffective and we would advocate for it to be replaced by a new independent regulator with additional powers, such as an Ofbeeb or equivalent. This should be a distinct body regulating the BBC to protect the Corporation from commercial imperatives in its governance, which means it would be inappropriate for Ofcom to assume this role.

We also believe the licence fee should be determined by a body independent of Government, to ensure there is no perceived or actual threat to the BBC's independence through the negotiations about the level of the fee.

Q16 How should Public Value Tests and Service Licences be reformed and who should have the responsibility for making these decisions?

These decisions should be made by an independent regulatory body, such as a reformed BBC Trust, Ofbeeb or its equivalent. There should be no interference from Government.

Q17 How could the BBC improve engagement with licence fee payers and the industry, including through research, transparency and complaints handling?

Membership of governance structures such as the BBC Trust is typically dominated by 'great and good' former TV executives, politicians and business leaders. In our view - and especially given the role and purpose of the BBC - representatives from civil society should be better represented on governance structures, including BBC Trust or an Ofbeeb equivalent, BBC executive, and Ofcom.

The BBC is central to the UK's position as a world-leading force in the creative industries. Another sector where we have a world-leading reputation is higher education. We believe there is an opportunity for the BBC to work more closely with the University sector. Here we envisage the BBC being more proactive in pursuing research opportunities directly with the UK University sector, to capitalise on academic expertise to help drive innovation and reinforce public service.

Q18 How should the relationship between Parliament, Government, Ofcom, the National Audit Office and the BBC work? What accountability structures and expectations, including financial transparency and spending controls, should apply?

The BBC should have greater independence from Government than what is currently the case. It should not be possible to politicise the Royal Charter renewal process, regardless of the party that currently holds power. The two recent licence fee renewal agreements (in 2010 and 2015), where the terms of the settlements were not subject to any form of public consultation or negotiation - the deals instead done behind closed doors, where the newly

elected Government at the time was able to effectively coerce the then Director General and BBC Trust to accept additional responsibilities for the Corporation (e.g. BBC World Service in 2010, or funding of free licence fees for over 75s in 2015) that are tantamount to real-term cuts in operational budget for the BBC. These real-term cuts have had a significant impact on important and vulnerable areas of the BBC - reflected, for example, in announcements of up to 800 full time job cuts in BBC News division (2011) and 140 jobs in BBC network news (2013).

With respect to accountability structures, the BBC Trust has in our view proven to be ineffective and we would advocate for it to be replaced by a new independent regulator with additional powers, such as an Ofbeeb or equivalent. As noted above, there should be a distinct body regulating the BBC to protect the Corporation from commercial imperatives in its governance, which means it would be inappropriate for Ofcom to assume this role.

In the long term there should be greater public input to and involvement with the governance structures of the BBC - including from civil society organisations.

Q19 Should the existing approach of a 10-year Royal Charter and Framework Agreement continue?

We believe it is essential that the BBC is governed by a long-term framework that enables security and predictability in its strategic planning. This is particularly important for investment in programming towards marginalised audiences and to ensure continued commitment to innovation in the name of public service. Following the Fixed-term Parliaments Act of 2011, we would advocate that the licence fee renewal periods are disentangled from the election process to de-politicise Charter and licence fee renewal negotiations. It is also essential that these frameworks are subject to evidence based research and rigorous public consultation, that are taken place in a transparent manner and held accountable by Parliament.