British Broadcasting Corporation Broadcasting House, Portland Place, London W1A 1AA

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Kevin Bakhurst Group Director, Broadcasting & Online Content Group Executive Member, Ofcom Board Ofcom

10 March 2023

Dear Kevin,

Delivering value for all in our provision of local content and news

Thank you for your letter of 24 February in which you set out Ofcom's views on the changes we are making to deliver greater value for all audiences across the UK. We have set out an exciting agenda.

As our audiences consume in different ways, it is important that the BBC adopts a more digital, portfolio approach. We particularly welcome the changes in the new Operating Licence which enable the BBC to do this. In a tough financial climate it is critical that we are enabled to prioritise resources on areas which deliver the most value, and not just chase after quotas. This is a big step forward for more dynamic regulation of the BBC.

Our local and news changes fully reflect our strategy. Over the past few months our Director of News, and Director of Nations and Regions and teams have briefed Ofcom fully on our proposals. The BBC has also briefed and discussed these proposals with a broad range of stakeholders and considered their feedback in finalising our plans. This approach is now well-established in the way that we work, although engagement does not always mean everyone agrees with our proposals which is to be expected in a highly competitive market place.

On news, we think that the creation of the single television news channel for UK and international audiences will offer UK audiences a better service. The channel will be 'Proudly British, Uniquely Global', with a single operation delivering distinct output for UK audiences and playing a significant role in delivering the BBC's public purpose to reflect the United Kingdom to the world. The new integrated operation will bring together the channel with the online live & breaking team, enabling seamless coverage of major breaking stories to audiences however they wish to consume BBC journalism across broadcast, streaming and digital. The UK feed of the News Channel will serve UK audiences with coverage of major local, regional, national UK and global stories, with breaking stories carried both on the channel and on live streams also available on the BBC website.

We will review the performance of the new channel, including research on audience reactions, to ensure that it continues to meet its requirements under the Charter, Framework Agreement and the Operating Licence.

On local, we think that our proposals reflect the changing demands of our audiences, many of whom want more local online. However we recognise that the local TV bulletins

at 6.30pm remain the most watched news in the UK. And that our local and nations radio stations are an important lifeline for many, as we demonstrated during the pandemic. Our changes in England build on our success by creating 39 multi-media hubs which include our existing 39 local radio stations, investing more in investigative journalism and online services. We are maintaining our vital devolved nations and language stations. We are maintaining our investment in local services and focusing our portfolio on the areas which we know will increase the most audience value.

We have made some changes of programming sharing between our local radio stations in England as a result of stakeholder and audience engagement. We will remain the most genuinely local radio service in England maintaining our 39 local radio stations for over 70% of the listening, with evening programmes far more local than they were in 2017, and we will provide live commentary to 3,000 football matches a year.

On coverage for Foyle listeners which has been the subject of debate – there will be a 30-minute Radio Foyle weekday news programme at 8.30am and hourly weekday news bulletins until 3pm. We will also make more programmes from our Foyle base for the whole of Northern Ireland.

The BBC continues to be the most transparent media organisation in the UK in the way we publish our proposals, engage with stakeholders. We are rightly held to account by Ofcom and provide a great deal more information to be scrutinised as you would expect. We are also conscious that our proposals are also scrutinised by Government and Parliament so it is imperative that we are open and transparent about our proposals.

I can assure you that we have taken very seriously the points that Ofcom has made during these discussions. Having followed Ofcom's regulatory processes we are now implementing these exciting changes and will continue to review and report on progress to Ofcom and through the BBC's annual report.

And I suggest, that we have a further meeting with our teams to discuss the learnings from this important set of changes.

Yours sincerely,

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Clare Sumner Director, Policy