

# Consultation Response: Modernising the BBC's Operating Licence

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# Submitted by

The Sandford St Martin Trust (Registered charity no. 277370) Room 202 Church House Great Smith Street London SW1P 3AZ

Chair: The Rt Revd Dr Helen-Ann Hartley, Bishop of Ripon

Executive Director: Anna McNamee

Contact: anna.mcnamee@sandfordawards.org.uk

### About the Sandford St Martin Trust

- i. The Sandford St Martin Trust promotes thought-provoking, distinctive broadcasting that engages with belief, ethics or morality and enhances the public understanding of religion. We believe a) the media have an increasingly important and challenging role to play in interpreting world events, b) this cannot be done without acknowledging the complex roles religions play in both contemporary and historical human experience and c) a religiously literate media can promote greater understanding, increase tolerance and foster stronger communities at local, national and global levels.
- ii. The Trust advocates at industry, regulatory and government levels for the place of broadcasting about religion in a healthy and diverse media ecosystem. Our outreach work promotes religion as an important and rewarding subject for content-makers and audiences to engage with. In recent years, we have produced events in partnership with the Wales Screen Summit, the Bradford Literature Festival, the Commission for Belief in Public Life, the Edinburgh International Television Festival, the Media Society, NUJ Training, Sheffield Doc/Fest and many more. More details can be found on our website: www.sandfordawards.org.uk
- iii. Since 1978 the Trust has made annual awards for the best broadcast content about belief, religion, ethics and spirituality. The Sandford St Martin Awards are the UK's most prestigious prize for religious broadcasting and are open to a wide range of genres news, current affairs factual, arts, music, drama and comedy as well as to 'traditional' religious broadcasting. Winners are decided by panels of media professionals. Radio Times readers also vote in their thousands for their favourite TV or radio programme exploring religion from a list published in that magazine.
- iv. The Trust is politically independent and is not affiliated with any media company or organisation. It does not proselytise on behalf of or promote any particular religion or faith, nor does it engage in religious activities itself. Our Trustees include people with many years' experience of broadcasting and representing a wide variety of perspectives and faith backgrounds.
- v. In keeping with our area of expertise, our response to this consultation focuses on the impact the proposed changes to the BBC's Operating Licence will have on the provision of religious and ethical broadcast content.

# Question 1: What are stakeholder views on how Ofcom should assess and measure BBC performance?

- vi. It is the view of the Sandford St Martin Trust that, as a publicly funded corporation, full transparency and accountability form the bedrock of the BBC's contract with stakeholders. We believe Ofcom's role in regulating the BBC is a critical part of the mechanism holding the BBC fully and properly to account.
- vii. For these reasons, we are deeply concerned by the proposed changes to the Operating Licence which we understand:
  - would allow the BBC to set and define its own targets, replacing current quotas for 'at risk', core
    public service genres such as religious broadcasting but also children's and arts, with less easily
    measurable "obligations";
  - do not safeguard against the moving of "at risk" content to less prominent platforms or to parts of the broadcast schedule where they are harder to find and when there are limited audiences;
  - devolve responsibility for assessing and measuring the BBC's performance against any targets or obligations to the BBC itself, essentially giving the organisation the primary responsibility for "marking its own homework";
  - hinder Ofcom's ability to respond in good time to any failures by the BBC to meet its obligations as it would be dependent on the BBC's own publishing and assessment schedules.
- viii. While the Sandford St Martin Trust recognises that changes in audience behaviour and technology developments require changes to the Operating Licence, it is our belief that the public and audiences are best served if the quantity, quality and accessibility of the BBC's offering and performance remain independently assessed and measured. This is particularly relevant to the safeguarding of publicly valuable 'endangered' genres such as news and current affairs, regional news, arts, children's and religious broadcasting.
- ix. We note Ofcom's own view that these genres and religious programming are "generally considered to be core public service broadcastings territory" <sup>1</sup>
- x. Yet this is a genre currently under threat. Ofcom's own findings have described religious programming as one of several "immediate issues" of concern: "There are some immediate issues emerging from our review: news consumption and the provision of news for young people, drama that reflects and portrays British society back to a British audience, content tailored to the specific needs of the UK Nations and their regions, religious programming, children's programming and investment in other areas such as music and arts." <sup>2</sup>)
- xi. We believe the dramatic decline in hours and investment in religious programming by Channel 4 and ITV since this element of the PSB requirement was removed clearly demonstrates the need for robust guotas and independent scrutiny of the BBC's performance going forward.

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<sup>&</sup>lt;sup>1</sup> Ofcom Review of Public Service Television Broadcasting: Phase 1: Is television special (2006), para 16: https://www.ofcom.org.uk/\_\_data/assets/pdf\_\_file/0023/25655/psb.pdf

<sup>&</sup>lt;sup>2</sup> Ofcom: Public Service Broadcasting in the Internet Age (2015), para 2.4, <a href="http://stakeholders.ofcom.org.uk/binaries/consultations/psb-review-3/statement/PSB\_Review\_3\_Statement.pdf">http://stakeholders.ofcom.org.uk/binaries/consultations/psb-review-3/statement/PSB\_Review\_3\_Statement.pdf</a>

xii. For these reasons we strongly oppose changes to the Operating Licence which would see the BBC given primary responsibility for setting out and defining its own targets and measuring its own performance against these.

"If our cultural arbiters vacate the field on which our young people wrestle with the great questions, then other forces will step in. And if we don't help young people grapple with the complexity of those questions, then there are other people who will cheerfully come along with murderously simple answers."

Frank Cottrell-Boyce, Sandford Award winner and Chair of Judging Panel.

# Question 3: Do you agree with the proposals for Public Purpose 2? If not, please explain why.

- xiii. While the Sandford St Martin Trust would welcome increased transparency and a strengthening of the information the BBC provides regarding how it delivers Public Purpose 2, we do not consider that it follows that these can only be achieved if the BBC has flexibility to independently determine how to best deliver learning and other core content such as religious broadcasting across its broadcast services and online.
- xiv. The BBC is now the main commissioner and provider of this kind of culturally-specific and audience-relevant core content in the UK. We will more directly address the subject of quotas in our response to Question 4 (below) and focus here on issues around accessibility to this content.
- xv. The Sandford St Martin Trust acknowledges that the overall aim of the proposed changes to the BBC's Operating Licence is to meet audience needs in a digital age, and we welcome new requirements on the BBC's online services.
- xvi. But while we recognise that BBC iPlayer, BBC Sounds, the BBC website and other online services are becoming increasingly important for reaching audiences, we note that there remains a significant and important part of the audience who still rely on the BBC's analogue offering and that the current proposals do not adequately address key concerns around a) digital poverty, or b) prominence for less populist genres and content in an increasingly crowded digital space.

# **Poverty**

- xvii. For significant proportions of the UK population digital broadcasting services are not viable either because they cannot pay for subscription services or because they are living in areas without adequate broadband.
- xviii. Research conducted this year by the Digital Poverty Alliance (DPA) charity found that among people living on an annual household income of £25,000 or less, one in five never use the internet.<sup>3</sup>

<sup>&</sup>lt;sup>3</sup> Institute of Development Studies, Issue 202, August 2022: <a href="https://www.ids.ac.uk/download.php?file=wp-content/uploads/2022/08/Digital\_Poverty\_in\_the\_UK\_August\_2022.pdf">https://www.ids.ac.uk/download.php?file=wp-content/uploads/2022/08/Digital\_Poverty\_in\_the\_UK\_August\_2022.pdf</a>

- xix. Elizabeth Anderson, COO of the DPA said "There are at least 6% of the population, probably more, who are permanently offline. That rises to nearly three million when you just look at people who've not used the internet in the last three months".
- xx. In 2019 Ofcom's Media Nations report found that homes with <u>only</u> free-to-air digital terrestrial television amounted to 40% of all households. While surveys suggest lockdown conditions during the pandemic resulted in a growth in migration to online-only services, we note that the number of homes with access to SVOD services now appears to be in significant decline.<sup>5</sup>
- xxi. The DPA's data goes on to show that low-income inner-city areas and low-income coastal communities are the most adversely affected by limited internet and digital access, as the financial barrier for entry is too much.<sup>6i</sup> And new analysis by *Which?* has found that nearly six million homes are struggling to afford essential telecoms services.<sup>7</sup>
- xxii. In the current cost of living crisis, it seems inevitable that the number of households with access to digital services will decline making the continued availability of core content such as religious programming on traditional platforms more important.

#### Prominence

- xxiii. The Sandford St Martin are concerned that a more flexible "service neutral" framework for content provision would provide an opportunity for the BBC to reduce the prominence of core PSB content on traditional broadcast platforms, and would result in a further decline in the quantity and quality of new content in these genres.
- xxiv. It is our fear that the lack of proper rules around prominence for these genres across platforms would see religion "ghettoised" to online platforms where audiences would be less likely to discover it, and would encourage an even steeper decline in the BBC's commissioning and expenditure on new religious and ethical content.
- xxv. We note the BBC's Public Purpose 4: "The BBC should bring people together for shared experiences and help contribute to the social cohesion and wellbeing of the United Kingdom".8
- xxvi. In a time of deepening cultural and political divides, we believe well-made religiously literate content that reflects and represents the UK's many and diverse belief communities is essential to the fulfilment of this Purpose.
- xxvii. It follows that in order to deliver on this Purpose the BBC must commit to keeping a good quantity and quality of core content prominently accessible across <u>all</u> its platforms and that the Operating Licence should safeguard its provision.

<sup>&</sup>lt;sup>4</sup> https://www.uktech.news/news/government-and-policy/digital-poverty-alliance-digital-skills-gap-20220811

<sup>&</sup>lt;sup>5</sup> Digital TV Europe News, 8 August 2022: <a href="https://www.digitaltveurope.com/2022/08/08/svod-sees-decline-in-uk/#:~:text=According%20to%20the%20latest%20Establishment,lost%20subscribers%20during%20the%20period</a>

<sup>&</sup>lt;sup>6</sup> ibid: Institute for Development Studies

<sup>&</sup>lt;sup>7</sup> Which? Press Office 4 August 2022: https://press.which.co.uk/whichpressreleases/millions-struggling-to-afford-essential-telecoms-says-which/

<sup>&</sup>lt;sup>8</sup> About the BBC: Mission, values and public purposes: https://www.bbc.com/aboutthebbc/governance/mission

# Question 4: Do you agree with the proposals for Public Purpose 3? If not, please explain why.

- xxviii. We strongly disagree with proposed changes for Public Purpose 3 which would see quotas for some genres replaced by "obligations on the BBC to provide a wide breadth of output in a range of genres and content types on its services".
- xxix. In addition to a detrimental impact on audience accessibility (detailed above), it is our belief that the lack of robust, detailed and clearly defined quotas for genres would result in the certain further decline of the overall PSB offering.
- xxx. Ofcom's own consultation document for this review acknowledges that while the BBC "continues to provide a significant amount of original UK content the foundation of BBC distinctiveness ... this is in decline, particularly in some at-risk genres". These "at-risk" genres include arts and music, children's, comedy, specialist factual and religion all core public service content yet the current proposals not only fail to address how these genres will be safeguarded but, we would contend, put them at greater jeopardy.<sup>9</sup>
- xxxi. Ofcom itself has noted the limited provision of arts, education and religion and ethics content by broadcasters. Despite being supplemented by radio and online platforms at the BBC, the quantity of religion and ethics programming has continued to decline since Ofcom's last PSB review by 6% between 2014 and 2018.<sup>10</sup>
- xxxii. Further research across PSBs by Mediatique between 2016-2019 found a decline of 2.2% without inflation in Religious and Ethical content expenditure a larger drop than in any of the other 12 genres considered.<sup>11</sup>
- xxxiii. We would question why, given this research and findings that show a continued dramatic decline in hours and PSB investment in religious programming accelerated at Channel 4 and ITV since this element of the PSB requirement was removed Ofcom is proposing replacing quotas with the BBC's own targets and measures.
- xxxiv. Looking forward to 2024, Mediatique goes on to forecast a "stark illustration of declines" in PSB expenditure on Religion and Ethics first-run original content and says "This (decline) is in effect a 'best case' scenario, particularly in the context of distressed PSB type genres": as revenues decline, and broadcasters seek to shave costs in line, they will continue to be incentivised to spend disproportionately on popular genres (drama; entertainment; factual entertainment) to maintain audiences, reducing to a bare minimum their expenditure on specialist genres... There will be no incentive to make more than the regulatorily imposed number of hours in 'pure' PSB genres (where quotas exist) or to spend more than the bare minimum per hour" 12

<sup>&</sup>lt;sup>9</sup> Ofcom: Modernising the BBC's Operating Licence, para 5.12: <a href="https://www.ofcom.org.uk/">https://www.ofcom.org.uk/</a> data/assets/pdf file/0023/239144/bbc-operating-licence-june-22.pdf

<sup>&</sup>lt;sup>10</sup> Ofcom: Small Screen: Big Debate – a five-year review of Public Service Broadcasting (2014-18), (Ref: pb. 21: <a href="https://www.ofcom.org.uk/">https://www.ofcom.org.uk/</a> data/assets/pdf\_file/0013/192100/psb-five-year-review.pdf

<sup>11 &#</sup>x27;Future models for the delivery of public service broadcasting' Mediatique, Dec 2020, pg. 22-23: https://www.smallscreenbigdebate.co.uk/\_data/assets/pdf\_file/0025/208771/future-models-delivery-of-psb-mediatique.pdf)

<sup>12</sup> iibid, pg 35, emphasis ours

- xxxv. Of com's consultation document for the current review notes the vital public service role the BBC played in the provision of this kind of content during the COVID pandemic. <sup>13</sup>
- xxxvi. But research conducted before the pandemic also found that audiences across all generational groups and particularly younger audiences, prioritise "programmes that reflect the full range of cultures and viewpoints of the people in the UK" and "specialist programmes about the history, science, **religion** or the arts" as particularly important service aspects of PSB.<sup>14</sup>
- xxxvii. We note that the BBC which has led among PSBs when it comes to religious and ethical content delivery since the removal of their quotas points to figures showing that "it exceeded many of its own targets for religion"<sup>15</sup>.
- xxxviii. However the questions this raises for us are a) at a time when the BBC faces overwhelming financial and budgetary pressures (such as now), or under a change of leadership, what guarantees are there that the BBC's home-set targets for less commercially viable core PSB genres will remain robust and b) if the BBC is exceeding many of its own targets even while the overall quantity of new commissions and overall spending on genres such as religious programming is in decline, is the existing target or quotas too low?

# Question 6: Do you agree with the proposals for Public Purpose 4? If not, please explain why.

- xxxix. The Sandford St Martin Trust welcomes the consultation's acknowledgement of the key role quotas for production in the nations and regions and programming for the nations and regions across TV and radio and BBC Online have played in securing investment in diverse creative economies and the representation of the UK's diverse communities.
  - xl. A review of SSM Award entries and finalists over the last decade illustrates the rich contribution to religious representation made by content produced in the nations and regions. This is particularly evident upon a review of the critical role BBC national and regional religion broadcasters and religious content played during the COVID-19 pandemic.<sup>16</sup>
  - xli. Sandford St Martin Award winners such as the reporting on the "Burnley Crisis" by the BBC's local news team are prime examples of how a regional story can have national and international impact when they are given a platform.<sup>17</sup>
  - xlii. SSMT would further welcome proposals that would see national and regional content more widely available to audiences across the UK via BBC iPlayer and BBC Sounds.

<sup>&</sup>lt;sup>13</sup> Ofcom: how Ofcom regulates the BBC, 22 June 2022: <a href="https://www.ofcom.org.uk/">https://www.ofcom.org.uk/</a> data/assets/pdf file/0028/239176/How-Ofcom-regulates-the-BBC.pdf

<sup>&</sup>lt;sup>14</sup> The Impact of Lockdown on Audiences' Relationship with PSB, pg.14-15: https://www.ofcom.org.uk/\_\_data/assets/pdf\_file/0024/199104/exploration-of-peoples-relationship-with-psb.pdf

<sup>&</sup>lt;sup>15</sup> The Times: "BBC's arts and religion shows at risk in plan to loosen strict quotas, 24 February 2022: <a href="https://www.thetimes.co.uk/article/bbcs-arts-and-religion-shows-at-risk-in-plan-to-loosen-strict-quotas-pl6lrmvq7">https://www.thetimes.co.uk/article/bbcs-arts-and-religion-shows-at-risk-in-plan-to-loosen-strict-quotas-pl6lrmvq7</a>

<sup>&</sup>lt;sup>16</sup> https://sandfordawards.org.uk/2021-broadcasters-directory/

<sup>17</sup> https://sandfordawards.org.uk/2021-trustees-awards/

- xliii. However, as laid out in our response to Questions 3 and 4, we would not like to see digital provision replace that the BBC's obligations to provide a good quantity and quality of national and regional content via traditional platforms and at key times during the schedule.
- xliv. We do welcome proposals to strengthen the transparency requirements that will hold the BBC to account for how it represents all diverse communities including faith communities of the UK both on-and off-screen including requiring the BBC to report publicly on its representation and portrayal obligations. We believe that this is fundamental to the BBC's contract with its audience and would advocate for timely and transparent independent review of the BBC's performance in this area.

# Question 7: Taken together, do you agree with proposals for a new Operating Licence? If not, please explain why.

- xlv. As outlined in our answers above, while the Sandford St Martin Trust recognises the need to modernise the BBC's Operating Licence so that it reflects technological changes, the evolution in how some people access the services, and the BBC's own pressurised resources, we believe the current proposals pose significant danger to core PSB content and the obligations to provide such content that make the BBC unique amongst broadcasters in the UK and around the world.
- xlvi. For these reasons the Sandford St Martin Trust:
  - opposes replacing independently set quotas with the BBC's own targets;
  - opposes proposals that would see Ofcom "stepping back" from its regulatory role in favour of allowing the BBC to assess its own delivery and performance.
- xlvii. We believe that the proposed changes to the Operating Licence currently being considered would further jeopardise 'at risk' PSB genres such as religious and ethical broadcasting as they would result in an inefficient and much less robust regulation of the BBC through
  - the replacement of independently set, rigorously regulated quotas for the BBC's own more loosely defined and self-assessed targets and obligations;
  - the further decline in key PSB content production and provision of at risk genres such as religious and ethical programming;
  - the shift of less popular genres such as religious and ethical programming away from traditional platforms to online or digital spaces where the content is less discoverable by audiences to the detriment of public trust in the BBC's integrity and its commitment to Public Purpose 4.

"Religion sounds boring to some and contentious to others. But what it is to me is a wonderful source of stories about what it is to be human and a huge part of many people's lives"

Jimmy McGovern, screenwriter and Sandford St Martin Award winner.

# Conclusions

- xlviii. The Sandford St Martin Trust believe any changes to the Operating Licence should ensure:
  - The BBC maintains or improves on its current provision of core 'at risk' content such as religious and ethical programming.
  - Core genres such as religious programming are prominent and available across all BBC platforms.
  - Any quotas or targets are independently-set and assessed in a timely manner to ensure the BBC continues to meet its PSB obligations.

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