



Campaigning for a diverse, democratic and accountable media

# Delivering Quality First BBC Trust Consultation October 2011

## Respose from the Campaign for Press and Broadcasting Freedom www.cpbf.org.uk

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The CPBF was established in 1979. It is the leading independent membership organisation dealing with questions of freedom, diversity and accountability in the UK media. It is membership based, drawing its support from individuals, trade unions and community based organisations. It has consistently developed policies designed to encourage a more pluralistic media in the UK and has regularly intervened in the public and political debate over the future of broadcasting in the United Kingdom.

#### 1. Introduction

The BBC document *Delivering Quality First* (October 2011) comes only a year and a half after its Strategy Review, titled *Putting Quality First* (March 2010). That Review was presented as a response to a 'challenge' from the BBC Trust asking if the Corporation's "focus [could] be narrowed and its scale reduced". The Director General had responded, "The BBC should not attempt to do everything. It must listen to legitimate concerns from commercial media players more carefully than it has in the past and act sooner to meet them". The BBC must 'define its boundaries' 'know its limits'. The Trust promised to make its final decisions in the light of the public response, and, indeed two threatened services, Six Music and the Asian Network, were reprieved.

In its response to the Strategy Review, the Campaign for Press and Broadcasting Freedom along with many others without a commercial axe to grind -civic organisations, academics, trade unions and individual viewers and listeners- argued that the BBC should be celebrating its strengths rather than meekly accepting the arguments of its detractors. It should be arguing strenuously that the Corporation should maintain the breadth of its output, and should expand its scope with the move to digital and multi-platform formats.

Instead the Director General came to an agreement with the Secretary of State, which led to the freezing of the licence fee until March 2017 and to the BBC taking on a range of extra commitments, including responsibility for the World Service and for S4C. Responsibilities such as rolling out broadband and supporting local television initiatives relate to public policy and should be funded by general taxation, not by the licence fee payer. These changes will inevitably lead to draconian cuts across the board and to what the DG described as the 'most far-reaching transformation in our history' (DQF p.11). "By 2016, the BBC will be significantly smaller than it is today;

employing fewer people; occupying far less space; and spending less money both absolutely and as a proportion of the UK broadcasting industry".

Although inviting public consultation, the document presents this as a done deal. The Chairman's introduction warns that 'to do nothing is not an option'. This is despite the judgement of audiences, quoted in the report itself. Each week 96% of the public uses the BBC: 74% have a positive impression of BBC: and appreciation scores are 82 out of 100. (DQF para 4.3).

The CPBF deplores the stance taken by the Management and the Trust, and *urges* the BBC to re-negotiate the licence fee settlement. As we argued in our response to the Strategy Review, commercial companies tend to celebrate their strengths rather than apologise for them. The BBC should do the same.

## 2. General comments on *Delivering Quality First*

**2.1.** The importance of the BBC should be recognised more strongly than it is in this document. Over its long history the BBC has developed a huge range of highly valued services and an unparalleled range and diversity of output. It is central to the ecology of the media in the UK. In addition it makes a crucial contribution to the wider cultural life of the nation. Its programming on radio and television, together with its rich and informative group of websites, reflect and contribute to literature, theatre, cinema, music, and numerous interests and activities across the wide range of its programmes and genres. It provides an outlet, and often a training ground, for actors, writers, musicians, journalists and many others. It has been able to do this because of its publicly funded status. The Trust and its new Chair should be defending this to the hilt, rather than simply accepting the top slicing of the licence fee and the vicious attack on the BBC as an institution responsible to the public.

In addition, as Alan Yentob pointed out to the Voice of the Listener and Viewer's Spring Conference on 28 April 2010, "The BBC's investment in content including its commercial subsidiaries, contributed at least £7.5 billion to the UK's creative economy last year supporting jobs, and generating at least £2 of economic value for every pound of the licence fee."

The drastic reduction to BBC funding could lead to a great loss of UK originated original and creative output which is valued both in the UK and overseas, bringing in funds both for the BBC and UK creative industries.

- **2.2** The title of the document skirts neatly round its substance, which is how the BBC plans to deal with the draconian cuts which are necessary following the agreement with the Government. Although it abounds in euphemisms ('cuts' are always 'savings' or 'efficiencies') a note of regret can be detected at the scale of the devastation. DG Mark Thompson states "It's my judgement that this is the last time the BBC will be able to make this level of savings without a substantial loss of services or quality or both" and he warns that the cuts (a word he assiduously avoids) will affect "the scope of services". In our view the *proposed cuts will indeed do serious damage to the BBC* and its services. In addition they will affect its prestige, and the wider context of UK broadcasting.
- **2.3.** It is to be deeply regretted that this arrangement was *hastily agreed, behind closed doors*, between the Director General and the Secretary of State. There was no public consultation, no form of involvement from licence fee payers, who are, in

fact, the BBC's 'stake holders', nor any debate within parliament or scrutiny by a parliamentary committee.

John Whittingdale, Conservative Chair of the Culture, Media and Sport Committee has stated, "The way the new licence fee was agreed – a short, private, negotiation between the BBC and the Government - did not do much to inspire confidence in the independence, transparency or accountability of the process. (19 May 2011)" We agree with this, and would argue that this undemocratic process means that a renegotiation is necessary. Indeed the Government is planning to publish a Green Paper on Communications, which will offer an opportunity to review the role of the BBC in relation to the wider media ecology.

The argument that 'we cannot absolve ourselves at the BBC from the responsibility of responding to current economic realities" (Chairman's introduction) ought not to apply to the licence fee, as this goes directly to the BBC and is not granted from general taxation. Changes to the licence fee do not, therefore, contribute to 'deficit reduction' or other fiscal policies.

**2.4.** The agreement which will lead to a reduction in the BBC's income, and consequent reduction in its size and scope, was both *politically and ideologically driven*. The current government, is, like previous Conservative Governments, ideologically opposed to the concept of 'public service' and the practice of public funding. Hence the suspicion of the BBC as an institution. At the same time, commerical companies, in particular News Corporation with its strong influence on government, have long argued that the BBC, with its secure licence fee funding and its broad scope across several media, posed unfair competition to their businesses. In the words of James Murdoch its effect is 'chilling' (Edinburgh TV festival 2009). The BBC should be "focusing on those areas where there is a real deficit of provision, and de-prioritising or stepping back entirely from other areas where the market is providing or has the capability to provide more." stated a document from Murdoch's BskyB in a response to the BBC's Strategy Review.

This ideological pressure towards market solutions, and consequent attacks on the BBC, began with the Conservative government of the 1980s and has been taken up with enthusiasm by the current Government. The pressure has been so strong that the Corporation itself appears to have taken the argument seriously.

However, this argument is completely fallacious, and is in no way born out by the actual history of UK broadcasting. Broadcasting historians generally agree that the competition for audiences and quality between regulated commercial channels (specifically ITV and Channel Four) and the publicly-funded BBC -in every genre, from entertainment to investigative journalism- has raised the quality of both, and increased the benefit to the audience.

This regulated 'public service ecology' is no longer possible in the same way in the multi-channel, digital age, but the lesson should be learned that a strong, publicly-funded channel challenges rather than 'chills' commercial channels, and that the ability to focus on audience interests, rather than merely delivering audiences to advertisers, increases the depth and appeal of the *whole* broadcasting ecology not just specific 'public service' programmes.

**2.5.** The DG's priorities are described as "putting quality and creativity first". (The implication that, in the past the BBC has not striven to put quality and creativity first, is bizarre).

However, with the history of UK broadcasting in mind, it should be recognised that 'quality' is not just a description of specific programmes that are judged to be superior in some way, but that it involves the whole output, and is underpinned by an attitude towards the audience which sees them as participating citizens, as individuals, with a variety of tastes, interests, background and opinions, rather than an aggregate mass of 'consumers' who must be packaged and sold to advertisers.

Nevertheless, over the previous decade, many creative staff at the BBC have already become demoralised by pressures which have mitigated against 'quality and creativity'. There is already pressure on budgets, insistence on targets and formulae, lack of respect for experience and shrinking space for innovation. An attitude of cynicism has become common. (See Georgina Born's study of the BBC, *Uncertain Vision*). The proposed changes will make these pressures even more intense.

## 3. Specific comments on the proposals

The proposals for cuts are presented under two headings: "productivity' and 'scope'

## **Productivity**

## 3.1. Job losses and conditions of employment

The document describes 'a flatter and more dynamic flexible structure' (DQF p. 13). Clearly the increased use of digital technology "improved connectivity and multiplatform working" (p.13) will inevitably lead to re-organisations. However, the document predicts "estimated net loss of around 2,000 posts across the BBC". This is to be deplored, and we urge the BBC to re-think its approach.

In particular the assumption that 'back-office' staff can be cut needs to be carefully considered. The document proposes "reducing central support functions by 25%". However, support areas, including libraries, archives, research departments -as well as diverse 'back office' activities including web designers, online editors, secretaries, accounts departments and many others- make essential contributions to the output of the BBC, as do technical support staff, engineers, research technicians, maintenance people and so on.

The role of the BBC in scientific research and the development of broadcasting technology is hardly mentioned here, but this role should also be protected. In the past, its publicly funded status has meant that the BBC has led in innovation. The expertise of the BBC's engineers and technicians is a major resource which should not be lost.

#### 3.2 A flexible workforce

The proposal for a more 'flexible workforce' includes a move to "a single UK network production economy bringing together network television production across the UK" Once more, some changes of this sort are inevitable in a move to all-digital environment. However, this could also mean a worsening in the pay and conditions of work for many employees, as well as less satisfying work. Under the heading "A fair, modern deal for BBC staff" it is suggested that conditions will be reviewed and 'reformed'.

However, the time for creativity and attention to detail must be preserved both in the production process and in its back-up. *The Singing Detective,* which will be retransmitted to celebrate its 25<sup>th</sup> anniversary, is widely acclaimed as one of the greatest and most influential of the BBC's drama series, gaining large audiences despite its complex structure and avant-garde style. The six-part drama had two weeks rehearsal time before filming began, and rehearsal time between each scene. Together with expert input from make-up, designers, props people, choreographers and others, this contributed to the excellence of the production.

#### 3.3 sub-contracting

The policy of sub-contracting and out-sourcing whole departments means that the Corporation is less able to integrate its activities. Sub-contracting to small businesses usually drives down wages and conditions and is less committed to BBC's core purposes, especially as the BBC will expect "better value from external contracts". The document states that the Corporation will employ fewer suppliers with 'keener pricing'. The TUC has pointed out that "at the time of the 2010 strategy consultation the BBC spent £1.3bn with third party suppliers, many of them large and profitable companies". Effectively licence fee payers money is transferred to private companies.

## 3.4 Top pay

It is proposed that there should be a 'flatter management structure' with fewer levels of management, and that there will be fewer 'senior leaders'. Clearly this may help in simplifying the levels of bureaucracy which have been introduced in recent years. However the document is not clear about the levels of reduction in senior management pay. This should not attempt to compete with the completely unsustainable levels in the private sector. A wide gap between pay at the top and the bottom of an organisation is, in itself demoralising and deeply divisive.

#### 3.5 De-centralisation

In principle the BBC is rightly criticised for being too metropolitan-centred, so while the moves may be cautiously welcomed, we have reservations given the harsh economic climate the BBC is expected to operate in. The move to Salford is extremely costly and may not lead to real improvements, either for staff or audience. In the light of the draconian cuts proposed to local radio, this increasing decentralisation may mean less local provision.

#### 4. Scope

**4.1.** We note that an IpsosMORI poll (Oct 2011) demonstrated that *all services are valued*. However, although we agree with the principle of not closing an entire service, the effect of specific proposals, such as taking 22% content out of local radio, is likely to have a similar, if not worse, effect. We regret that the chief criterion for discussing the scope of the BBC's services at this point is the need to make cuts.

#### 4.2. Five editorial priorities

How could anyone reject the focus on the *best* journalism; *inspiring* knowledge, music, and culture; *ambitious* drama; *outstanding* children's content; and *national* events? But we should pay attention to those adjectives. There is more than a hint

that the BBC will abandon any area of programming which is *less* inspiring, *less* ambitious -and which might just tread on the toes of its commercial rivals. In fact the 2010 Strategy Review made it clear that the Corporation's five editorial priorities "share a civic and universal aim, with a commitment to providing what markets alone cannot guarantee".

The aim is to "concentrate licence fee spend on the things which the public most expect from us" while reducing spend on other kinds of output by around 30%. However, we maintain that the public has also learned to expect the unexpected. In order to achieve innovation, and to encourage experimentation and challenging programmes, a new format -a new comedy or soap opera, for example- must be given the chance to fail. There must also be opportunities for new talent -writers, performers- to get into their stride. Many of the BBC's best-loved series (*Casualty* is an example) have taken several series in which to build up their audiences.

The BBC needs to maintain the broad scope of its programming. The document speaks of developing 'big experiences for big audiences' in the field of entertainment, and we welcome this competition with commercially-funded channels. (*Strictly Come Dancing* is a striking current example; but it spends rather too much time on self-promotion). However, there should also be space for the low-key, the undemanding, the everyday. The proposal to remove or re-cast "less-valued parts of the schedule" should be re-thought. Frequently, in the past programmes specifically targetted at women have been considered low-status, not 'inspiring' 'ambitious' or 'outstanding'. This was where the, now essential, soap-opera format began its life. We argue that there should be space for these programmes, too.

#### 4.3 Journalism

It is essential that the BBC continues to support its impressive output of news and current affairs, online as well as on television and radio. The document recognises the need to sustain reliable and impartial news output, especially as more and more news provision moves online.

We would welcome a real commitment to protect *Panorama*, but there are real problems with the current proposals. 31 posts are actually being closed in the network current affairs department, and there is no guarantee that any new money should it arrive will be inflation proofed. A wider range of current affairs programmes and other formats which address the news agenda is important, too. The focus on 'core and breaking news' proposed for the News Channel could well lead to the sort of instant reporting which neglects the background context, historical analysis, investigative research and the wider input which helps the audience understand and engage with news events.

The proposal to 'reduce duplication' across the board could lead to a reduction in specialist reporters and hence to a flattening and simplification in coverage. The fact that World Service journalism will be incorporated into the general output could be an advantage, provided its diversity is not lost. There is a real concern that this may, in fact, lead to a reduction in specialisation.

## **4.4**. Relationship between the channels

The proposal is to link the digital channels, BBC3 and 4, more closely to the main channels, BBC1 and 2 respectively with "BBC Four playing a more complementary role to BBC Two, and making BBC Three more explicitly a place to nurture talent for BBC One". This means more repeats, (described as 'multiple showings' and

"ensuring audiences have proper opportunities to engage with the output") and moving successful programmes on to the main channels. "In both cases, the digital-only channels will coordinate their commissioning and the windowing of their content more closely with their respective core channels"

Once more a loss in diversity is to be regretted, especially on BBC4, which has built up a loyal and admiring following. A considerable campaign has arisen around this channel and we add our voice to those who wish to protect its innovatory nature.

There is also a proposal to share content between services across the UK. Although this will have drawbacks, the proposal to show more programmes made in the 'nations' across the whole UK is welcome (*Coal House* was an excellent addition to the schedule), as is the re-showing of significant programmes from the archive (such as *The Singing Detective*)

#### 4.5 Times of day

The proposal is that 'investment' is focussed on "flagship services and on the times of day when the public most use our services". That means that late night, night time and day time schedules will be severely cut, and that there will be only one originated day-time schedule, on BBC1. The other channels will show repeats. Once more, we deplore the loss in diversity of programming, and a training ground for production staff.

#### 4.6 Re-investment

On top of the 16% cuts needed to meet the licence agreement requirements, the DG has imposed an extra 4% in order to fund re-investment. This includes developing 'landmark programmes', and it protects the Proms and will provide an 'investigations fund' for *Panorama*. Clearly we support investment in programming, but regret that it must be at the expense of other content.

We also support the proposal for new investment in the Nations of the UK. However, the 40% reductions in current affairs and investigative programming outside London are also a matter of serious concern. (to check details)

#### 4.7. Local Radio

Local radio has already been hard hit by the cuts. The UK Press Gazette (8 Dec 2011) reported that £15 million has been cut from 40 local stations with a loss of 280 jobs. This is particularly serious because of the decline of local newspapers. These are being taken over by major media corporations, which are reducing the local journalistic input. By contrast, local radio stations have a particularly close relationship with their listeners, and listening figures are going up. Cuts to local radio are particularly concerning, as the BBC will loose £5 million a year from its licence fee to support commercial companies in the Government's proposed local television stations. Ironically, culture secretary Jeremy Hunt has noted "a real demand for local news and content" (Press Gazette 13 Dec 2011). This situation is unacceptable. Funds should be targetted at existing local provision and not diverted towards supporting commercial ventures.

#### 4.8. Online:

We deeply regret the 25% cut to the budget of bbc.co.uk. and urge the BBC to reverse this. The BBC's websites are innovative, informative and have an

unparalleled scope and depth. They should be preserved, especially as the coming of an all-digital television service will mean closer links between online and broadcast programming and the opportunity for multi-platform production and innovative formats. This should be a time of expansion, not shrinkage. We welcome the proposals to put the BBC's extensive back catalogue on screen, together with the Radio Times archive. This will be of immense value to historians and researchers, as well as providing unexpected insights for the general population. However, we have reservations about the proposals for 'partnerships' with commercial institutions and creating 'public space'. The strength of the BBC is its funding by the public at large. It should remain free from commercial pressures.

## 5. Conclusion

To conclude, The introduction to *Delivering Quality First* told us that doing nothing is not an option. We are told that draconian reductions to the BBC's scope, services and very presence as a national institution, must be accepted. We do *not* accept this situation. We argue that this attack on the BBC is politically and ideologically driven, and that the government has put unacceptable pressure on the Corporation in response to powerful and influential commercial interests. In particular, at the time of the licence fee agreement, Rupert Murdoch was negotiating full control of BskyB, which the government was 'minded' to grant. Now that the unacceptable influence of Murdoch and News Corp has become public knowledge, that bid has been reconsidered. In a similar fashion, the licence fee agreement should also be reconsidered.

We urge the BBC Trust and the Director General to re-open negotiations with the government, and to ensure that these are open to public and parliamentary scrutiny.

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