# The Future of the BBC – my submission to the DCMS Select Committee for Charter Renewal

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The world's newsroom – but does the BBC do too much?

This is my personal submission to the House of Commons Department of Culture, Media and Sports' Select Committee inquiry into the future of the BBC in the lead up to BBC Charter Renewal in 2016.

It draws partly on my experience as a journalist (including at the BBC from 89-99 and ITN 99-2006) but mostly on my last eight years leading research and debate at the LSE with academics, media practitioners, policy-makers and politicians looking at the changing nature of journalism in particular, and media in general. Most recently I have been working on research on public service media across Europe and new business and production models in the UK and internationally.

## **Summary of main points:**

- The BBC has a critical role globally and at national and local levels these are different but should be complementary
- Like all media organisations the BBC has to respond to new technological, social, economic and political realities by changing its organisation and activities
- The idea of 'public service' has enduring value but must be reviewed in the light of new contexts
- The BBC must prioritise its services to reduce in some areas and possibly develop new roles: universality does not mean 'doing everything all the time'
- The BBC must become a much more citizen-centred service, facilitated by the new technologies of personalisation
- The BBC must become a much more networked producer by recognising its role in supporting wider creative industries and building social capital by acting as a commissioner and curator
- The BBC must retain its core editorial values but be more critical of those in power and orthodox opinion and more risk-taking with a stronger emphasis on distinctive quality
- By being more networked and citizen-centred the BBC will become more accountable, efficient and creative, but its governance and management should also be reformed. The BBC must also become much more diverse and challenge its own cultural biases
- The BBC must reduce its overall capacity through a combination of commissioning, collaboration and prioritisation, but should retain the licence fee while preparing for potential new forms of financing

#### The BBC's Global Role

1.1

The BBC is a huge asset to Britain in particular and to the world in general that would be almost impossible to create from scratch now. So any reform of the BBC must accept a responsibility to future generations not to waste the

cultural capital accrued in this institution. However, the BBC was a radical innovation when created and it needs to rediscover its ambition and relevance. In the context of developments in the wider media and other changes in the lives of citizens and communities it must adapt in significant ways. This round of Charter renewal should not rush profound changes – for example the abolition of the licence fee – but it should prepare the ground for that possibility in the 2020s.

#### 1.2

It is worth re-stating how important the BBC is in terms of its prestige around the world. The idea of Britain as a place that is engaged with the world is projected more by the BBC than any other UK policy or institution. It conveys the sense that the UK values fairness, intelligence, humanitarianism and creativity. Its soft power value to UK diplomacy and the associated political and economic gains that flow from that are (almost) priceless. Recent erosion of BBC international services budgets was a dangerous risk but the leadership of BBC has responded boldly and imaginatively. The integrated news services are adding quality both to international and domestic output. They are more efficient but have also invested in a range of digital and other services that are expanding their audience reach and improving content quality.

## 1.3

The ambitious plans for the expansion of BBC's international news and non-news production and distribution are impressive. Overall, this means that the BBC will still be able to compete in what is a much more competitive global media market with rivals backed by vast state subsidies or commercial revenues. States such as Russia and China are now investing far more in their global channels than the BBC while new media corporations such as Google and Facebook are ever more powerful in controlling the infrastructure and, increasingly, investing in content production. At the same time 'legacy' global media corporations such as Comcast, Disney, and Viacom are more powerful thanks to growth and consolidation. So it is vital that the BBC maintains its scale and reach and expands on to new platforms and networks to sustain its ability to compete in this market place.

#### 1.4

English remains the most important global language and the BBC benefits from that and its unparalleled reputation for quality and impartiality. People around the world are increasingly sceptical about news media. Their access to a greater range of media sources is expanding exponentially despite censorship and market restrictions. At this moment where choice in the global market is accelerating it is vital that the BBC has the resources to build a significant presence with a quality, distinctive offering to secure audience attention and loyalty and to promote both UK creative industries and our socio-political values.

#### The BBC's Content Production

#### 2.1

Nationally, the BBC needs to prioritise its services. For too long 'universal' has meant trying to do everything. Some retreats, for example from major live football coverage, have been enforced, but the BBC needs to reconsider what it is doing in a systematic way. This may be partly about channel merger or closures. Could BBC3 and BBC4 work better as one? In an age of on-demand video and search it seems excessive to have so many built channels. The BBC has done an outstanding job of improving the quality of its core mass services. BBC One, for example, has fewer repeats and improved UK content. But in a world where quality mass entertainment is becoming ever more dominant in the commercial sphere, the BBC needs to concentrate on the added value of more intelligent, innovative, challenging content.

2.2

Personalisation is the process where new technologies allow much greater choice for the citizen in what, how, when

and with whom they consume media. It meets the needs of the public but it also changes the relationship between the BBC and the consumer. I welcome steps such as the playlister, iplayer, BBC store, as well as the BBC apps that allow people to choose how they consume BBC content. The majority of material is still consumed 'live' and terrestrial via a TV screen but all the trends are heading in the direction of personalised, mobile and interactive consumption. The BBC will have to invest more in relating content to the networked 'second screen' environment but it is well-placed to offer a more layered, 'contextual' consumption experience. In news, for example, this allows the consumer to use social media and online to supplement their TV or radio experience. This is vital in areas like news where the BBC must be the pioneer of methods that deepen our understanding, provide context for fast-moving events and allow useful public debate around stories.

## 2.3

The BBC needs to collaborate and commission externally much more. There needs to be more independent commissioning and partnerships with non-UK producers. The BBC partnership with UCL on its coding research is an excellent example of collaboration with a 'non-media' body but this could be extended into content production. Many civil society organisations are now media producers. The LSE, for example, has always been a producer of vast amounts of information, expertise and ideas but now, for example, it makes podcasts that are downloaded by millions of people monthly. The BBC should be working with these 'media' organisations to facilitate – not to capture – this flow of content.

## 2.4

Take local. For years local BBC news did not even credit the local papers where it got its stories. BBC local services should be support networks for local media and other community bodies such as churches, schools, sports and voluntary groups enabling them to create their own content with the BBC or for BBC distribution. The BBC needs to be an Open Source, Open Studio organisation that uses its training resources and its facilities as a support structure for local and national content creation rather than always seeking to provide those services itself.

## The BBC And The Audience

#### 3.1

If this process of turning the BBC into a networked organisation is carried out thoroughly with genuinely shared budgets and management, then in itself it will have the effect of bringing the BBC closer to its consumers. If more people participate in production through the BBC and if more organisations have a stake in the BBC, then it will become more accountable and responsive.

## 3.2

In a world of vast flows of information and inadequate filters for processing what is good and bad, or what is true and what is fake, it is vital that the BBC retains its role as a content producer and organiser with a particular identity and a reputation for independent authority. In an age of increasing subscriptions and pay-walls it is also vital that it's core services remain free at the point of use and highly accessible. There is increasing evidence that consumers feel less comfortable with some information or network providers as well as feeling confused at the vast array of options. The BBC can itself provide content that is trusted. So its news should retain its current ambition of being objective, impartial, balanced, factual and broad. But it can also help refer consumers on to alternative and direct sources of information and a range of analysis and comment. The BBC thus has a vital role as curator that means it has to link to more content from other organisations.

#### 3.3

To be relevant and trusted in the digital age the BBC must continue to develop its presence on social networks. BBC journalists and other creatives now have new roles. They do not merely produce content, they are also educators,

archivists, connectors and enablers. There need not be any contradiction between these roles and the BBC's traditional independence and professionalism. But it does mean a shift in attitudes and skills from that of a public industry that manufactures content 'products' to a service industry that provides public goods in the form of relationships, conversations and interactions, as well as content.

#### How The BBC Is Run

#### 4.1

The BBC Trust is not working well in terms of either managing the BBC or providing the public with an advocate. The contradiction of the Trust role was brought out in the case of the Entwistle appointment and subsequent Savile/Panorama/Newsnight debacle. Whatever the personal strengths of the Trust chairman may be, the position is contradictory and conflicted. For example, he appointed the last DG, helped shape BBC policy with him, defended him and then belatedly sacked him and presided over the replacement and review.

## 4.2

Governance functions should be separated out. There needs to be a proper board and chairman again but supplemented by oversight from a body such as Ofcom that can provide regular independent inspection and reporting upon overall performance on behalf of the public. However, any external 'auditor' should not have oversight over the editorial policy of BBC journalism beyond checking that it meets its basic PSB requirements, as with other PSBs such as ITN.

## 4.3

The over-generous pay-offs and excessive salaries for too many senior managers was a symptom of a wider failure to assign proper chains of responsibility. It was also symbolic of an attitude where BBC managers saw their rewards as comparable to the private sector (where managers have less security, take more risks and deliver greater efficiency). The BBC should continue to pay high salaries for outstanding individuals but comparability also means making sure there are fewer of them and that they deliver. The BBC needs to rebalance responsibility towards the creative and editorial producers and away from the central management. A more networked BBC must accept greater devolution of budgets and decision-making.

## The BBC In The Context Of The Media Market: Size And Financing

## 5.1

The overall scope of the BBC could be reduced but this should not be simply in response to complaints from the private sector. The commercial sector will not automatically benefit from BBC retreat. With online news, for example, it is clear that the BBC produces an outstanding core news service that gets huge amounts of traffic. However, there is still plenty of room for other broadcasters, newspapers and miscellaneous new entrants to provide differentiated digital products. The Guardian, Mail Online and ITV.com are examples where the private sector is providing added value in areas that the BBC should not. It is digital 'native' enterprises such as Buzzfeed rather than the BBC that offers the most direct competition for 'legacy' mainstream media.

## 5.2

The public expect the BBC to provide entertainment as well education and information but in an increasingly segmented media space, the BBC should look harder at whether its provision is passing the three critical tests:

- i) does it add public value
- ii) does it distort competition in a media market?

## iii) does it deal with a market failure?

A more networked BBC will be able to cite partnership and collaboration as a way of meeting these tests, rather than simply making the claim of universality to sanction everything it does.

5.3

At a time when all public services are facing cuts it would only be reasonable to expect the BBC licence fee to be set at below inflation in a way that encourages prioritisation and efficiencies rather than dilution of services.

5.4

Non-payment of the licence fee should be decriminalised. There should be a serious consideration of a long-term move to some form of subscription but it is too early to make that leap in this round of Charter renewal. Recent Swedish experience is that the alternatives all have drawbacks for governments, the broadcaster and the public. If the BBC can show that it really is committing resource to supporting other media organisations such as local media and other civil society bodies such as the arts, then it will have a better case this time around for a universal fee. It might be that a household tax as in Germany would be a fairer way of gathering revenue rather than a device specific levy.

5.5

It is too early to move to subscription now but in a more mutualised BBC model where more people have a real stake in the BBC but where consumption is more personalised, it could make sense. This could be based on a universal household subscription with additional levels to access different content or services. This is already happening to a degree with the BBC's non-UK audiences.

5.6

If the BBC is to continue to make the claim to be the national and world public service media company for the UK then it must be more diverse. Its record on ethnic diversity has improved but, for example, its senior management is still dominated by the Oxbridge PPE culture. The BBC does have a cultural bias and a tendency towards groupthink that makes it less reflective and less responsive to the variety of its British and international audiences than it should be. There are specific policies – around recruitment for example – that can tackle this but if the BBC becomes a more networked, open, participatory organisation that in itself could help make it more healthily diverse. Greater real diversity will deepen its relevance to its audiences and increase its creativity, efficiency and innovation.

You can read all the other written evidence here

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