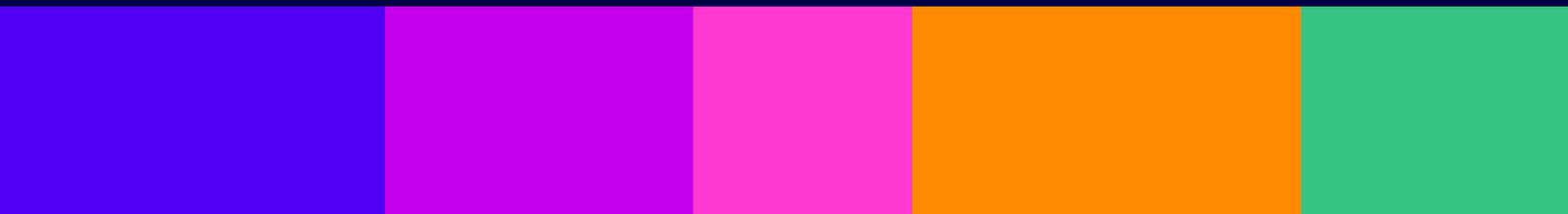




Ofcom Annual Report on the BBC 2022-23

Published 30 November 2023



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1. Overview

The BBC is required to meet its Mission and Public Purposes and, as set out under the Royal Charter, the BBC Board is tasked with setting the BBC's strategy. Ofcom is responsible for holding the BBC to account on behalf of audiences for delivering its remit. We do this in three ways: overseeing the BBC's performance in delivering its Mission and Public Purposes; protecting fair and effective competition; and regulating content standards in BBC programming. Every year, as required by the BBC Charter and Framework Agreement, we publish a report on the BBC's performance in these three areas, and how we have carried out our role.

This is our sixth Annual Report on the BBC. It builds on our work over the last year to modernise our regulation of the BBC. In this main report, we summarise the BBC's performance across all areas of our regulation in the 2022/23 financial year, while also examining more recent changes to BBC services. We base our assessment on a wide range of evidence, including the data in our [interactive performance report](#), published alongside this report. We are also publishing an assessment of the BBC's compliance with the [BBC Operating Licence](#) in force during the reporting period – see Annex 1: Compliance with regulatory requirements.

Overall, the BBC has performed well and has continued to deliver its Mission and Public Purposes

The BBC provides a wide range of high-quality content and news across TV, radio and online. Its services are widely used, with four in five (83%) adults using the BBC weekly,¹ and audiences across the UK remain generally positive towards the BBC, with a majority (60%) rating it highly.² Over the reporting period, the BBC brought the nation together with its coverage of events, such as the funeral of HM Queen Elizabeth II. Audiences across the UK enjoyed live events like the men's FIFA World Cup and the Commonwealth Games. The BBC attracted large audiences with content across a range of genres, including award-winning drama such as *Happy Valley*, entertainment like *The Traitors* and documentaries such as *Wild Isles*.

The BBC has also responded to calls from Ofcom and stakeholders and has improved transparency in its Annual Plan and Annual Report.

The BBC must continue to challenge and ask difficult questions of itself as it embeds its impartiality recommendations

Three-quarters (75%) of UK adults are positive about the importance to society of the BBC's provision of 'news and information to help people understand what is going on in the UK and the world'.³ The BBC is still the place audiences turn to when big stories break and they consider it a trusted and accurate news source. However, some continue to have reservations about its impartiality, though audience perceptions have remained unchanged from last year.⁴

In our last Annual Report on the BBC, we highlighted the need for it to continue to focus on addressing audience perceptions of impartiality. Commitment to strengthening impartiality is one of the BBC's strategic priorities. It has implemented all the recommendations from the [Serota Review](#)

¹ IPA TouchPoints wave 1 2023

² Ofcom BBC Performance Tracker 2022/23

³ Ofcom BBC Performance Tracker 2022/23

⁴ Ofcom News Consumption Survey 2023

through its [Impartiality and Editorial Standards Action Plan](#). It continues to challenge itself on impartiality through its thematic reviews, but it is important that any learnings are used to improve BBC output. The BBC is also working to deepen audiences' trust in its news provision by providing more transparency about how it reports the news, with innovations such as BBC Verify and [setting out its approach to Generative AI](#). We have stressed to the BBC that it should maintain the momentum built through the Serota Review and resultant Action Plan and we expect impartiality to remain a high priority for the BBC.

We will continue to measure audience views on the BBC's impartiality closely and will engage with the BBC to help ensure that it retains its focus on this area of work. We will also update our own research on audience perceptions of the BBC's complaints process, including conducting further mystery shopping to gauge the effectiveness of recent changes the BBC has made.

Audiences from D and E socio-economic groups remain less satisfied with the BBC's performance than those from other groups

We have undertaken a detailed [review](#), including new research with people from D and E socio-economic groups from across the UK, to understand why this might be. Our review shows that people in D and E groups watch more TV than anyone else and that the BBC remains an important part of their media diet.⁵ For example, a quarter of their TV viewing is of BBC content.⁶

It is clear from our findings that there are significant challenges for the BBC in competing for the attention of these audience groups, but opportunities too, given many continue to enjoy BBC programming and use its services in some form or another.

The people we spoke to told us they often look for escapism and companionship from what they are watching or listening to. Many felt that some of the BBC's programming is too dry and too serious compared to other services. People we spoke to said they wanted the BBC to take more risks in producing new and innovative content.

We also heard in our research that audiences in D and E groups felt that the complexity of their lives was not reflected in BBC content, and that where D and E groups were represented, they were often criticised or caricatured. They made it clear that the BBC needs to do better in authentically portraying their lives and communities.

We know the BBC is taking steps to improve how it meets the needs of these audiences, but it will need to consider why many of the messages from audiences in our research continue to be raised.

As the BBC transforms, it must continue to serve all audiences and provide more clarity to them about what it is doing and why

Audiences are continuing to move online, and the BBC is adapting to meet their needs and expectations. However, at a time of financial constraint for the BBC, this means it is having to make difficult choices to reduce spend in some areas in order to reinvest in online services. Over the remaining Charter period, we expect the BBC will make further changes to its services as it moves to become a '[digital-first](#)' organisation. As it does so, we will continue to hold it to account for delivering to all audiences, including those who rely on traditional broadcast services.

⁵ People from D and E groups are often referred to as having lower socio-economic status, being from lower income households or from working class backgrounds. They are more likely to be older, unemployed or in insecure work, have a disability or be retired with only a state pension. These groups are highly diverse and make up almost a quarter of the UK population.

⁶ Barb

This year the BBC relaunched its News channel and began to roll out changes to BBC radio in the nations and to its local radio in England. Stakeholders have raised concerns about these changes and what they might mean for audiences who still rely on these broadcast services. A number of the initial concerns raised stem from a lack of clarity about the detail of the BBC's plans. Full radio schedules and station sharing details have since been published.

We are keeping under review the potential impact of changes to BBC news provision on its ability to deliver for audiences. It is early days for the relaunched channel, but our initial assessment is that the changes have not had a substantial negative impact, though we will continue to monitor this, including the channel's viewing figures and use of online news. Similarly, for local radio, we will closely monitor listening data and review information provided by the BBC on specific stations and local content volumes. For both the News channel and local radio, we will continue to hold the BBC to account for its commitments to review the impacts of its changes on particular audience groups.

As the BBC continues to transform its services, we will encourage it to offer a more thorough explanation to viewers and listeners about what it is doing and why, to help audiences understand the reasons behind changes.

The BBC needs to continue to consider the impact on competition as it makes changes to its services

Earlier this year, we set out our high-level view that changes to BBC iPlayer and BBC Sounds are not expected to have a significant impact on competition, while changes to the BBC's broadcast TV and radio services posed a higher risk of harming competition. In this Annual Report, we update our analysis with the latest available data. Based on this evidence, our view remains unchanged.

Stakeholders have raised particular concerns about the BBC's plans to provide more online local news. We will look at the potential impact of the BBC changes on online local news providers as part of our new work over the next year on local media.

The regulatory framework

We have changed our regulation to ensure it is fit for purpose

As the environment in which the BBC operates changes, the regulatory framework must keep pace with it. Our regulation should not create a barrier to the BBC transforming and modernising its services to adapt to changing audience behaviour. Over the last year, we have put in place a new Operating Licence that brought the BBC's online services fully into the Licence and allowed the BBC more flexibility to respond to audience needs while enabling us to hold it to account.

We have also added new requirements related to editorial standards to provide significantly more transparency of the BBC First regime and to how the BBC considers competition to improve transparency.⁷

The government is looking at the effectiveness of the governance and regulation of the BBC

The Department for Culture, Media and Sport (DCMS) is currently undertaking the [Mid-Term Review](#) (MTR) of the BBC. This is looking at, among other things, the effectiveness and regulation of the

⁷ Under the BBC First system, the BBC, unlike other broadcasters, can resolve audience complaints before they can be escalated to Ofcom. We give more detail in section 6.

BBC's editorial standards and impartiality, complaints process, and its market and competition and market impact. We have been inputting into this review, including our June 2022 [report](#) on the regulation of the BBC, and will look to implement any recommendations from the MTR as a matter of priority.

The purpose of this document

Our Annual Report on the BBC is part of how we hold it to account

Under the new Operating Licence, keeping abreast of changes the BBC is making and scrutinising those changes as they happen so we can intervene swiftly if needed, is key to our regulatory approach. For this reason, as well as reporting on the BBC's performance for 2022/23, we also discuss more recent changes the BBC is making to its services and how we are considering the impact of these for audiences as part of our monitoring programme.

The structure of this report is as follows:

- **Transforming BBC services** – This chapter discusses changes the BBC is making as a result of adopting new strategies. It sets out initial evidence for the impact of these changes on audiences and looks at how we will continue to monitor their impact going forward.
- **Performance against the Public Purposes** – We set out our assessment of BBC performance under the Public Purposes against the performance measurement framework.
- **The BBC in the nations and regions** – In these pages we set out how the BBC has delivered for audiences in each of the four nations as well as key data points on the BBC's performance. This is distinct from our assessment of the BBC's performance under Public Purpose 4.
- **Protecting fair and effective competition** – This chapter explains how we have regulated the BBC's impact on competition.
- **Content standards** – This chapter sets out the performance of the BBC First system in 2022/23, Ofcom's strategic oversight of BBC enforcement, and the progress the BBC has made in complaints handling.
- **Our focus for the year ahead** – This section looks forward at how we monitor the performance of the BBC under the new Operating Licence, including in the new areas of online distinctiveness and discoverability.

2. Transforming BBC services

Introduction

As audience habits continue to change, the BBC is having to transform at pace and is adapting its services to deliver to audiences who want to watch, listen and use them online. At the same time, it still needs to deliver to the many people who want to continue enjoying programming on traditional broadcast TV and radio services. In order to meet its Mission and Public Purposes, the BBC must deliver to all audiences and ensure it is reflecting, representing and serving all parts of the UK. It needs to do all of this at a time when it is facing significant financial pressures.

The BBC has been responding to these challenges. In March 2021, it announced its [Across the UK plan](#), under which the BBC plans to move jobs, investment and decision making out of London and into the UK's nations and regions. Last year it set out its plans for a [digital-first BBC](#). This involves, among other things, shifting resources currently devoted to local broadcast output towards online content, as well as making savings in broadcast news, funds which will be reinvested in video and digital news.

It is not Ofcom's role to set the BBC's strategies, budgets or its creative remit (including the direction of the BBC's editorial and creative output and services). This responsibility sits with the BBC Board. However, it is our role to hold the BBC to account using the tools set out in our Operating Framework. This includes setting conditions for the BBC's UK Public Services through an Operating Licence and examining the BBC's performance in delivering the Mission and Public Purposes. The latter includes monitoring and assessing how the BBC's changes impact audiences and the creative sector.

This is the last year we will assess the BBC's performance under the original Operating Licence and from next year we will assess performance against its new Licence. This new Licence provides the BBC with greater flexibility to meet audience needs across its services. As such, it is therefore important we closely monitor BBC changes and performance to enable us to intervene swiftly if necessary. We will provide updates on key changes in future annual reports, even if these changes are still being implemented.

In this section we focus on three areas where the BBC is currently making the most notable changes. We set out available evidence of their impacts on audiences, as well as how we will continue to monitor them going forward:

- news and current affairs;
- local radio and online local services; and
- commissioning in the nations and regions.

News and current affairs

This section looks at changes the BBC has made to news and current affairs, including the BBC News channel and implementation of changes to its approach to editorial standards following the [Serota Review](#).

The BBC has relaunched its News channel and announced further changes

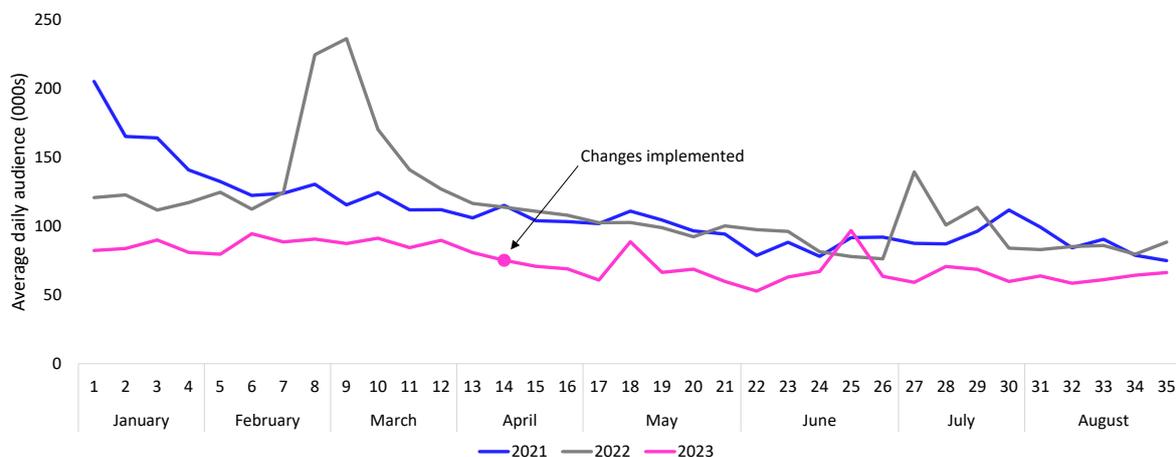
In our Annual Report on the BBC last year, we highlighted some of the changes the BBC planned to make to its news delivery. This primarily involved the BBC News and World News channels, which were relaunched as a single channel in April this year. We and stakeholders had concerns about how the News channel would continue to meet the needs of UK audiences. In August 2022 we issued a [short publication](#) on the proposed change explaining our role and how we would intervene if any concerns arose. We also outlined our concerns in a [letter to the BBC](#) in February 2023. These were:

- whether some audience groups who disproportionately use BBC News might be adversely affected by the changes;
- whether UK content and stories might no longer be covered by the BBC News channel; and
- how the BBC would ensure the quality of the UK-only service.

We have therefore analysed industry data to understand whether the relaunch of the BBC News channel has impacted viewing levels.

Our analysis looked at the months leading up to the change and those after. While the data does show a year on year decline in viewing to this channel, viewing patterns over this time period match previous years' seasonality trends. They are also in line with declines in viewing across similar channels, such as Sky News, as well as the more general decline in viewing to broadcast news as audience viewing habits shift.

Figure 1: BBC News channel – average daily audience across the year: 2021 – 2023



Source: Barb 28-day consolidated viewing. Average daily audience by week. Adults 16+

It is early days for the relaunched channel and there is no evidence so far that the changes the BBC has made have impacted average daily audiences. However, in our discussions with the BBC, it noted that there had been a decline in audience numbers across specific timeslots. The BBC has already introduced programming changes aiming to address this. It also told us that the demographic profile of the audience has not significantly changed following the launch of the new channel, across age, gender, socio-economic group and ethnicity.

The BBC is also innovating in how it delivers news – especially online news – for example with BBC Verify, which [launched in May this year](#). This is part of wider work by the BBC to provide more transparency about how it reports on the news to help it maintain audience trust in its news output.

The service provides more visibility about how the BBC checks and verifies stories. An example of journalism by BBC Verify since launch is [analysis of video](#) to evaluate the progress of Ukraine’s 2023 counter-offensive against Russia. This service has the potential to play an important part in the BBC’s news offering in future years, especially in light of the increasing challenge of online mis- and disinformation, including fake images and audio generated by artificial intelligence.

Alongside the change to the News channel and the launch of BBC Verify, we understand that the BBC is planning further changes to its current affairs and news provision and we will engage with it on these changes.

This follows the BBC’s decision – discussed in our Annual Report on the BBC last year – to make changes to English regional current affairs programming and not to renew the current affairs series *We Are England*, but to replace it with regional teams of investigative journalists. These plans are still being implemented. These changes are part of a wider shift in how the BBC plans to deliver investigative current affairs and we will be keeping a close eye on what current affairs it delivers to audiences. We will also seek to understand from the BBC the impacts of these changes for audiences and will return to this topic in our Annual Report on the BBC next year.



The BBC has implemented changes to address concerns around its impartiality

Due impartiality has featured as an issue in a number of our previous Annual Reports on the BBC. The BBC has made several changes to address audiences concerns in this area. In this section, we take stock of the changes the BBC has made and set out how audiences currently perceive the BBC’s impartiality.

The BBC has told us (and set out in its Annual Report this year) that it has now implemented all recommendations from the [Serota Review](#). It has also implemented all objectives from its [Impartiality and Editorial Standards Action Plan](#).⁸

Progress the BBC has made on the Serota Review and its Impartiality and Editorial Standards Action Plan

- **Thematic reviews** focusing on BBC output in key areas of public debate – As part of this process, the BBC reviews all audience complaints it has received on a specific topic and engages with key external stakeholders and topic experts, including high profile

⁸ [BBC Annual Report and Accounts 2022/23](#), p. 123.

complainants, to ensure a range of viewpoints are reflected.⁹ This helps the BBC identify a range of concerns that could put its impartiality at risk. Commissioned by the BBC and conducted independently, the first review looked at whether due impartiality is being achieved across the BBC’s [coverage of taxation, public spending, government borrowing and debt](#). The BBC has told us that it has retained the authors of the report to continue to work with the BBC to help implement learnings from this review.¹⁰ The BBC aims to conduct two reviews a year and has begun its [second thematic review](#), which will focus on the BBC’s output and impartiality around migration.

- **Internal reviews** to assess the extent to which BBC content meets editorial standards in key news and current affairs content – The BBC has completed its five reviews (of *BBC Breakfast*, *Countryfile*, and the English-language morning radio news programmes in Scotland, Wales and Northern Ireland respectively) and shared the learnings internally to improve its output.^{11 12} We understand that these internal reviews are designed to help BBC leaders and teams consider all aspects of due impartiality in their creative processes across different programmes and strands.¹³

- **New social media guidance for freelancers** – The BBC launched a [review](#) into its social media guidance following issues raised after a tweet by Gary Lineker, a freelance presenter for the BBC, regarding the Government’s policy on immigration. In September, the [BBC announced](#) new guidance which sets out that those presenting flagship programmes on the BBC have a particular responsibility to respect the BBC’s impartiality due to their high profile.

- **Whistleblowing complaints** – The BBC revised its [Whistleblowing Policy](#) in July 2022 and it now extends to whistleblowing complaints regarding “serious editorial malpractice”. The BBC regularly updates Ofcom on the implementation of this policy, including that the BBC has opened an independent whistleblowing hotline to enable staff to report concerns.¹⁴

- **Self-initiated editorial investigations and fast-tracked editorial complaints** – In July 2022, the BBC published [procedures for self-initiated editorial investigations](#) and for how the BBC handles [fast-tracked editorial complaints](#) about broadcast or published content. On a related matter, following our recommendation in our [June 2022 report](#) for the BBC to alert us at an early stage of potential serious editorial breaches, the BBC has done so twice. We provide an update on these in Section 5. We have also worked with the BBC to establish a [protocol for communication](#) between Ofcom and the BBC on these matters.

- **The role of the Director-General in the BBC’s complaints process** has now been set out in the [BBC’s Complaints Framework](#) to make clear that the Director-General has the discretion to overrule the BBC’s Executive Complaints Unit’s¹⁵ findings or suspend its investigations.

⁹ Ofcom meeting with BBC Editorial Policy and Standards team on 31 July 2023.

¹⁰ Ofcom meeting with BBC Editorial Policy and Standards team on 31 July 2023.

¹¹ Unlike thematic reviews, these reviews are not intended for publication.

¹² Ofcom meeting with BBC Editorial Policy and Standards team on 31 July 2023.

¹³ BBC [Impartiality and Editorial Standards Action Plan](#), p. 3.

¹⁴ [BBC Annual Report and Accounts 2022/23](#), p. 60.

¹⁵ The ECU is tasked with considering complaints impartially and independently of the interests of BBC programme makers/content providers.

As well as the above actions, the BBC also has key risk metrics¹⁶ to monitor impartiality, including an ongoing impartiality tracking survey and impartiality training completion levels for BBC employees.¹⁷ The BBC's Editorial Guidelines and Standards Committee (EGSC) will continue to monitor the progress of the actions taken to implement the Serota recommendations.¹⁸ In the last year, Ofcom has built a closer relationship with the EGSC and attends its committee meetings twice a year. We welcome the significant progress the BBC has made in this area.

Audience perceptions of the BBC's impartial delivery of news continue to be lower than perceptions of its trustworthiness and accuracy - these attitudes have remained stable over time. We also consistently find that viewers of other TV news sources, particularly the non-PSB channels (such as Sky News or CNN), tend to rate news on those channels higher for impartiality than viewers of BBC TV news. However, it is worth noting that BBC TV has a much higher, and broader, reach than these channels and, overall, almost half of all of those who watch *any* TV news think the BBC is impartial.

Our June 2022 research on drivers of perceptions of the BBC's due impartiality found that audience attitudes continue to be driven by multiple factors, many of which do not directly relate to the BBC's news and current affairs content. We therefore recognise that changing audience perceptions of the BBC's due impartiality is a complex process. To maintain audience trust, a focus on impartiality is critical and it is important the BBC retains its focus on this area of work.

We will continue to engage with the BBC on news and current affairs, as well as impartiality

We plan to continue assessing the potential impact of changes to BBC news and current affairs services on audiences. We will pay particular attention to whether there have been any impacts on audience numbers including specific demographics over a longer time period than we have been able to look at in this year's report. We will also engage with the BBC further to understand if there are any changes to audience perceptions of the News channel and return to the topic next year.

We will also continue to engage with the BBC and monitor audience perceptions of impartiality. We have provided our initial considerations above but, given the complexity of attitudes to impartiality, it is likely to take some time for the full impact of the changes made following the Serota Review and, under its Impartiality and Editorial Standards Action Plan, to have an impact on audience perceptions. However, we have stressed to the BBC that it should maintain the momentum built through the Serota Review and resultant Action Plan and we expect impartiality to remain a high priority for the BBC. There is also an opportunity for the BBC to raise awareness of the positive work it is undertaking in this area, such as its thematic reviews, though in order to be effective these must impact the way services are delivered.

We will update our own research on audience perceptions of the BBC's impartiality before the end of the current Charter period. In addition, in the shorter term, we intend to conduct further mystery shopping research of the BBC's complaints process to gauge the effectiveness of recent changes the BBC has made to the process and will report the results of this research next year.

¹⁶ [BBC Annual Report and Accounts 2022/23](#), p. 114.

¹⁷ The BBC reported that ninety-seven per cent of staff have completed bespoke impartiality training since January 2021 and this training has additionally been offered to freelancers.

¹⁸ [BBC Annual Report and Accounts 2022/23](#), p. 123.

We return to the topic of impartiality in the context of our assessment of the BBC's performance under Public Purpose 1 in Section 3.

Local radio and online local services

This section includes a factual summary of the changes currently being rolled out to BBC local services, particularly local radio in England. It sets out how we will monitor the impact of these changes on the reach of these stations and engage with the BBC to ensure that, in focussing on its local online services, it still delivers important local content to those audiences reliant on its broadcast services.

The BBC's plans to modernise local services have involved moving investment from broadcast to online

In October 2022 the BBC [announced plans](#) to modernise its local services by reducing expenditure on its local broadcast services and to reinvest this into online content. As well as wider plans for building a new investigative journalist network across the UK, the BBC says these changes will support the expansion of the BBC's local online news and audio provision. It is launching new dedicated online services in Bradford, Wolverhampton, Sunderland and Peterborough this year and [creating new positions](#) across all 39 local bases to produce on-demand audio content for BBC Sounds. As part of these changes the BBC also set out plans to change its English local radio output.

Local radio changes in England

The BBC has 39 full-time local radio stations in England. The schedules across these stations vary, with some programmes covering just one station's broadcast area and some being shared across neighbouring areas. According to RAJAR, across the twelve months to Q1 2023, local radio services in England reached an average of 5.2 million adults aged 15+ each week.¹⁹ The BBC [announced proposed changes](#) to its local radio services in England in October 2022. [It said that](#) while some aspects of services such as local news bulletins and live sports programming will be retained, other changes will have more of an impact on local radio schedules, with increased programme sharing in the evenings and at weekends when audience reach tends to be lower.

The BBC began introducing changes to local radio in a phased approach from September 2023 and expects to complete this in January 2024. It has been [publishing information](#) on the changes and the new schedules as they are launched. Prior to the rollout of the changes, it was not clear to stakeholders and audiences what they would mean in practice for individual station schedules. The table below therefore summarises the overall schedule across the local radio stations in England.

¹⁹ RAJAR is the industry body responsible for measuring radio audiences.

Figure 2: Schedule overview across the BBC local radio stations in England (post-changes)²⁰

The BBC has said that all local news bulletins and live sports programming will continue to be broadcast locally across the week, including news bulletins throughout the day.							
Time/Day	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
6am to 10am	39 shows across 39 stations: On weekdays from 6am to 2pm audiences will continue to receive local programming					13 shows shared across 39 stations: At weekends from 6am to 10am there will be thirteen shows shared across England	
10am to 2pm						18 shows shared across 39 stations: At weekends from 2pm to 6pm there will be eighteen shows shared across England	
2pm to 6pm	20 shows shared across 39 stations: On weekdays from 2pm to 6pm there will be 20 afternoon programmes across England, with several local stations sharing programming.					37 shows shared across 39 stations	14 shows shared across 39 stations
6pm to 10pm	10 shows shared across 39 stations	Schedule will vary: 7 shows shared across 39 stations (plus local sport prioritised)	Schedule will vary: 7 shows shared across 39 stations (plus local sport prioritised)	20 BBC Introducing shows and 10 BBC Upload shows shared across 39 stations (shows that give prominence to emerging local talent)	10 shows shared across 39 stations	20 shows shared across 39 stations (Including repeats of BBC Upload & BBC Introducing)	Single 'all-England' show across 39 stations
After 10pm	National 'all-England' show across 39 stations: After 10pm on weekday evenings and on Sunday evenings an all-England programme will be launched						

Key	Local programming across all 39 stations	13 or more shows shared across 39 stations
	'all-England' programming	Fewer than 13 shows shared across 39 stations

²⁰ The BBC has committed to protecting local news bulletins across the day on all local radio stations in England. It has also told us that on Saturday afternoons many stations will offer more than one commentary through split frequencies as several areas cover multiple professional football or rugby clubs and on Tuesday and Wednesday evenings many local stations will opt for local sport – usually a minimum of once a week during the football season.

Nations' radio changes in Scotland, Wales and Northern Ireland

While the majority of the local radio changes have the potential to affect audiences in England, other planned and potential changes may affect audiences in the other nations.

- The BBC [announced various changes](#) to BBC Radio Ulster/Foyle over the last year including replacing the two-hour breakfast news programme with the half hour programme *North West Today*. We assessed these changes in our [Modernising the BBC's Operating Licence](#) statement and the changes were implemented in April 2023. In November 2023, it announced it would be extending *North West Today* to one hour, starting from early 2024.
- In 2022/23, the BBC announced that it would be decommissioning two BBC Radio Scotland shows – *Jazz Nights* and *Classics Unwrapped* – and making some changes to the production of its pipe music programmes. While decisions on specific programmes are for the BBC, we looked at the wider potential impact on the BBC's delivery for audiences in our [Modernising the BBC's Operating Licence](#) statement.
- No changes were made to BBC Radio Wales during the reporting period of 2022/23, though the BBC did recently launch an additional radio 'opt-out service' providing local news in North Wales.²¹ The BBC is also proposing to extend the number of originated Welsh language hosted hours broadcast on BBC Radio Cymru 2 from 25 to 61.5 hours per week. As this is a material change it is subject to a [competition assessment by Ofcom](#), which is currently underway.

We are monitoring the audience impact of the BBC's modernisation of its local services

The BBC's announcement of changes to local radio have been met with considerable public criticism. As noted above, editorial, budgetary and creative decisions (including decisions about presenters) are matters for the BBC Board, while we focus on changes that may affect the BBC's ability to deliver for audiences under the Operating Licence.

We scrutinised the plans and [wrote to the BBC](#) in February 2023 highlighting our concerns and outlining our analysis of their potential impacts and the BBC's commitment to retain key areas of local output. Since then, we have continued to engage with the BBC and have been developing a closer understanding of its approach to programme-sharing between stations and local content hours. We explain below the further steps we are taking in relation to the BBC local radio and local news changes.

As the BBC continues its rollout of the new schedules, we will continue to monitor the impact of the changes on audiences, considering a range of sources as they become available. This will include reviewing RAJAR listening data across different demographics and at different times of the day, evidence and complaints to the BBC and Ofcom, information provided by the BBC including station case studies and local content hours, and BBC communication of the changes.²²

The [BBC has said](#) it will assess the actual impact of the changes on particular audience groups. This work will consider the multimedia profile of TV, online and podcast users locally and will be augmented with qualitative research (including a programme of panel discussions with audience groups across the country). We will continue to hold the BBC to account on this and its other commitments set out in our February analysis. We will report on our findings in next year's Annual

²¹ An opt-out service is a national or regional variation of a BBC channel (for example, BBC Two Wales).

²² In order to ensure adequate sample sizes on the RAJAR survey, smaller stations can require six or even 12 months' worth of listening diaries.

Report on the BBC, once the changes have been fully implemented and impacts can be better assessed.

When, as part of [setting out its plans for a digital-first BBC](#), the BBC announced the expansion of its online local news offering in England, we also scrutinised the BBC's materiality assessment. We reviewed this alongside other available evidence, including information provided by the News Media Association (NMA) and the published financial statements of local news publishers, to decide if a public interest test was necessary to assess the competitive impact of the new online content. We [concluded](#) that the change was not likely to have a significant adverse impact on fair and effective competition. We also committed to monitoring the progress of the BBC's proposals, including [gathering information from the BBC](#) and commercial news publishers to assess the impact on audiences once they had been fully introduced.

Additional online local content was an important part of the BBC's [plan to create multimedia news operations across the country](#), bringing its local news teams together across radio, TV and online for the first time. While the BBC did set out [its overall aims](#) for local services earlier in the year, there has been limited information for audiences about its progress in making these changes. We understand the BBC is taking a phased approach, but consider this could be better explained to audiences. We expect the BBC to clearly set out what new content is now available as a result of the changes and what is still to be delivered.

Separately, we are undertaking work to better understand local media provision. This includes new research into what audiences across the UK value about local media, such as the role of local media in building social cohesion and engagement in local communities. If as a result of our research and monitoring we find that the BBC's local services are not delivering for audiences, we will consider next steps, including, for example whether to modify any requirements in the BBC's Operating Licence. We expect to publish the findings from our local media review by the end of 2024.

Nations and regions commissioning

This section looks at the impact on audiences and the creative sector of the changes the BBC is making to its commissioning approach in the nations and regions. These changes relate to the BBC's Across the UK plan and the BBC's strategic priority, set out in its 2022 Annual Plan, to invest in more unique high-impact content.

The BBC is continuing to implement its Across the UK programme

The aim of the Across the UK plan is to make the BBC – as a UK-wide organisation – have a much stronger presence across all of the UK, moving jobs and investment out of London and into the nations and regions. There have previously been concerns that the BBC was too London-centric and audiences in the nations tended to view the BBC less positively (though we did see a shift in this last year).²³ By having a physical presence across more of the UK, the BBC should be better able to support the creative industries across the UK and better reflect the lives of people across all the nations and regions.

The BBC has set out its plans for implementing the Across the UK plan and how it will measure its impact at a high level. The National Audit Office (NAO) [report](#) on the implementation of Across the UK, highlights the need for the BBC to develop its plan for evaluating this programme as it continues implementing it. The NAO notes that while the BBC considers that the benefits from Across the UK

²³ Ofcom, BBC Performance Tracker.

will not flow until the later stages of the plan, the BBC should set out plans for measuring changes in audience portrayal and economic growth without further delay. This will allow the BBC to measure the benefits of the programme and change course if needed.

In last year's Annual Report on the BBC, we looked at its progress in implementing its strategy and since then we can see the BBC has made further progress. It is on track to meet its target of 60% of network TV commissioning spend outside of London by 2027, as well as its radio and music target of 50%.²⁴

The BBC said it would rebalance network commissioning power across the UK and it has moved more decision-makers away from London. It now has 30 commissioners outside London, up from 24 last year. There have also been 50 co-commissions between nations and network commissioners.²⁵ The BBC has said these co-commissions are important in enabling it to deliver more 'high-impact' titles and to tell stories based in the nations and regions of the UK which also resonate with audiences across the UK.²⁶ Notable titles include *Bloodlands* (set and filmed in Northern Ireland) and *Mayflies* (set and filmed in Scotland).²⁷



The BBC has also made specific investments in the North East of England, with a five-year commitment announced in September 2021 to spend at least £25m on network TV production, talent development and support for the creative sector. In the West Midlands, it is investing in moving its regional HQ to a new creative quarter in Digbeth (replacing The Mailbox in Birmingham City Centre). As the anchor tenant, it is hoped that the BBC will be a catalyst for regenerating the creative quarter and will draw in new investment and production to the Midlands. It also plans to move more of its own TV and radio production to the area.²⁸

Over the coming years we will focus on the impact of these changes for audiences and the creative sectors in the nations and regions. We set out some initial insights on the impacts below but note that, given the length of time between commissioning decisions and programming reaching audiences, it is very early to see any shifts in overall audience perceptions.

²⁴ [BBC Annual Report and Accounts 2022/23](#), p. 27.

²⁵ [BBC Commissioning Supply Report 22/23](#), pp. 29-32.

²⁶ The breakdown is 12 in Scotland, 13 in Wales, 13 in Northern Ireland and 12 in England. [BBC Commissioning Supply Report 22/23](#), pp. 29-32.

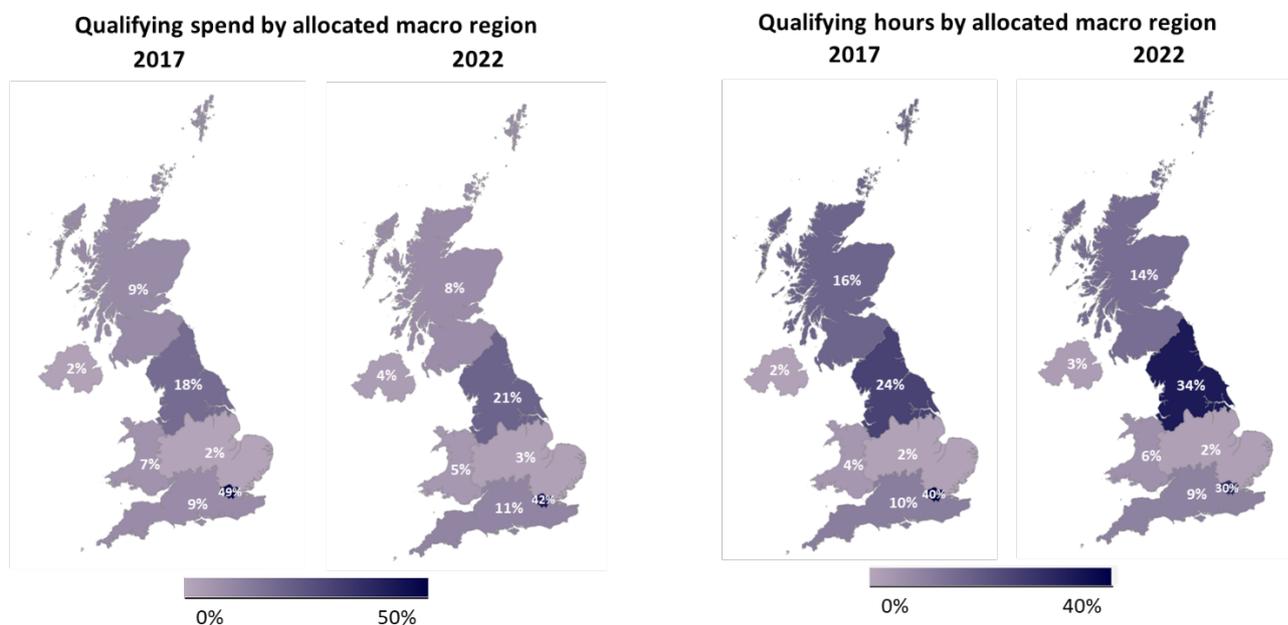
²⁷ [BBC Annual Plan 2022/23](#), p. 27.

²⁸ [BBC Annual Plan 2023/24](#), p. 13.

Increases in network content spend outside London are driven by changes across the rest of England

We can see the impact of the BBC's changes in terms of the amount spent on network content outside of London. The proportion of qualifying network spend on TV in the nations and regions has increased from 53.6% in calendar year 2021 to 57.7% in 2022, meaning greater investment and more support for the creative sector outside of London. This has been driven by changes in England, with the proportion of spend in the English regions up by 6.5 percentage points compared to 2021. The North of England benefited most, both in terms of spend and in terms of the number of hours commissioned (see Figure 3). To an extent this reflects the BBC's decision to create a significant base in Salford. The BBC is also partnering with producers, screen agencies and other local organisations in the nations and regions, which has the potential to drive benefits in areas where the BBC does not have a significant base.

Figure 3: Qualifying spend and hours by allocated macro-region



Source: Ofcom analysis of BBC TV data.

Commissioners in the nations and regions have been broadly positive about the BBC's changes, but challenges remain

The BBC has progressed its plans to create more co-commissions, enabling it to deliver more high-impact titles. We have met with nations and regions producers and commissioners and network commissioners in the past year. So far, the indications are mostly positive. In general, commissioners are supportive of the opportunity to collaborate and producers in the nations and regions noted that the model gives them greater access to network commissioners.

That said, there were some continued concerns raised by producers about the changes: in particular, they said that increased spend on co-commissioning had the potential to impact on the genre-spread of commissions made for audiences in the nations and regions. Our analysis has not shown any impact on the range of genres in this reporting year. However, we note the BBC has not fully implemented these plans, so we will continue to monitor to ensure the BBC provides a broad range of content which reflects each nation's culture.

The BBC has also provided more information for stakeholders in its Annual Plan about the content it intends to provide for the nations and regions, in line with new Operating Licence requirements. We will continue to engage with commissioners and producers to understand the impact of the BBC's plans.



It will take time for these changes to be reflected in audience perceptions

Our research shows that satisfaction with the BBC across the nations has remained broadly consistent with the UK average for the second year in a row.²⁹ It is positive that this trend has continued. However, audience perceptions about BBC content reflecting where they live are still relatively low compared to other aspects of the BBC's performance, with just 53% rating this positively across the UK.³⁰ It should be noted that audiences in Northern Ireland buck this trend, with a higher rating of 60%, perhaps reflecting some of the recent successful co-commissions. We hope to see audience perceptions about content reflecting where they live improve as the BBC implements its plans.

Some stakeholders have raised concerns that the local focus of nations and regions programmes could be diluted as the BBC also attempts to appeal to audiences watching networked output. It is early days to see any impact, but the co-commissions from the nations and regions broadcast this year have generally been well-received by audiences across the UK. In many cases they attracted higher audiences in the nation or region they portrayed, suggesting that these audiences may have felt some additional affinity to the content.

The BBC has committed to setting out its planned high-impact portrayal programmes and explaining how these represent, portray and serve the diverse audiences of the UK – including audiences in the nations and regions – in its Annual Plan each year and reporting against this in its Annual Report. We welcome this increased transparency and we look forward to understanding how the BBC's strategy evolves and continues to contribute to the authentic portrayal of audiences across the UK.

We return to the topic of the nations and regions in the context of our assessment of the BBC's performance under Public Purpose 4 in Section 3.

²⁹ Ofcom BBC Performance Tracker 2022/23.

³⁰ 'Features the region (ENGLAND)/ nation (SCOTLAND/ WALES/ NORTHERN IRELAND) of the UK I live in'.

3. Performance against the Public Purposes

In this section we set out our assessment of BBC performance under the Public Purposes against the performance measurement framework (PMF) for the period of April 2022 to March 2023. The PMF sets out our approach to the monitoring and assessment of the BBC's performance in promoting its Public Purposes and fulfilling its Mission. The four performance measures that form the PMF are Availability, Consumption, Impact and Contextual factors. We recently consulted on and published an [updated PMF](#).

We are reviewing the way we collate information and monitor the performance of the BBC to ensure it aligns with the new Operating Licence but also allows for flexibility. This process will include:

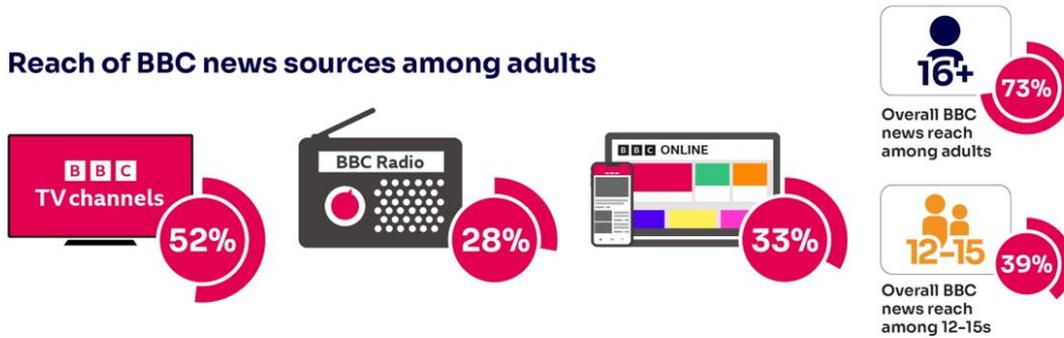
- reviewing our annual Trackers (BBC, Public Service Media, Audio, Podcast and Video on Demand (VoD));
- reviewing data available from third-party sources;
- closer engagement with the BBC on their internal data; and
- exploring other research tools to be able to measure impact on audiences more quickly or with greater sensitivity than regular surveys.

In Annex 2 we provide a summary of the data sources we have used in this year's performance assessment and guidance on how to access and navigate this data in our [interactive report](#).

PUBLIC PURPOSE 1

To provide impartial news and information to help people understand and engage with the world around them

Reach of BBC news sources among adults



Top news sources

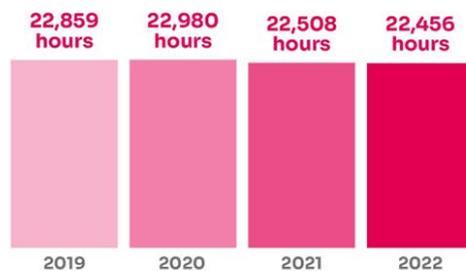
All adults aged 16+



Teens aged 12-15



Network news and current affairs output



Audience views of BBC

News and information to help people understand what is going on in the UK and the world



News coverage that is impartial - not favouring one side over another



News coverage of what is going on in my local area



72%
BBC iPlayer -
'Helps me understand what is going on in the world today'

80%
BBC website/app -
'Helps me understand what is going on in the world today'

Sources used: Ofcom 2023 Adults and Teens News Consumption Surveys; Ofcom analysis of BBC data; BBC Compass data by Ipsos UK; Ofcom BBC Performance Tracker 2022/23.

Summary

- Overall, the BBC has performed well under Public Purpose 1. Audience perceptions of the BBC's news output are broadly positive. Perceptions on impartiality have not changed over the past year.
- It remains the UK's main source of news, with almost three-quarters (73%) of UK adults using at least one BBC service for news. The BBC is also rated highly for trust and accuracy, with 71% rating BBC TV news provision highly for trust and 73% for accuracy.
- The number of hours of news and current affairs content remained relatively consistent with last year.

The Royal Charter states: The BBC should provide duly accurate and impartial news, current affairs, and factual programming to build people's understanding of all parts of the United Kingdom and of the wider world. Its content should be provided to the highest editorial standards. It should offer a range and depth of analysis and content not widely available from other United Kingdom news providers, using the highest calibre presenters and journalists, and championing freedom of expression, so that all audiences can engage fully with major local, regional, national, United Kingdom and global issues and participate in the democratic process, at all levels, as active and informed citizens.

The BBC continues to innovate across its services

The BBC delivers news on broadcast TV, radio and online, providing a news offering that covers local, regional, national and international issues. The BBC's overall number of hours of network TV news and current affairs output remained consistent with last year's figures.³¹ However, of that total, news output fell by 0.6% from 2021 and current affairs was up 3%.³² The BBC is innovating in how it delivers news to audiences. This includes BBC Verify – discussed in Section 2 – along with the BBC news offering on BBC iPlayer, the BBC News app and the BBC website. The BBC can now make multiple simultaneous news streams available on these platforms, increasing the range of content available to audiences and allowing them to view the news as and when they want it.

The BBC remains a popular source for news and current affairs content

Our annual [News Consumption Survey](#) found that almost three-quarters (73%) of UK adults used a BBC service for news, the same proportion as last year. Almost half (49%) used BBC One for news, which remains the BBC's single most used news source. BBC iPlayer (24%) and the BBC News channel (23%) are also well used for news. BBC Radio 2 (11%) and BBC Radio 1 (8%) are in the top 20 UK news sources and are the most used radio sources for news overall.

BBC News online reached 33% of adults on average each week in 2022/23, broadly consistent with the previous year (34%).³³ Although our News Consumption Survey indicates that news on BBC One reaches more young people than the BBC news website/apps, the findings also indicate that BBC

³¹ Network programming is shown simultaneously across the UK in a minimum of ten regions whereas non-network programming is made specifically for viewers in the nations and regions, and shown only in particular areas of the UK.

³² Ofcom analysis of BBC TV data.

³³ BBC Research: Compass by Ipsos UK.

online attracts users across a more even spread of age compared to BBC TV news, which skews more to older age groups.³⁴ *Newsround* continued to be widely used among children, with around six in ten (57%) children aged 8 to 16 watching it on the CBBC TV channel or BBC iPlayer or using the *Newsround* site.³⁵



Audiences generally rate BBC news provisions highly, though impartiality is perceived less favourably

There remains strong evidence that people in the UK value the role the BBC plays in news provision. Three-quarters (75%) of UK adults are positive about the importance of ‘news and information to help people understand what is going on in the UK and the world’ to society overall. A similar proportion (72%) consider this Public Purpose important to them personally.

Around seven in ten (69%) UK adults say the BBC performs well on this metric, rising to three-quarters (75%) of weekly users of BBC services. In addition, perceptions are also broadly positive towards the BBC specifically for ‘news coverage of what is going on in the UK’ (70%).³⁶ Our accompanying [interactive performance report](#) provides further information and data about these statements and views of different demographics.

We highlighted in Section 2 that impartiality is one of the areas where the BBC is perceived less favourably compared to other aspects of news delivery, though it is consistently highly rated for trust (viewers of BBC TV: 71%) and accuracy (viewers BBC TV: 73%).³⁷ However, as noted, changing audience perceptions of the BBC’s due impartiality is a complex process. We return to the topic of impartiality in Section 6.

Last year we referenced data from our BBC Performance Tracker highlighting that audiences in lower socio-economic groups were less likely to have positive views of the BBC’s impartiality. This remains the case, with half (50%) of D and E audiences rating the BBC positively for ‘news coverage that is impartial’ compared to 56% overall.³⁸ Our BBC Audiences Review looks in greater depth at how the BBC is delivering for people in lower socio-economic groups.

³⁴ Ofcom News Consumption Survey 2023.

³⁵ Ofcom BBC Children’s Performance Tracker 2022/23.

³⁶ Ofcom BBC Performance Tracker 2022/23.

³⁷ Ofcom News Consumption Survey 2023.

³⁸ Ofcom BBC Performance Tracker 2022/23. People from D and E groups are often referred to as having lower socio-economic status, being from lower income households or from working class backgrounds. They are

The BBC has improved its transparency in relation to adequate links

The BBC is required to provide adequate links to material provided by third parties in respect of BBC Online. This year, the BBC started publishing data on the links it provides on its online news sites.³⁹ The BBC analysed a sample of 1,370 different stories across a sample of four days published across BBC News and BBC Sport online pages. Of these, 46% contained links to external sources including other media organisations, public bodies and social media. Almost two in five (39%) of these external links were to other media organisations. We consider the publication of such information a positive step for the BBC towards improving transparency and we expect the BBC to continue this practice.

Compliance against the Operating Licence conditions

Alongside our broader performance assessment, we consider the BBC's compliance against the specific news requirements set out in the Operating Licence. This year, the BBC met all of its requirements, apart from one. It did not meet the condition under Public Purpose 1 related to its requirement that every weekday it shows news programmes that are intended to appeal to 16-34-year-olds on BBC Three. A full discussion is provided in Annex 1.

more likely to be older, unemployed or in insecure work, have a disability or be retired with only a state pension. These groups are highly diverse and make up almost a quarter of the UK population.

³⁹ BBC [Delivering our Mission and Public Purposes](#) report, p. 11.

PUBLIC PURPOSE 2

To support learning for people of all ages

CHILDREN'S FORMAL LEARNING

Average weekly browser reach of BBC Bitesize



Ratings of BBC Bitesize



9 in 10 users, aged 4-16 say:

'BBC Bitesize is helpful'

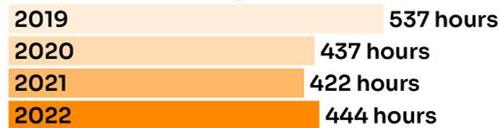
CHILDREN'S INFORMAL LEARNING

Weekly audience reach of BBC iPlayer



24% of those aged 4-15

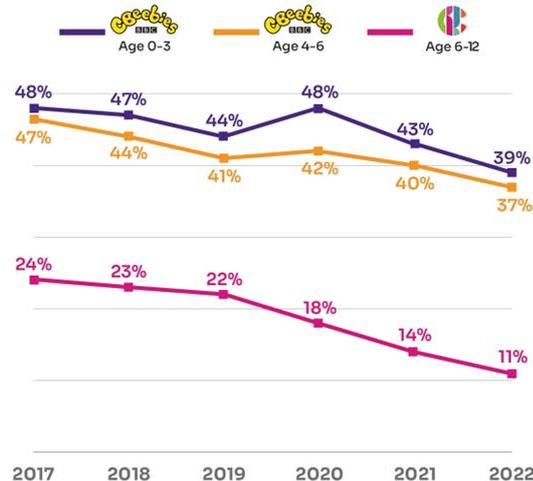
First-run UK originations



Acquired

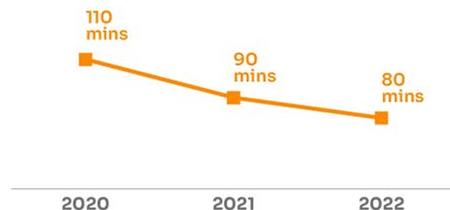


Weekly audience reach of CBeebies and CBBC



ADULT'S INFORMAL LEARNING

Average monthly adult viewing of informal learning content to BBC channels



Positive ratings of the BBC's learning content among UK adults

63% POSITIVE Programmes and content that help people to learn about new things

53% POSITIVE Explores issues and ideas that people may not have come across before

49% POSITIVE Inspires people to try new activities, hobbies or interests

Sources used: Ofcom analysis of BBC data; Barb (3+ minutes reach); BBC ATI data; Ofcom BBC Performance Tracker 2022/23; Ofcom BBC Children's Performance Tracker 2022/23.

Summary

- The BBC's learning content continues to be highly rated by audiences. Children's formal learning has continued to be well supported directly by BBC Bitesize and via teachers using BBC Teach, which are both perceived highly by users.
- CBeebies remains the most viewed children's channel and nearly a quarter of children use BBC iPlayer on average each week – though BBC data shows that the use of informal learning apps and content is decreasing. The BBC has begun to implement its strategy of showing more animation to appeal to the 6-12 age group and is innovating to reach and promote BBC content to younger audiences on sites such as YouTube.
- Though viewing of adult's informal learning content continued to decline, the BBC remains positively rated for this type of content and educational podcasts are popular on BBC Sounds.

The Royal Charter states: The BBC should help everyone learn about different subjects in ways they will find accessible, engaging, inspiring, and challenging. The BBC should provide specialist educational content to help support learning for children and teenagers across the United Kingdom. It should encourage people to explore new subjects and participate in new activities through partnerships with educational, sporting, and cultural institutions.

Formal learning

The BBC serves children of all ages by providing content to support their formal learning across the UK through BBC Bitesize. It also offers support for teachers through BBC Teach.

The BBC's formal learning offer is well-regarded by users

This year, the BBC delivered on its commitment to increase its formal learning output by 40% on BBC Bitesize. The [BBC reported](#) that it achieved this by introducing new reception maths and English collections, interactive GCSE revision quizzes and podcasts. It also expanded its careers resources with new job profiles and additional content on the future of work.

Around half of children aged 4-16 (47%) say they use BBC Bitesize for schoolwork or homework, with around nine in ten users (88%) saying they find BBC Bitesize helpful. Despite children in D and E households continuing to be less likely to say they use it (41% vs 47% overall), our BBC Audiences Review shows that the BBC's educational provision is still perceived highly by adults in D and E households.⁴⁰

Data from the BBC demonstrates that awareness of [BBC Teach](#) is high among primary school teachers (74%) and secondary school teachers (67%). Use is lower, with 47% of primary school teachers and 35% of secondary school teachers saying they have used it, or plan to use it, this term. Use increased in 2020/21 coinciding with the Covid-19 pandemic and has remained consistent since.⁴¹ The [BBC reported](#) that it has introduced new content on BBC Teach and that its BBC Teach Live Lessons continue to be very popular for both teachers and students. For example, the BBC delivered live lessons for World Book Day, National Poetry Day and Safer Internet Day this year.⁴²

⁴⁰ Ofcom BBC Children's Performance Tracker 2022/23

⁴¹ BBC Teach provides free classroom resources for primary and secondary school teachers. BBC Research: DJS Research Student and Teacher Tracker.

⁴² [BBC Delivering our Mission and Public Purposes](#) report, p. 11.

Children’s informal learning

The BBC’s informal learning content for children is delivered through CBeebies and CBBC on TV, on the BBC website and children’s apps, and on BBC iPlayer and BBC Sounds. CBeebies content has a target audience of children aged 6 and under, while CBBC targets 6-12-year-olds.

BBC usage remains high despite changes in children’s viewing habits

Our research highlights that, despite many fundamental changes in children’s media habits, overall BBC use is relatively high, with seven in ten (69%) children aged 3-16 consuming any BBC content weekly.⁴³ While this is not necessarily content aimed at children, we understand that other BBC content provides children with informal learning opportunities. In terms of broadcast viewing, among all children, CBeebies remains the most viewed children’s channel in the UK, including among its target audience of those aged six and under. While overall reach declined for both CBeebies and CBBC, average viewing time remained stable among their target audiences.⁴⁴ Our analysis shows that 24% of children aged 4-15 use BBC iPlayer on average each week.⁴⁵ According to BBC data, some of the most streamed programmes on BBC iPlayer are *Hey Duggee*, *Bluey* and *Bing* from CBeebies and *The Next Step*, *The Dumping Ground* and *Shaun the Sheep* from CBBC.⁴⁶

Children use a range of online platforms to access content. Providing content on these platforms is a way for the BBC to drive awareness and use of its offer for children. For example, the BBC has a CBeebies YouTube channel which had the highest volume of UK views of the BBC’s YouTube channels in 2022/23 and has seen a 12% increase in UK views year on year.⁴⁷ The BBC also provides content on TikTok such as *Newsround*’s animated short on Holocaust Memorial Day, which attracted 2.6 million views.⁴⁸ The BBC also continues to offer informal learning content via its apps and website, although BBC data shows that the use of these CBBC and CBeebies apps and web games is decreasing. For example, CBeebies *Storytime* has declined from 84,933 average weekly unique visitors in the UK in 2019/20, to 46,794 in 2022/23.⁴⁹ The BBC told us that gaming will be complementary to its education and entertainment offering, particularly for underserved 7-12-year-olds. For education, gaming will support the practice of core concepts such as maths mastery, and for entertainment, it will provide fan engagement with BBC brands and franchises to increase the time spent with the BBC. We will continue to monitor its use and engage with the BBC to establish whether this content is reaching its target audience.

BBC children’s content continues to be highly rated, particularly by parents and younger children

As the BBC is the main provider of PSB content for children in the UK, it is encouraging that viewers of CBeebies and CBBC remain positive about the channels. Among parents of children aged 0-11, CBeebies and CBBC compare favourably to other PSB children’s content, with CBeebies the top-rated service for providing ‘*high quality programming for children*’ (83%) and ‘*a wide range of UK-made content for children*’ (81%).⁵⁰

⁴³ Ofcom BBC Children’s Performance Tracker 2022/23.

⁴⁴ Barb 28-day consolidated, TV sets only, in the channels’ broadcast hours only.

⁴⁵ Barb as-viewed 2022/23.

⁴⁶ BBC Data: AV Analytics, 4th April 2022- 2nd April 2023.

⁴⁷ BBC data (UK views): YouTube Analytics.

⁴⁸ TikTok views as of November 16 2023.

⁴⁹ BBC Research: Piano Analytics.

⁵⁰ Ofcom Public Service Media Tracker 2022 (proportion rating 7-10 out 10).

Examples of content that the BBC delivered this year on CBeebies to support pre-school children with their learning include *Ranger Hamza's Eco Quest*, in which Hamza takes young children on rambles to explore various aspects of nature and the roles they play for the environment, and *Grace's Amazing Machines*, a series about different types of vehicles and the mechanics of how they work.⁵¹ Our research shows that parents of 3 to 6-year-old CBeebies and CBBC viewers remain positive towards the BBC with no significant changes in perceptions from last year. Around nine in ten agree 'there are lots of different types of CBeebies programmes' (89%) and 'CBeebies programmes teach them about the world' (88%). Similarly, CBBC is perceived very positively, with ratings of 81% and 77% across each of those statements.⁵²



The BBC has acquired more animated content to appeal to 6 to 12-year-olds

Last year, the BBC [acknowledged](#) that reaching those aged under 16 was a significant challenge and proposed to better appeal to the 6-12 age group by showing more animation. It said it would invest £800k into developing new UK-originated animated content. In the meantime, the BBC said it would acquire additional animations to meet audience demand. To help enable this strategy, [we approved](#) a change to the Operating Licence in May 2022 to allow a modest reduction in the volume of original productions broadcast on CBBC.⁵³

Overall, first-run children's output increased compared to 2021, with the BBC making more original and acquired content available. Acquisitions reached their highest level in six years (143 hours, up 14% year on year) while hours of first-run UK originations also increased (444 hours, up 5% year on year). That said, acquisitions make up a very small fraction of the BBC's total children's broadcast TV output (1.6% of the hours), as the genre is largely driven by repeats (over 93%).⁵⁴

In line with the BBC's strategy, new animation output is up this year with the majority coming from acquisitions.⁵⁵ There was also a year on year increase in first-run UK originated animation in 2022.⁵⁶ As the BBC continues to implement its strategy, we expect this figure to continue to rise. With more animation content available on CBBC, viewing to this genre as a proportion of total viewing to CBBC among children has increased year on year.⁵⁷ Given that the BBC only set out its plans last year and

⁵¹ [BBC Delivering our Mission and Public Purposes](#) report, p. 15.

⁵² Ofcom BBC Children's Performance Tracker 2022/23.

⁵³ The BBC told us that some commissioned animation titles have a lead time of approximately 3 years.

⁵⁴ Ofcom analysis of BBC TV data.

⁵⁵ [BBC Annual Plan 2022/23](#), p. 25, 43 and 66.

⁵⁶ Ofcom analysis of BBC data.

⁵⁷ Barb 28 day consolidated, TV sets only, children 6-12.

much of the planned UK-origination animation is yet to be made available, it is too early to determine whether it is helping to better appeal to the 6-12 age group.⁵⁸

Adults' informal learning

The BBC provides content that supports adults' informal learning on TV, radio and online, including factual programming across a range of genres such as arts, religion, history and science. As discussed above, we understand that children can also benefit from viewing this content. We consider the wider breadth of genres provided by the BBC in further detail under Public Purpose 3.

Audiences continue to rate the BBC's informal learning content positively

The amount of informal learning content provided by the BBC remained relatively flat at 4,771 hours, with 82% of these hours being repeats, similar to 2021. The amount of first-run UK originations of adult learning content remains consistent with last year's figures but remained well below levels earlier in the current Charter period.⁵⁹ The BBC's total spend on all informal learning programming increased by 5% compared to 2021, though was down 24% on the average level seen between 2017 and 2019.⁶⁰ Time spent viewing informal learning content on BBC TV channels has been declining each year and fell by 10% in 2022 (from an average of 21 minutes per person, per week in 2021 to 19 minutes in 2022).⁶¹

Despite declines in spend and viewing, over three in five UK adults (63%) rate the BBC positively for providing 'programmes and content that help people learn about new things'.⁶² On audio, the BBC continued to make available a range of informal learning via its radio stations and on BBC Sounds. Around half (53%) of BBC Sounds users say they listen to educational podcasts.⁶³ Some of the [most popular BBC podcast titles](#) are educational in nature, including *You're Dead to Me*, a comedy-based history podcast.

Partnerships

The Royal Charter states that the BBC should encourage people to explore new subjects and participate in new activities through partnerships with educational, sporting and cultural institutions. This year, the BBC has focused on increasing the impact of its partnerships, while ensuring partners continue to gain optimal value from the collaboration.

The BBC's overall number of partnerships across areas including arts, sport, children's and education has marginally increased from 494 in 2021/22 to 502.⁶⁴ An [example](#) of one of this year's partnerships involved BBC Arts and The Reading Agency. Together they delivered *The Big Jubilee Read*, a campaign to encourage reading for pleasure, celebrating 70 books from across the Commonwealth that coincided with Her Majesty the Queen's Platinum Jubilee.

Last year we noted that the BBC had developed a framework to assess the impact of partnerships and were in the early stages of implementing it.⁶⁵ It has since told us that it has progressed this

⁵⁸ [BBC Annual Plan 2021/22](#), pg. 41.

⁵⁹ 'First-run UK originations' means programmes which are commissioned by or for a UK PSB and which have not previously been shown on TV or made available online in the UK.

⁶⁰ Hours and spend data from Ofcom analysis of BBC TV data.

⁶¹ Barb 28-day consolidated, TV sets only, adults 16+, all BBC channels.

⁶² Ofcom BBC Performance Tracker 2022/23.

⁶³ Ofcom Podcast Survey 2023.

⁶⁴ [BBC Annual Report and Accounts 2022/23](#), p. 73.

⁶⁵ [BBC Annual Report and Accounts 2021/22](#), p. 27.

work, successfully embedding an account management framework and review cycle for key partnerships. As part of this, the BBC surveyed around 40 key partners to gain feedback to help it improve performance. It also said it has undertaken surveys to understand which audiences its current partnerships reach and it is working to create creative content partnership projects to improve its relevance to audiences, including those within D and E socio-economic groups.

We welcome the BBC's progress in this area and are encouraged by the steps it has taken to assess the impact of its partnerships. We will continue to engage with the BBC as it develops this work.

Compliance against Operating Licence conditions

Alongside our broader performance assessment, we consider the BBC's compliance against the relevant Public Purpose 2 Operating Licence conditions. The BBC met all licence conditions except for its quota to deliver 175 hours of new arts and music programmes on BBC Four. Further detail is provided in Annex 1.

PUBLIC PURPOSE 3

To show the most creative, highest quality and distinctive output and services

Distinctiveness can be subjective to assess.

Below, we highlight a few key metrics to give insight into how the BBC is distinctive.

ORIGINALITY

BBC network TV spend on at-risk programmes

19% of spend

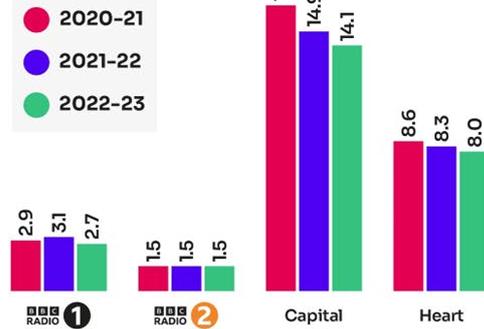
was on at-risk genres: Religion & Ethics, Specialist Factual, Music, Arts, Comedy and Children's



First-run originated hours and spend

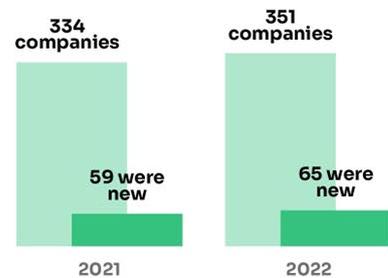


Repeat rate of music tracks on radio (%)



INNOVATION

Production companies working with the BBC



Hours of BBC new and returning TV originations



40+ talent scheme, bursaries and targeted initiatives

AUDIENCE PERCEPTIONS

Positive ratings of the BBC's distinctiveness among UK adults



Positive ratings of BVoD for... providing a wide range of different types of programmes¹



providing programmes about science, arts, culture and religion²



Sources used; Ofcom analysis of BBC data; RadioMonitor; BBC Commissioning Supply Report; Ofcom BBC Performance Tracker 2022/23; Ofcom Public Service Media Tracker 2022. Please note, at the time of fieldwork ITV's streaming service was called ITV Hub/ITV Hub+ and not ITVX.

¹ a wide range of different types of programmes, such as drama, comedy, entertainment, or sport.

² covering some of the programme genres that are defined as 'at-risk.'

Summary

- Overall, the BBC has performed well under some aspects of Public Purpose 3, but less so in others.
- It continues to be distinctive through the volume of its investment in new, high-quality UK content, in the breadth of its output which spans a range of genres across its services and the range of audiences the BBC reaches.
- D and E audience groups continue to be less satisfied with the BBC. We recognise this is an area the BBC is working on and we have heard from commissioners about their plans to tackle this issue. We look forward to seeing how these plans deliver for audiences.
- This year we have undertaken an in-depth review to better understand why D and E audience groups are less satisfied with the BBC. People that we spoke to told us that they wanted the BBC to take more risks and to experiment with producing ‘edgier’ content. We have published this review alongside our Annual Report on the BBC.

The Royal Charter states: The BBC should provide high quality output in many different genres and across a range of services and platforms which sets the standard in the United Kingdom and internationally. Its services should be distinctive from those provided elsewhere and should take creative risks, even if not all succeed, in order to develop fresh approaches and innovative content.

Distinctiveness is not just a measure of how the BBC compares to other broadcasters, but of the unique value it offers to audiences. It sits at the heart of what we expect the BBC to do. We consider the following key factors (the five pillars of distinctiveness) against the performance measurement framework:

- the **quality** of the BBC’s output;
- the **mix of genres** and output;
- the amount of **original output produced in the UK**;
- the level of **risk-taking and innovation**; and
- the **range of audiences** it serves.⁶⁶

Distinctiveness does not mean that every BBC programme needs to be different from what other broadcasters provide. Our assessment considers the BBC as a whole and across its services against these measures.

Audiences rate the BBC positively for its role in providing high quality content

Almost three-quarters of UK adults (73%) say it is important for society that the BBC provides high quality and creative content and 71% rate it highly for delivering this.⁶⁷ The coverage of The Queen’s Platinum Jubilee is an example of the BBC’s high-quality and distinctive British focused content, bringing the country together. It provided extensive coverage of celebrations to mark the event,

⁶⁶ See definition of “distinctive output and services” in the BBC Framework Agreement, Schedule 2, paragraphs 1(1) and (2).

⁶⁷ Ofcom BBC Performance Tracker 2022/23.

including programmes such as *Platinum Party at the Palace*. A total of nearly 32 million people watched this content on BBC TV channels over the Jubilee weekend.⁶⁸

The climatic finale of *Happy Valley*, the drama set in West Yorkshire, provides a further example of high quality and creative content which was watched by an average 12.1 million people on TV.⁶⁹ Our Public Service Media Tracker found that around two-thirds of viewers in the last six months (67%) rated BBC TV channels highly for ‘broadcast events that bring the nation together for a shared viewing experience’.⁷⁰



The BBC’s programme spend has continued to rise and reached its highest ever level in 2022.⁷¹ In real terms, the BBC was the only PSB to increase its total programme spend in 2022. This was mostly driven by first-run UK originations, on which the BBC spent on average 8% more per hour than it did in 2021.⁷²

The BBC continues to provide a broad mix of content

In assessing the range of output the BBC offers audiences, we have looked separately at the BBC’s audiovisual and audio output.

TV and BBC iPlayer

BBC TV channels and BBC iPlayer continue to provide a broader mix of genres than other PSBs and compare favourably to other PSBs among their viewers in the last six months for providing ‘a wide range of different types of programmes, such as drama, comedy, entertainment or sport’, with 67% and 75% respectively rating them highly for this.⁷³

⁶⁸ Barb live viewing across all programming on all BBC TV channels across the Jubilee weekend 2 June – 5 June 2022, TV sets only. Reach criteria: 15+ consecutive minutes.

⁶⁹ Barb 28-day consolidated, TV sets only.

⁷⁰ Ofcom Public Service Media Tracker 2022.

⁷¹ Programme spend represents the total cost of production or acquisition, including rights costs but excluding third-party investment, for programmes broadcast in the given period (in this case, for calendar year 2022). In the case of commissions, it represents the price paid to the independent producer, and therefore includes a mark-up on production costs. Unless otherwise stated, figures are presented in nominal terms, meaning that historical data has not been adjusted to account for inflation.

⁷² Ofcom analysis of broadcaster TV data.

⁷³ Ofcom Public Service Media Tracker 2022.

The BBC's provision of at-risk genres forms a key part of its distinct offering and sets it apart from other PSBs.⁷⁴ Across the PSB channels, the BBC accounts for the majority (61%) of first-run UK originated hours of at-risk genres and the majority (67%) of associated spend.⁷⁵ Prior to this reporting year, BBC hours of first-run at-risk programming had consistently declined. This year, there has been a slight increase in first-run hours and spend on at-risk genres.⁷⁶ This broad range of content is less likely to be provided elsewhere and so makes an important contribution to the BBC's distinctiveness.

Despite the slight increase in the number of hours the BBC provides, viewing of at-risk genres has continued to decline further since 2020. Average weekly reach has fallen year on year across specialist factual, arts and comedy, although viewing of music programmes has remained more stable.⁷⁷ However, audience perceptions remain broadly positive, particularly compared to viewers of other PSBs. Around three in five viewers say BBC TV channels (60%) and BBC iPlayer (62%) perform well in providing '*programmes about science, arts, culture and religion*'. This has remained consistent year on year.⁷⁸

Radio and BBC Sounds

Audiences are also positive about the range and distinctiveness of the BBC's online audio and broadcast radio services. BBC Sounds provides a large range of music and speech content, including classical and pop music, news and current affairs, dramas and documentaries. Around four in five BBC Sounds users (81%) are positive about it for the '*range of content*' it offers.⁷⁹

We are working with the BBC on developing the most meaningful way to measure the range of content available on BBC Sounds. For example, using a snapshot approach, as of 14 April 2023 there were approximately 7,800 distinct titles on BBC Sounds, with over 194,000 episodes available on-demand across eleven top-level genres: factual, music, entertainment, news, comedy, sport, drama, religion & ethics, learning, children's and weather.⁸⁰

BBC Radio 2 continues to be the most listened to radio station in the UK with an average of 14.2 million adults listening each week. BBC Radio 6 Music is the most listened to digital-only station in the UK with an average weekly audience of 2.7 million.⁸¹ Over a third of UK adults (36%) say that BBC radio is '*better than others*' for providing '*a broad mix of radio content*', increasing to 58% among BBC radio listeners. Listeners to specific BBC radio stations also rate BBC radio overall more highly on this (for example 70% of listeners to BBC Radio 6 Music give the BBC a positive rating here, and 69% of BBC Radio 4 listeners).⁸² The BBC's own data also demonstrates that audiences see BBC radio programmes as offering something different. 77% of listeners rate BBC radio programmes as

⁷⁴ Ofcom analysis of broadcaster TV data and Ampere Analysis VoD data. At-risk genres include genres that provide a particular contribution to the Mission and Public Purposes, are underprovided or in decline across public service broadcasting, as set out in Schedule 2 of the Agreement. This includes arts, children's, comedy, music, religion and specialist factual content.

⁷⁵ Ofcom analysis of broadcaster TV data.

⁷⁶ The increase was largely due to arts, music and children's programming. Other specialist factual hours have continued to decline.

⁷⁷ Barb 28-day consolidated, TV sets only.

⁷⁸ Ofcom Public Service Media Tracker 2022.

⁷⁹ Ofcom Audio Survey 2023.

⁸⁰ Ofcom analysis of data provided by the BBC.

⁸¹ RAJAR Q1 2023, 12-month weighting.

⁸² Ofcom BBC Performance Tracker 2022/23.

providing content they would not hear anywhere else (compared to 65% for non-BBC radio stations).⁸³

The proportion of new music played on BBC radio stations remains high – 57% for BBC Radio 1 and 26% on BBC Radio 2 (both comparing favourably with comparable non-BBC stations). Both of these BBC stations also have the highest number of new music tracks played and maintain a much lower repeat rate than comparator stations.⁸⁴ However, we note that for BBC Radio 2 the proportion of music being played that is from new and emerging UK artists has fallen from 14% in 2021 to 8% in 2022. Likewise, the proportion of additions to the BBC Radio 2 playlist by new and emerging UK artists has fallen from 19% to 14% over the same period.⁸⁵ While a similar trend is also seen amongst other comparable commercial radio stations, and in some cases the declines are greater, we will engage further with the BBC on this. We have previously emphasised that we consider the amount of new music played on BBC radio stations is a key plank of distinctiveness.

Audiences rate the BBC highly for its provision of UK-originated content

With the increasing use of global subscription video-on-demand services (SVoD), the BBC's role in continuing to provide content that reflects the lives of people within the UK, and that all UK audiences can connect with, will be a key point of differentiation, which can make it more distinctive.

First-run UK originated hours across all genres on the BBC increased to 21,348 in 2022 from 21,153 in 2021 and spend increased to £1.43 billion from £1.29 billion.⁸⁶ Both measures have returned to pre-pandemic levels.⁸⁷

We noted last year that preserving a balance between acquisitions and first-run UK originations as part of a distinctive offering was important and we would continue to monitor the balance between the two. As a proportion of total hours, acquisitions have remained stable at 1.5% and while spend on acquired content increased in 2022, it remained low at 3.3% of total spend.⁸⁸

Audiences continue to rate the BBC highly for '*programmes made for UK audiences*'; 67% of viewers in the past six months say this for BBC TV channels and 73% say this for BBC iPlayer (an increase from 70% in 2021).⁸⁹

The BBC will continue to improve by taking more risks and innovating with its content

The concepts of risk-taking and innovation are complex and can mean different things to different people. We therefore explore a collection of metrics to understand how risk-taking and innovation feature in the BBC's work.

One way the BBC can take risks and innovate is by looking for creative diversity. For example, in 2022 it used 65 new TV production companies, an increase from 59 the previous year, and 21 new

⁸³ [BBC Annual Report and Accounts 2022/23](#), p. 145.

⁸⁴ Ofcom analysis of RadioMonitor data.

⁸⁵ BBC Radio 2 has a 17% average from 2018 to 2022 of playlist additions from new and emerging artists. The BBC told us that the 3% difference between the 2022 figure (14%) and this average (17%) equates to around 9 or 10 songs across a year. Most years there are approximately 310-320 additions.

⁸⁶ Ofcom analysis of BBC TV data.

⁸⁷ This increased spend is in real terms – i.e. taking CPI inflation into account.

⁸⁸ Ofcom analysis of BBC TV data.

⁸⁹ Ofcom Public Service Media Tracker 2022.

radio production companies.^{90 91} Another way is through commissioning new programme titles (as opposed to returning series). The number of new titles on TV rose to 308 in 2022, up from 275 in 2021. These 308 new titles accounted for 43% of the BBC's total titles in 2022, up from 40% in 2021. The increase was driven by the relaunch of BBC Three, which aired 69 new titles in 2022.⁹²

The BBC can also demonstrate taking risks and innovating by experimenting with different formats, reaching audiences in new ways and innovating in how it makes content more accessible to all audiences. An example of a new and successful format produced in the UK by the BBC is *The Traitors*. The BBC annual report said that it was the highest rated new entertainment series on the BBC, since at least 2019, particularly catering for young audiences.⁹³ Across audio, *You, Me and the Big C* presenter Deborah James' final interview on BBC Radio 5 Live where she spoke openly about her illness, fears and her hope that others might be helped by her story, was chosen by listeners as 'The Moment of the Year' at the Audio and Radio Industry Awards 2023.⁹⁴ *I'm Not a Monster- The Shamima Begum Story*, is an example of a unique and distinctive podcast delivered by the BBC.⁹⁵



Overall perceptions about the main Public Purpose 3 statement, '*high-quality and creative content*', remain broadly positive, with 65% agreeing the BBC provides this. However, statements related to risk taking and innovation remain less well rated, with only around half positive towards the BBC for providing content that '*dares to be different*' (47%) or being '*different from other providers*' (50%).⁹⁶

As part of our assessment under the new Operating Licence in next year's report, we will consider innovation more broadly on the BBC's online services and the impact it has on audiences. The Licence includes requirements for the BBC to report on the distinctiveness of its online services and requires it to make certain types of content easily discoverable on BBC iPlayer, BBC Sounds and the BBC website/apps. We discuss discoverability further in Section 7.

⁹⁰ [BBC Commissioning Supply Report 2022/23](#), p. 6 and p. 13.

⁹¹ In addition, an increased proportion of qualifying hours was produced by indies. Across BBC TV services, this was 33.2% of qualifying hours in 2022 – an increase on the previous year's figure of 31.4%. (Ofcom analysis of BBC TV data).

⁹² Ofcom analysis of BBC TV data. Data covers first-run UK originated titles on BBC TV channels excluding BBC News and BBC Parliament, and party-political broadcasts.

⁹³ [BBC Annual Report and Accounts 2022/2023](#), p. 26.

⁹⁴ [BBC Annual Report and Accounts 2022/2023](#), p. 24.

⁹⁵ [BBC Annual Report and Accounts 2022/2023](#), p. 113.

⁹⁶ Ofcom BBC Performance Tracker 2022/23.

The BBC has a number of initiatives to engage with younger and also D and E audiences and we look forward to understanding their impact

Audiences from lower socio-economic groups

As we have highlighted in our previous reports, audiences in lower socio-economic groups continue to rate the BBC lower on statements related to Public Purpose 3 compared to other groups. Last year we reported that the BBC planned to commission more content across its services aimed at this group and in 2022/23 the BBC broadcast a number of TV programmes across a range of genres which performed well among this group.⁹⁷ However, overall satisfaction with BBC services remains lower among these audiences. Our BBC Audiences Review found that those in socio-economic groups D and E tended to feel that the BBC had a reputation for being ‘dry’ and serious compared to other broadcasters and services, and that they wanted the BBC to take more risks, and to experiment with producing ‘edgier’ content. Some of the younger participants included in our research highlighted that programming on BBC Three felt riskier and more authentic. Overall, however, people we spoke to felt that while the BBC still produces some quality programming, it no longer stands out in a crowded field. Our full review of D and E audience groups can be found [here](#).

Younger audiences

There have also been concerns about how the BBC continues to reach younger audiences and in our previous Annual Reports on the BBC we have set out the importance of it reflecting on its strategies to reach these audiences.

The BBC has told us that one of its strategies for attracting younger audiences is by expanding its overall content provision on BBC iPlayer. This includes providing availability for longer and more content on BBC iPlayer to continue to attract younger audiences.⁹⁸ There is some evidence to show that the BBC has had some success at attracting younger viewers to BBC iPlayer. For example, Barb data indicates that across 2022/23, 23% of the adult audience to BBC iPlayer was aged 16-34 compared to 6% for BBC TV broadcast channels.⁹⁹ In addition, the BBC’s data shows marginal growth in uptake among younger people on BBC iPlayer; average weekly active accounts for under-35-year-olds increased by 5% from the previous year¹⁰⁰ and 3.5 million 16-34-year-olds watched content on BBC iPlayer on average each week in 2022/2023.¹⁰¹ Younger audiences also appear to be more positive about the appeal of BBC iPlayer; 75% of 16-34-year-olds who have watched in the last six months rate it highly for ‘*appeals to a wide range of different audiences*’. This is higher than the figure for all adults (70%) and for those aged 55+ (67%), who have watched BBC iPlayer in the last six months.¹⁰²

The picture is slightly different for audio services. BBC radio stations, although skewing older, do have large numbers of younger listeners¹⁰³ and those stations targeted at a younger demographic have an audience profile with at least half aged under 35.¹⁰⁴ However, just over one in five (22%) UK

⁹⁷ Including *Waterloo Road*, *Mrs Browns Boys*, *Happy Valley*, *Spy In The Ocean*.

⁹⁸ RFI Q26.

⁹⁹ Barb as-viewed, all devices, April 2022 – March 2023; adults 16+ base.

¹⁰⁰ BBC iPlayer average weekly active accounts belonging to under 35-year-olds: 4m from 3.8m [BBC Annual Report and Accounts 2022/23](#), p. 45, Source: Piano Analytics.

¹⁰¹ Barb as-viewed, all devices, April 2022 – March 2023. Reach criteria: 15+ consecutive minutes.

¹⁰² Ofcom Public Service Media Tracker 2022.

¹⁰³ RAJAR. BBC Radio 2, the biggest station in the UK has over 2 million listeners aged under 35 and the next biggest, BBC Radio 4, reaches over 1 million people in this age group.

¹⁰⁴ BBC Radio 1, BBC Radio 1Xtra and BBC Asian Network.

adults say they use BBC Sounds on a weekly basis and for under 35s this is around a quarter (26%), similar to the overall figure and unchanged year on year.¹⁰⁵

BBC Three

The BBC has sought to better meet the needs of younger audiences (as well as people in lower socio-economic groups) through several strategies, including the relaunch of BBC Three, which returned as a broadcast TV service in 2022. 16-34's are more likely to watch BBC Three online versus the broadcast channel (55% of their viewing is via iPlayer vs 45% via the linear channels either live or recorded) whereas ITV2 (23% vs 77%) and E4 (22% vs 78%) are still predominantly watched through their respective broadcast channels.¹⁰⁶

There are indications that the relaunched channel has faced challenges in attracting viewers. The average share of viewing to the channel between February 2022 and July 2023 was 0.5% of all audiences and 0.9% of 16-34-year-olds.¹⁰⁷ This is substantially lower than commercial PSB portfolio channels targeting similar audiences, such as ITV2 – which had a share of viewing over the same period of 8% of 16-34-year-olds – and E4 – whose share was 4% of this group. 16-34-year-olds from C2DE households are a key target audience for BBC Three. However, only 7% of the channel's adult viewing was from that group, compared to 16% for ITV2 and 9% for E4.¹⁰⁸

Those who do watch BBC Three tend to regard it favourably. Around three in five BBC Three viewers in the last six months (59%) said they were satisfied with the channel, while only 7% were dissatisfied. When looking at demographic differences, 16-34-year-olds (68%) are more likely to be satisfied. While those in C2DE households are more likely to be dissatisfied (9%), indicating the BBC has more to do to engage with this audience.¹⁰⁹

Compliance against Operating Licence conditions

Alongside our broader performance assessment, we consider the BBC's compliance against the relevant Operating Licence conditions under Public Purpose 3. This year, the BBC met all licence conditions in this area. See Annex 1 for a full assessment of the Operating Licence requirements.

¹⁰⁵ Ofcom Audio Survey 2023, 2022.

¹⁰⁶ Barb as viewed, all devices

¹⁰⁷ This is the time period since the broadcast channel was re-launched.

¹⁰⁸ Barb 28-day consolidated, TV sets only, 7pm to midnight only.

¹⁰⁹ Ofcom Public Service Media Tracker 2022

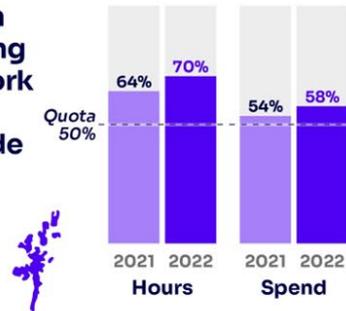
PUBLIC PURPOSE 4

To reflect, represent and serve the diverse communities of all of the nations and regions and, in doing so, support the creative economy across the UK

Positive ratings of the BBC's delivery of Public Purpose 4



Proportion of qualifying BBC network hours and spend made outside of London

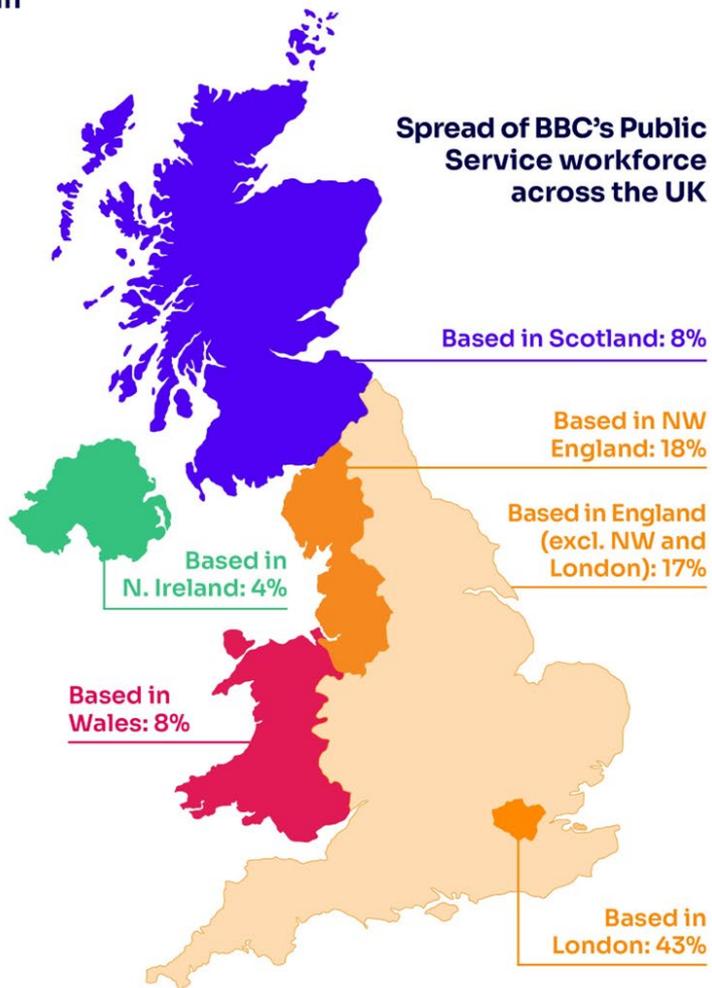


Workforce diversity - BBC UK public service staff



Workforce figures based on visible data*

Spread of BBC's Public Service workforce across the UK



Sources used: BBC Performance Tracker 2022/23; Ofcom analysis of BBC data supplied in response to Ofcom's EDI /UK public services workforce survey 2023. Aggregated 'visible' employee data for 31 March 2023.

* 'Visible data' means the figures are based only on those people in the workforce who provided information. When using 'total' workforce data, which also includes 'unknown' categories of data i.e. 'not disclosed' and 'not collected' data representation is as follows: Women 47%; Minority Ethnic Groups 15%; Has a disability 10%; LGB+ 9%; Aged 50+ 32%; Has a religion 39%; Working class background 22%. More detailed data can be found on P42 and in the [interactive report](#).

Summary

- The majority of audiences (60%) rate the BBC positively for reflecting the life and cultures of communities across the UK.
- The BBC has surpassed its £100m diverse TV content spend target and its spend outside of London on network programming rose as a proportion of total qualifying spend from 54% in 2021 to 58% in 2022.
- The BBC is coming to an important juncture in its diversity work: as several of its biggest on- and off-screen strategies reach their conclusions, we encourage it to use future diversity strategies to build ambitiously on the foundations it has laid.
- It has maintained positive audience perception scores in the nations, which remained in line with the UK total. However, audience perceptions about how the BBC features where they live remain low at 53%. As the BBC implements its Across the UK plan and moves more content production into the nations and regions, we would hope to see a shift in these perceptions.

The *Royal Charter* states: The BBC should reflect the diversity of the United Kingdom both in its output and services. In doing so, the BBC should accurately and authentically represent and portray the lives of the people of the United Kingdom today and raise awareness of the different cultures and alternative viewpoints that make up its society. It should ensure that it provides output and services that meet the needs of the United Kingdom’s nations, regions, and communities. The BBC should bring people together for shared experiences and help contribute to the social cohesion and wellbeing of the United Kingdom. In commissioning and delivering output the BBC should invest in the creative economies of each of the nations and contribute to their development.

How the BBC reflects and represents the diverse communities of the UK should be a central plank in its approach to commissioning and production. Our assessment for this Public Purpose covers two areas:

- how the BBC has represented and portrayed diverse communities on-screen and audience perceptions of this, as well as how it has increased the diversity of talent on- and off-screen and its reporting on initiatives to deliver this; and
- how the BBC has represented and portrayed the nations and regions, how it is perceived by audiences, and how it has supported the creative sector across the UK.

Diversity

Diverse audiences

The BBC continues its efforts to navigate the complexities of delivering for all audiences

Our audience research shows that the BBC broadly performs favourably on areas related to diversity for both BBC TV and BBC iPlayer when compared to other PSBs.¹¹⁰ A majority of UK adults (60%) also rate the broadcaster positively on the statement ‘*content that reflects the life and cultures of*

¹¹⁰ Ofcom Public Service Media Tracker 2022.

communities throughout the UK'. However, this continues to be the lowest rated purpose overall – in particular with disabled people aged under 65 (54%) and D and E audiences (54%).¹¹¹

We know that the issues that influence audience satisfaction around representation and portrayal are complex as our BBC Audiences Review shows. While participants found some content relevant to their lives, people in D and E groups felt that the complexity of their lives – encompassing people's struggles and difficulties but also their joys and successes – was generally absent from BBC content, and that where D and E groups were represented, they were generally criticised or caricatured.

We have also previously noted that audience satisfaction metrics may be skewed by wider reputational issues such as perceived bias. We have therefore encouraged the BBC to explore how else it might successfully measure and report on the impact of its content on specific audiences. Recent discussions with the BBC indicate that in many instances it has the relevant information, so we are engaging with it to better understand how it uses this information to identify what is driving the lower levels of content satisfaction among some groups.¹¹²

The BBC has a wide range of content initiatives in place designed to serve all audiences. It should continue to work to show how it assesses and builds on the impact of these schemes

This year, the BBC provided Ofcom with more information on its approach to gathering audience perception data and explained how it will measure the impact of its Across the UK programme on audiences at a high level. However, in areas where the BBC has identified ongoing lower levels of audience satisfaction compared to the average UK audience, such as among those with a disability or from minority ethnic groups, the strategy and evaluation information provided is less comprehensive.¹¹³ We know the BBC has a range of schemes in place to support greater representation of different ethnicities and disabilities on- and off-screen. In scripted content, for example, it reports using best endeavours to cast people with lived experience of disability in disabled roles and to cast disabled actors in roles not specifically written to be disabled. In unscripted productions it aims for at least one contributor, presenter or performer with a lived experience of disability to feature in all programmes.¹¹⁴ Yet there is currently little visibility of how such initiatives are assessed to understand their impact on audiences with disabilities or how this feeds back into broader strategic objectives for these groups.

Taking a consistent approach to measuring audience impact will allow the BBC to evaluate its wide range of strategies and ensure future commissioning decisions can take account of the needs and wants of those less satisfied groups. We will continue to engage with the BBC on this.

Diverse content

For the first time since the start of the current Charter, the BBC has an end-to-end process for commissioning and assessing suppliers' delivery of its diverse production requirements

We are pleased to see that End of Production (EoP) reports were introduced in April 2022. These require content suppliers to report on delivery of their diversity criteria commitments, once they have completed a production. Alongside a questionnaire focused on the diversity of a production company's leadership, the EoP reports are a key mechanism for the BBC to evaluate the diversity of completed productions and supplier compliance with their agreed commitments. The BBC recognises there is more to be done to embed them as a business-as-usual part of the

¹¹¹ Ofcom BBC Performance Tracker 2022/23.

¹¹² BBC RFI Q24.

¹¹³ BBC RFI Q26 .

¹¹⁴ [BBC Commissioning Supply Report 2022/23](#), p. 8.

commissioning process. Since April 2022, 50% of suppliers delivering productions completed an EoP report and the BBC has told us it is taking further steps, such as digitising the reporting process to facilitate higher completion rates.¹¹⁵ As the EoP reports become business-as-usual, it will be important for the BBC to also have an appropriate enforcement approach to non-completion of EoPs. We will monitor these developments closely.



Workforce diversity

The BBC is making progress against its workforce diversity targets, but there remains more to do

This year, in line with [recent changes](#) to our wider annual Equity, Diversity and Inclusion in TV and Radio reporting, we have changed the way we collect and present information from the BBC on the diversity of its UK public services workforce.¹¹⁶ Therefore, this year's information is generally not directly comparable with that of previous years. The data in this report also differs from the figures published in the [BBC's Equality Information Report \(EIR\)](#)¹¹⁷

The representation of both women (48%) and people from minority ethnic groups (15%)¹¹⁸ across BBC's UK public services, is currently reflective of the wider UK workforce.¹¹⁹ However

¹¹⁵ Ofcom/BBC meeting 19 Sep 2023.

¹¹⁶ For example, the main body of this report gives figures as a percentage of 'visible data' (excluding the unknown categories 'not disclosed', 'data not collected'). Figures as a percentage of the 'total workforce data' (i.e. including unknown data) are footnoted and also available to view in the accompanying [interactive report](#).

¹¹⁷ The BBC excluded employees on unpaid leave and those in roles not wholly funded by the BBC from its EDI/UK public services workforce data submission to Ofcom (BBC supplied data). These employees were included in the BBC's EIR UK public service figures. The EIR reporting is also based on 'total workforce data' in contrast to the 'visible workforce data' approach used in this report.

¹¹⁸ BBC supplied data, 2023. Visible data only. When including unknown categories (total data), 47% of UKPS staff are women, and 15% are from minority ethnic groups.

¹¹⁹ Women and minority ethnic group ONS Labour market statistics [A09: Labour market status by ethnic group](#).

representation of both groups in each nation or region varies.¹²⁰ At senior management level¹²¹ women now account for 50% of the workforce within the BBC's UK public services¹²². However staff from minority ethnic groups represent just 7% of these senior managers despite accounting for 15% of the BBC's wider public services workforce. Staff from minority ethnic backgrounds made up a large proportion of new joiners (26%) and those being promoted (18%) this year, which suggests steps are being taken to increase representation and support progression. However, this may be undermined by the relatively high proportion of leavers from minority ethnic groups (21%).¹²³

People with disabilities account for 10% of those in the BBC's UK public services workforce who provided data, and 9% of staff in senior management roles.¹²⁴ This is considerably lower than in the wider UK population (16%).¹²⁵ The representation of staff with a disability is also consistently low across the different nations and regions,¹²⁶ despite levels of disability being higher than the UK average in many areas.¹²⁷ We expect the BBC to carefully consider its approach to improving the representation of disabled workers within its workforce and set this out in its next diversity strategy.

The data shows that 57% of the BBC's UK public services workforce is now based outside of London. 28% of the UK public services staff who provided data are from lower socio-economic backgrounds¹²⁸ compared with 39% of UK's wider working population.¹²⁹

The BBC has set itself representation targets for its BBC Group staff in the UK of: Women (50%); Ethnicity (20%); and Disability (12%) to be met by 2027/28 and a 25% lower socio-economic diversity target to be met by 2026/2027. We note that all these targets are set as a proportion of total workforce (rather than as a proportion of those who provided information). The BBC reports having met its target for woman across the BBC this year and is continuing to work towards the others. As the UK public services account for over 80% of the BBC's workforce we are keen to see these higher levels of representation also replicated throughout this core part of its workforce.

We recognise and welcome the work that the BBC is also doing to try and help improve workforce diversity within the wider broadcasting sector via its Diversity Commissioning Code of Practice (DCCoP) and a range of other BBC TV and radio schemes, such as *Access First Titles*; as well as collaborating with other broadcasters on initiatives like the [TV Access Project \(TAP\)](#). We will also continue to monitor progress in this area via the BBC's Diamond Data.¹³⁰

¹²⁰ See [interactive report](#).

¹²¹ Ofcom's recent changes include an updated definition of 'senior management' limited to the most senior staff, this differs from the BBC's wider Leadership group definition used in its EIR.

¹²² BBC supplied data, 2023. Visible data only. When including unknown categories (total data), women account for 49% of senior management level roles.

¹²³ Visible data only. BBC supplied data, 2023. When including unknown categories (total data), staff from minority ethnic groups represent, 25% of new joiners, 18% of promoted staff, 20% of leavers and 7% of senior management roles.

¹²⁴ BBC supplied data, 2023. Visible data only. When including unknown categories (total data), disability representation is 10% across the UKPS and 9% at senior management level.

¹²⁵ The population average for people with a disability is based on economically active people aged 16-64. ONS Labour market statistics [A08: Labour market status of disabled people](#).

¹²⁶ See [interactive report](#).

¹²⁷ ONS Annual Population Survey – [NomisWeb](#).

¹²⁸ BBC supplied data, 2023. Visible data only. When including unknown categories, 22% of staff are from lower socio-economic backgrounds.

¹²⁹ [Social mobility commission – Socio-economic background of the overall UK workforce aged 16+ \(May 2021\)](#) updated from previous [2017 benchmark](#) of 29%.

¹³⁰ Creative Diversity Network Diamond – [The 6th Cut Report](#).

Diversity goals

The BBC is coming to an important juncture in its diversity work. As several of its biggest on- and off-screen/air diversity strategies reach their conclusions, it has an opportunity to ambitiously build on the foundations it has laid in recent years

The BBC has come a long way in its efforts to embed diversity in its content and commissioning processes. In 2018 it introduced the DCCoP which set commissioning priorities to deliver greater diversity within both its output and supply chain. The BBC considers that most of the commitments in the DCCoP have now either been met or are currently being embedded, helped by the introduction of EoP reports. The BBC's current financial [Creative Diversity Commitment](#) is due to end next year, having already surpassed its £100m diverse TV content spend target. It is on track to meet the £12m spend target for radio next year. The BBC's [Diversity & Inclusion Plan 2021-2023](#) (its workforce strategy) will also end shortly.

We understand new strategies are in development and continue to urge the BBC to set itself bold and challenging new goals to continue to drive progress. This includes reviewing its targets for representation of on-screen and on-air talent, which date back to 2016, and for its workforce, taking account of new census data for the wider UK workforce, and clearly assessing which of its many initiatives are delivering progress and which are not working. We await the BBC's strategic plans on next steps for its audiences, content and its workforce with keen interest.

Nations and regions

In this section we set out how the BBC has delivered for audiences and the creative sectors across the nations and regions. In the following section we set out more about the BBC's work in each of the individual nations.

The BBC has continued to invest in content making outside of London, supporting creative industries across the UK

Investment in network content production outside of London has increased

Spend outside of London on network programming rose as a proportion of total qualifying spend from 54% in 2021 to 58% in 2022 driven by increased spend in England.¹³¹ Key contributors to this were drama and sport, with coverage of the men's FIFA World Cup, the Commonwealth Games and the Winter Olympics being produced in Manchester in 2022. The uptick can also be attributed to the relocation of BBC One's weekday programme *Morning Live* to Manchester, in line with the BBC's Across the UK plan.

The proportion of qualifying network spend in the other nations either remained the same or decreased in 2022, particularly in Wales, where the spend proportion decreased from 7.2% to 5.4%, despite qualifying hours increasing.¹³² This can partly be explained by a change in the mix of genres of qualifying Welsh productions, with no comedy or children's series made in 2022.

¹³¹ Ofcom analysis of BBC data.

¹³² Ofcom analysis of BBC data.

In its Across the UK plan, the BBC committed to delivering a long-running drama series for the nations within three years from March 2021. We note that the BBC has not yet announced this programme.

The BBC also reported that the proportion of its network radio spend¹³³ outside of the M25 was 36%,¹³⁴ slightly down on 39% achieved in the previous year.¹³⁵ In its [report](#), the NAO noted the BBC had some way to go in reaching its own target of 50% of network radio programme and music expenditure outside London by March 2028.

There has been an increase in spend on regional programming for the nations and regions, but it is still short of spend levels earlier in the Charter period

Spend on first-run UK originations produced for the nations and regions has started to increase and get closer to pre-pandemic levels, driven by a 25% increase in spend in English regions, of which the majority came from increased news spend. Spend on first-run UK originations rose by 14% across the other three nations, driven by non-news and non-current affairs programming.¹³⁶

However, hours of first-run UK originations for the nations and regions were slightly down compared to 2021. This is partly due to a decrease in first-run UK origination output of news content in Scotland and Wales due to the end of the *Coronavirus Update* briefings on BBC One Scotland and BBC One Wales.¹³⁷ BBC Scotland also saw a substantial decline in non-news/non-current affairs content after it ended its *Bitesize Daily* and religious services programmes that were broadcast during the pandemic.

The BBC spent a total of £200m on local radio content across the nations and regions in 2022/23. This was up 5% compared to 2021/22, driven mostly by an increase in local radio content spend in England.¹³⁸ Similarly, the BBC exceeded the required quota of hours of news and current affairs programming on the nations' radio stations.



¹³³ This includes contributions from Radio 1, Radio 2, Radio 3, Radio 4 and BBC Radio 5 live.

¹³⁴ [BBC Delivering Our Mission and Public Purposes 2022/23](#), p. 70.

¹³⁵ [BBC Annual Report and Accounts 2021/22](#), p. 142.

¹³⁶ Ofcom analysis of BBC TV data.

¹³⁷ Ofcom analysis of BBC TV data.

¹³⁸ [BBC Annual Report and Accounts 2022/23](#), pp. 153 – 168.

The BBC is viewed positively across the nations, but many still do not believe that the BBC features their area

Audiences across the nations and regions continue to use a range of BBC services, with cross-platform average weekly reach remaining relatively high overall at 83%.¹³⁹ We are encouraged to see that for the second year, there are no differences in how people in the nations generally perceive the BBC compared to the UK overall, though there are some differences with aspects of its content delivery.

While 60% of UK adults are positive about the BBC providing '*content that reflects the life and culture of communities throughout the UK*', just over half (53%) rate the BBC well for '*features region/nation of the UK I live in*'.¹⁴⁰

Our BBC Audiences Review, which looked at how D and E audiences perceive the BBC, found that people living in the nations and in the English regions feel that the BBC focuses disproportionately on London and the South East of England. Audiences we spoke to in Scotland were particularly negative about the BBC's portrayal of their lives. They felt that the BBC's portrayal of life in Scotland often relied heavily on stereotypes and did not show distinctive characteristics of different communities around Scotland. Viewers in Northern Ireland were more positive, with people appreciating Northern Ireland-focused programming such as *Once Upon a Time in Northern Ireland*. In Wales we found that geographical representation is hugely valued. Overall, there was a consensus across nations that a more authentic and nuanced portrayal was needed from the BBC.

As the BBC is moving more of its activities outside of London, we have been engaging with it to understand more about how they assess the impact on audiences of specific regional activities. For example, the BBC provided us with information on the impact on audiences of some of its live events. The data it shared indicated that for BBC Radio 1's *Big Weekend* in Dundee this year, there was a notable proportionate increase in listening on BBC Sounds for accounts based in that area. Similarly, for the *BBC Radio 2 in the Park* event in Leicester, there was a significant proportionate increase in BBC Sounds listening within Leicester and the surrounding areas, and the BBC iPlayer audience also indexed highest in Leicester for this event.¹⁴¹



¹³⁹ IPA TouchPoints wave 1 2023.

¹⁴⁰ Ofcom BBC Performance Tracker 2022/23.

¹⁴¹ Data provided by the BBC.

News and current affairs output remains well-used by audiences in the nations and regions, although they view it less positively

Overall, nations and regions news and current affairs output fell by 5% compared to 2021. As noted above, while some of the decrease in news hours can be attributed to the end of Covid-19 briefings and other related content, news output fell below its pre-pandemic level to 4,951 hours (down 6% year on year and down 8% compared to 2019). There was, however, a year on year increase in current affairs output for the nations and regions, from 435 hours in 2021 to 463 hours in 2022, although this figure was still short of levels seen before 2020.¹⁴²

In the context of discussion of the BBC's delivery of regional news, we noted in our statement on the new [BBC Operating Licence](#) that we will monitor audience perceptions on the BBC's delivery of news. Audiences were generally less positive about the BBC's provision of '*news coverage of what is going on in my local area*' compared to news about the UK or international coverage, with just over half (52%) positive towards this. Around one in five (19%) people across the UK gave this a negative rating, rising to almost three in ten (28%) in Scotland.¹⁴³ We will continue to monitor this going forward and encourage the BBC to say more about how it plans to deliver regional news and improve audience perceptions in its Annual Plan and Annual Report.

Compliance against Operating Licence conditions

Alongside our broader performance assessment, we consider the BBC's compliance against the relevant Public Purpose 4 Operating Licence conditions. This year, the BBC met all of its requirements. See Annex 1 for a full compliance assessment of the Operating Licence requirements.

¹⁴² Ofcom analysis of BBC TV data.

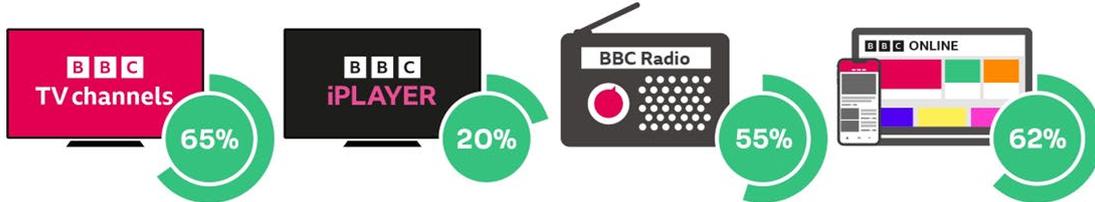
¹⁴³ Ofcom BBC Performance Tracker 2022/23.

4. The BBC in the nations and regions

In the following pages we set out how the BBC has delivered for audiences in each of the four nations as well as key data points on the BBC's performance. This is distinct from our assessment of the BBC's performance under Public Purpose 4.

NORTHERN IRELAND

Average weekly reach of BBC sources in Northern Ireland



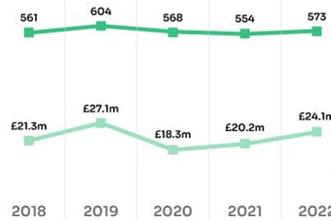
BBC RADIO FOYLE | **BBC RADIO ULSTER** **30% in 2022/23**



Programme share of BBC Series *Blue Lights*, set in Northern Ireland



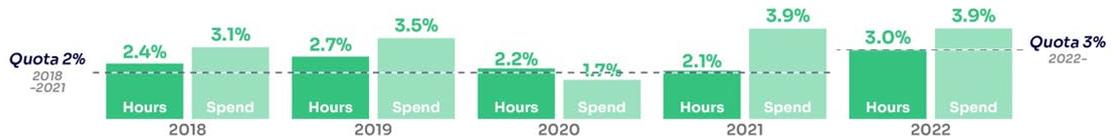
First-run originated hours and spend for the nations and regions



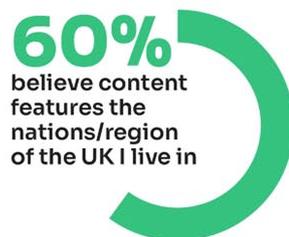
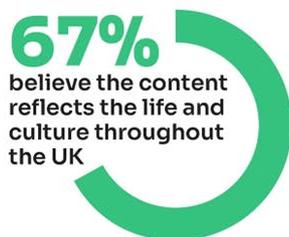
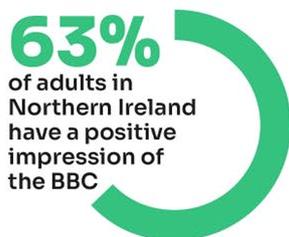
573 programming hours
£24m spend on content



Qualifying network spend and hours produced in Northern Ireland



Positive impressions of the BBC among adults in Northern Ireland



Sources used: Ofcom analysis of BBC data; Barb (15+ minutes reach); RAJAR; BBC Compass data by Ipsos UK; Ofcom BBC Performance Tracker 2022/23

Proportion of spend and network qualifying hours produced in Northern Ireland reached an all-time high

Over the past year, the BBC met its 2022 quota for network qualifying hours produced out of Northern Ireland at 3% (up 0.9 percentage points from the previous year). Spend remained at 3.9% for the second year in a row.¹⁴⁴ A significant proportion was spent on factual and drama, with *Sunday Morning Live* returning to Belfast, and drama *Hope Street* returning for a second series. BBC Northern Ireland also delivered 13 co-commissions with the network over 2022/23. In 2023 this included *Blue Lights*, which had a programme share of 31% in Northern Ireland, with its opening episode the nation's most watched programme on the BBC over the reporting period.¹⁴⁵

The BBC [broadcast a mix of content in Irish and Ulster-Scots](#), including 248 hours a week of indigenous minority language programming via its BBC Radio Ulster and BBC Radio Foyle services, exceeding the quota in the Operating Licence.

Audiences in Northern Ireland are more likely than the UK average to rate the BBC positively for 'features the nation I live in' (60% compared to 53% in the UK), suggesting that the BBC's Across the UK plan may be having a positive impact in Northern Ireland.¹⁴⁶

The BBC enhanced its sporting coverage

The past year has seen some sporting events enjoy enhanced coverage on BBC Northern Ireland. As part of an agreement between the [BBC and the GAA](#), the All-Ireland semi-finals (hurling and football) were broadcast on BBC iPlayer and the [final](#) was shown live on BBC network TV for the first time. The All-Ireland football showpiece event in July attracted a peak audience of 800,000. The coverage sits alongside BBC Northern Ireland's existing portfolio of sport, which also includes local soccer, Ulster Rugby and motorcycle road racing. The BBC also committed to covering Northern Ireland games in the [UEFA Women's Nations League](#) on BBC iPlayer and online during September 2023.

The BBC made changes to BBC Radio Foyle

In November 2022, [the BBC announced the editorial decision](#) that it would be cutting the breakfast programme and hourly news bulletins on BBC Radio Foyle to invest further in online coverage. We asked the BBC how it would continue to deliver local content to the different areas and communities of Northern Ireland following the changes. It told us that following feedback, it had decided to move its 30-minute weekday news programme *North West Today* from lunchtime to 8:30am and to retain the hourly news bulletins until 3pm each weekday. It also announced enhanced digital news coverage in Northern Ireland, including within the area served by BBC Radio Foyle. In November 2023, it announced it would extend *North West Today* to one hour, starting from early 2024. We expect the BBC to closely monitor the impact of these changes on audiences and, if it plans to make further changes, to fully engage with us and audiences.

The first Board member for Northern Ireland appointed

In July 2023, [Michael Smyth CBE KE](#) was appointed to the BBC Board as the Northern Ireland Member. This came after a five year wait due to the absence of a Northern Ireland Executive, meaning new secondary legislation was required to make the appointment. We recognise the importance of this development for the BBC's capacity to serve audiences in Northern Ireland.

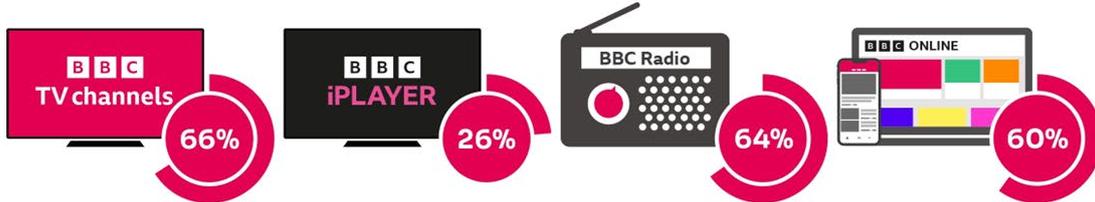
¹⁴⁴ Ofcom analysis of BBC data.

¹⁴⁵ Barb 28-day consolidated viewing, via TV sets only.

¹⁴⁶ Ofcom BBC Performance Tracker 2022/23.

WALES

Average weekly reach of BBC sources in Wales



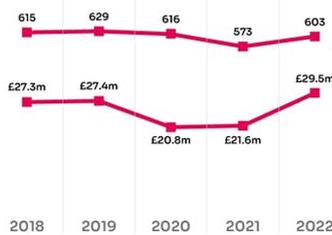
BBC RADIO WALES 12% in 2022/23 | **BBC RADIO CYMRU** **BBC RADIO CYMRU 2** 5% in 2022/23



Programme share of BBC Series *The Pact*, set in Wales

14% Wales share
9% UK share

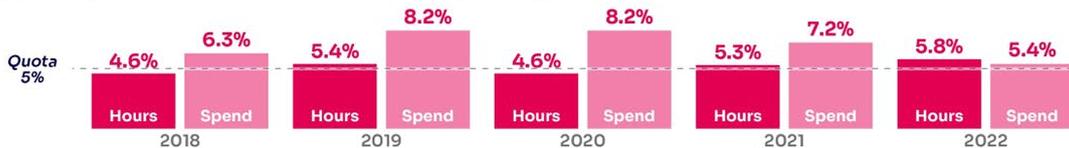
First-run originated hours and spend for the nations and regions



603 programming hours
£29m spend on content



Qualifying network hours and spend produced in Wales



Positive impressions of the BBC among adults in Wales

63% of adults in Wales have a positive impression of the BBC

60% believe the content reflects the life and culture throughout the UK

51% believe content features the nations/region of the UK I live in

Sources used: Ofcom analysis of BBC data; Barb (15+ minutes reach); RAJAR; BBC Compass data by Ipsos UK; Ofcom BBC Performance Tracker 2022/23

Network content made in Wales was at an all-time high, but spend fell

Network hours produced in Wales were at 5.8%, the highest proportion we have on record. However, spend declined for the second year in a row to 5.4%.¹⁴⁷ There was a slight change in the genre mix of qualifying Welsh productions, with no children's or comedy titles made in 2022, both of which are relatively high cost-per-hour genres. Some increase in hours can be attributed to more co-commissions such as *The Pact* on BBC One, which had a programme share of 14% in Wales and 9% across the UK. There were also more arts and music titles qualifying as Welsh productions in 2022, as well as the introduction of mixed martial arts title *Bellator* on BBC Three.

BBC Cymru Wales performed well on its coverage of live events, delivering important Welsh cultural moments such as *National Eisteddfod* and *Summer of Music* concerts. Football was also a focus, with Wales qualifying for its first FIFA World Cup since 1958. The Wales vs. England match was Wales's third most watched programme in 2022 with a programme share of 56%.¹⁴⁸

The BBC has relocated some of its production to Wales

Cardiff became [home to the BBC's Audio Hub](#) and audio science production unit. More than 30 radio shows across the BBC's network are now being produced in Cardiff, allowing for the BBC to better connect with audiences in Wales. Titles include BBC Radio 4's *Farming Today*, *Saturday Live* and BBC Radio 2's early breakfast programme with Owain Wyn Evans.

The BBC provides content in Welsh on BBC Radio Cymru and BBC Radio Cymru 2, which reached 5% of adults on average each week in Wales across 2022/23.¹⁴⁹ It recently announced plans to expand BBC Radio Cymru 2 to become a UK public service in its own right. This is a material change subject to a competition assessment by Ofcom, which is underway. BBC Radio Cymru celebrated Welsh language learning through *Wythnos Dathlu Dysgu Cymraeg*. The BBC also [continued to provide news and Bitesize content](#) in Welsh online.

The BBC has delivered important factual podcasts about Wales on Sounds

On BBC Sounds, factual podcasts about recent historical events have included the Meibion Glyndŵr firebombing campaign, told through Welsh language podcast *Gwreichion*, and *Drowned*, exploring the drowning of Capel Celyn. Stakeholders have raised their concerns with us about discoverability of Welsh content (Welsh language content in particular) on BBC Sounds and BBC iPlayer. The new [Operating Licence](#) requires the BBC to make its Welsh content easily discoverable online. We are looking at discoverability in detail and discussing what it means in practical terms with the BBC.

The BBC partnered with Disability Wales and Creative Wales

BBC Cymru Wales launched its Siarad Anabledd Talk Disability initiative and partnered with Disability Wales to launch a trainee scheme for people with disabilities. It focused on programmes featuring stories from disabled people, such as BBC Three's *Blood Sweat and Cheer. A Special School* also returned to BBC Two with a programme share of 7% in Wales and 4% across the UK.¹⁵⁰ Initiatives such as these are important in the BBC's fulfilment of Public Purpose 4 and diversity obligations. The BBC also entered the second year of its partnership with Creative Wales, which provided funding for BBC One co-commission *Steeltown Murders* and BBC Three's *Rookie Nurses*.

¹⁴⁷ Ofcom analysis of BBC TV data. Figures cover % of qualifying network TV hours & spend allocated to Wales.

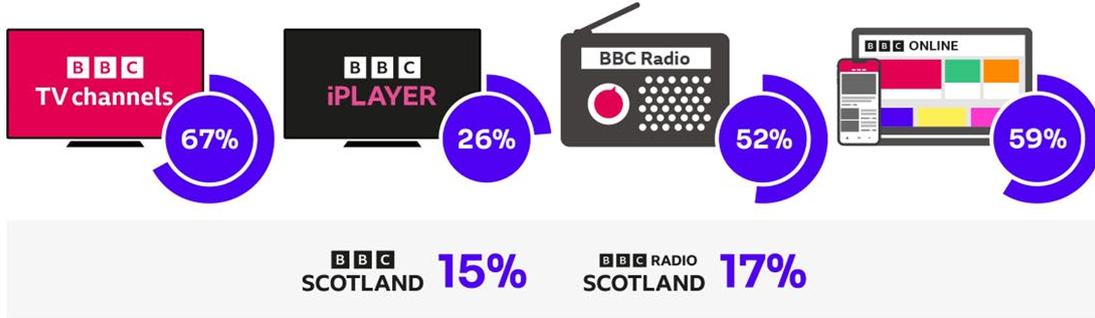
¹⁴⁸ Barb 28-day consolidated across TV and other devices in the home. Channels include any +1 equivalents.

¹⁴⁹ RAJAR Q1 2023, 12-month weighting.

¹⁵⁰ Series 2 of *A Special School* was first shown on BBC One in Wales only in January 2023 and then repeated across the UK over February-March 2023 on BBC Two.

SCOTLAND

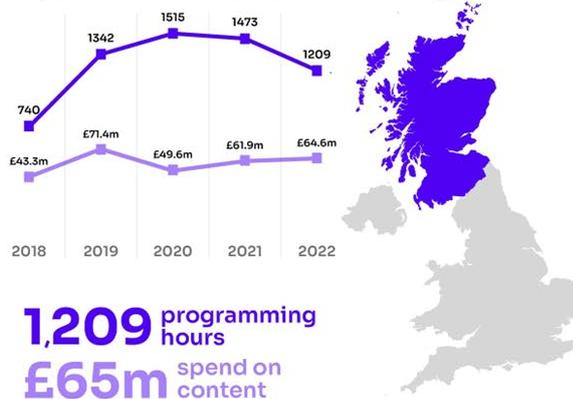
Average weekly reach of BBC sources in Scotland



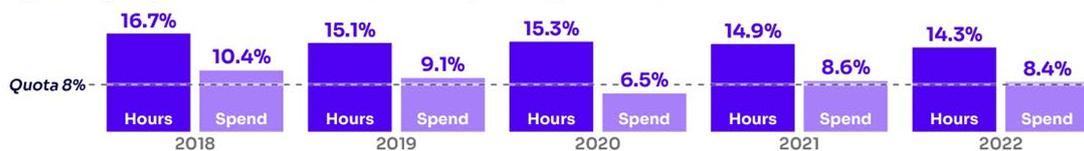
Programme share of BBC Series *Shetland*, set in Scotland



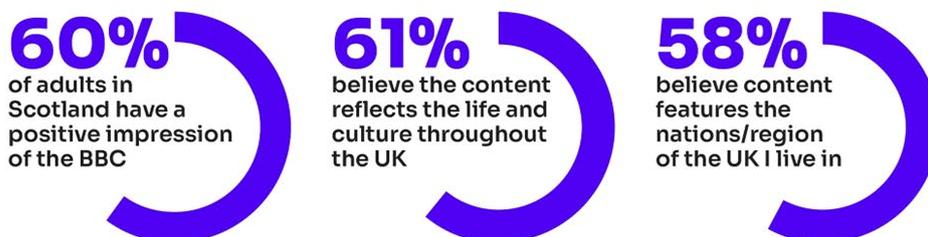
First-run originated hours and spend for the nations and regions



Qualifying network hours and spend produced in Scotland



Positive impressions of the BBC among adults in Scotland



Sources used: Ofcom analysis of BBC data; Barb (15+ minutes reach); RAJAR; BBC Compass data by Ipsos UK; Ofcom BBC Performance Tracker 2022/23

While overall BBC spend in Scotland increased, there was a slight reduction in the proportion of network spend and hours produced

Across 2022, the proportion of network TV spend and hours made in Scotland saw a slight decline, with the proportion of hours down by 0.6 percentage points to 14.3%, and proportion of spend falling by 0.2 percentage points to 8.4%.¹⁵¹ However, when looking at total BBC spend in Scotland across all services, this grew to £262m in 2022/23, up from £241m the previous financial year.¹⁵²

BBC Scotland produced 12 co-commissions with the BBC network, up from six the previous year. These were across a range of genres, including *This Farming Life*, whose 7pm weekday repeats on BBC Two generated average audiences of 1.3 million, and *Granite Harbour*, a drama set in Aberdeen, which had a programme share of 14% in the UK, increasing to 18% in Scotland. A number of successful network commissions have also been filmed in Scotland, such as BBC One's *The Traitors*, which attracted an average of 4.6 million viewers per episode for the series.¹⁵³

Three in five (60%) adults in Scotland are generally positive towards the BBC and are also broadly in line with attitudes across the UK as a whole for providing 'content that reflects the life and culture of communities across the UK' and 'features the region/nation of the UK I live in'.¹⁵⁴

The BBC's technology reporting team is now based in Glasgow

The BBC moved its technology reporting team to Glasgow's Pacific Quay hub, following its commitment made in its Across the UK programme to spread its news teams across the nations. BBC iPlayer's *Click* and BBC World Service's *Tech Tent* are now broadcast out of Glasgow's Pacific Quay.

BBC Radio Scotland made changes to its music provision

In January this year, the BBC announced editorial changes to its music offer on BBC Radio Scotland including the decommissioning of its *Classics Unwrapped* and *Jazz Nights*. The [BBC has indicated](#) that audiences of classical, jazz and piping music will continue to be served and subsequently launched its [Young Jazz Musician Competition](#) and new podcast *The Piping Season*.

The BBC continues to partner with Scotland's creative sector

The BBC is running various training initiatives to develop talent in areas where there are perceived to be skills shortages in Scotland. BBC Scotland's partnership with the Royal Conservatoire for Scotland has helped support the BBC Scottish Symphony Orchestra with the development of conducting and production talent. Through its [partnership with Screen Scotland](#), the BBC has offered candidates an opportunity to produce and direct a documentary for BBC Scotland and BBC iPlayer.

The BBC provided Gaelic content through BBC ALBA and BBC Radio nan Gàidheal

Discussions remain ongoing between the BBC and MG ALBA as they look to renew their partnership agreement around the operation of BBC ALBA, which had an average weekly reach of 50% of Gaelic speakers and learners.¹⁵⁵ The BBC also continued to produce a range of Gaelic language learning content across TV, BBC iPlayer, BBC Sounds and online through its SpeakGaelic initiative.

¹⁵¹ Ofcom analysis of BBC TV data. Figures cover the percentage of qualifying network TV hours and spend allocated to Scotland.

¹⁵² [BBC Annual Report and Accounts 2022/23](#), p.160. Figures cover all spend relating to programmes produced in the nation, across TV, radio and online, and including network and non-network content.

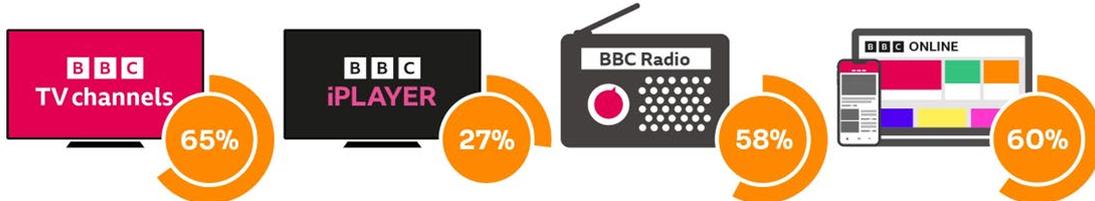
¹⁵³ Barb 28-day consolidated, TV sets only, individuals 4+

¹⁵⁴ Ofcom BBC Performance Tracker 2022/23.

¹⁵⁵ [BBC Annual Report and Accounts 2022/23](#), p.163.

ENGLAND

Average weekly reach of BBC sources in England



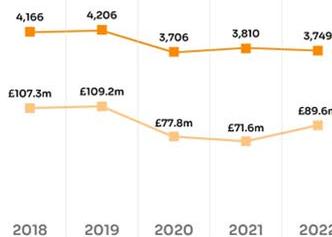
BBC LOCAL RADIO 12% in 2022/23



Programme share of BBC Series *Sherwood*, set in Nottinghamshire

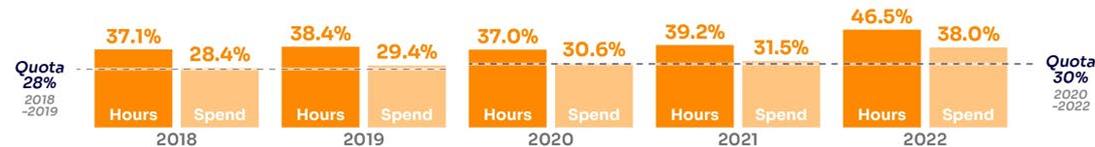


First-run originated hours and spend for the nations and regions



3,749 programming hours
£90m spend on content

Qualifying network spend and hours produced in English regions



Positive impressions of the BBC among adults in England

Positive impressions per region...



60% believe the content reflects the life and culture throughout the UK

52% believe content features the nations/region of the UK I live in

Sources used: Ofcom analysis of BBC data; Barb (15+ minutes reach); RAJAR; BBC Compass data by Ipsos UK; Ofcom BBC Performance Tracker 2022/23

There was a substantial increase in network spend and hours produced in England's regions, driven mainly by the North of England

Over the past year, the BBC has increased production outside of London, resulting in the highest percentage on record for qualifying network hours produced in England's regions, at 46.5% (up 7.3 percentage points from last year). Spend also increased by 6.5 percentage points to 38%. There were increases across all regions, but most significantly in the North of England, with *Morning Live* moving to Manchester and an uptick in sports output during the reporting period, which is produced out of Salford's Media City.¹⁵⁶ The BBC also delivered a range of dramas portraying different regions of the UK. *Sherwood*, a crime drama inspired by a true story in Nottinghamshire, was broadcast on BBC One. It proved popular, particularly in the East Midlands where it had a programme share of 36% (becoming 29% across the UK),¹⁵⁷ suggesting a particular appeal because of the location.

The BBC network has worked alongside BBC England in the regions to produce 12 co-commissions. BBC Three has worked with local production companies to deliver a range of factual entertainment commissions representing, and aiming to appeal to, younger audiences. For example, *Brickies* followed a group of young bricklayers on building sites in the North of England. Of the audience for series 1, 26% were ages 16-34 (above the BBC Three average of 16% for 22/23), highlighting that the programme was of interest to young audiences. However, this figure fell to 8% for series 2.¹⁵⁸

We are monitoring the impacts of the BBC's changes to local radio

As outlined in Section 2, the BBC is currently rolling out changes to BBC local radio in England in its efforts to reduce its expenditure on broadcast services and reinvest it into online content. These changes include an increase in programme sharing in the evenings and weekends. We scrutinised the BBC's plans and [sent a letter](#) outlining our concerns around potential impacts of the changes on audiences, in particular whether shared programming would still be relevant to listeners. We will monitor the impact of the changes by reviewing a range of sources including listening data, audience complaints and information provided by the BBC, e.g. station case studies, and local content hours. We are also carrying out research on what audiences across the UK value from local media generally.

The BBC has re-distributed some of its teams and production into England's key regional hubs

The BBC has continued its investment in key hubs across England, redistributing its people and production out of London. Its Birmingham headquarters are moving to a new enlarged premises, as part of its ambition for the city to become a centre of excellence for production. It has also recently become home to BBC Radio 1's *Newsbeat* and BBC Asian Network, and it is due to welcome *Masterchef* which is [being produced outside of London](#) for the first time since 2001. BBC Radio 3 has announced plans to move programmes to the BBC's Salford base, establishing a classical music hub in the North of England. BBC Radio 6 Music has already moved the majority of its shows to Salford.

The BBC has also made substantial investments in the North East of England, partnering with North East Screen and local authorities to launch the Regional Partnership Scheme. Committing to spending £25m in the region before 2026, the BBC chose Newcastle as its City of Comedy and launched a comedy initiative designed to strengthen local talent and increase representation of the North East within the comedy landscape.

¹⁵⁶ Ofcom analysis of BBC TV data. Figures cover the % of qualifying network TV hours and spend allocated to English regions.

¹⁵⁷ Barb 28-day consolidated, TV sets only, new episodes only.

¹⁵⁸ Barb 28-day consolidated, TV sets only, new episodes only.

5. Protecting fair and effective competition

Summary

- Our regulation of the BBC's impact on competition is changing to ensure that we continue to effectively and efficiently hold the BBC to account to protect fair and effective competition.
- This year there have been few processes considering the BBC's impact on competition.
- We have assessed a BBC public interest test ('PIT') regarding expansion of BBC iPlayer and are currently consulting on our provisional determination regarding a BBC PIT on expanding Welsh language hours offered by Radio Cymru 2 so that it becomes a service in its own right.
- We have considered two materiality assessments from the BBC including one regarding changes to the BBC's local online news services, and one commercial materiality assessment regarding the partial transfer of audio production activity to BBC Studios.
- In addition, we have assessed the BBC's compliance with its contestability requirements and are satisfied that it met the target it was due to meet by 31 December 2022 for contested audio hours.
- Earlier this year, we set out our high-level views on competitive conditions in the audio-visual and audio sectors, and the potential impact that future changes by the BBC to its public services could have on competition in these areas. In this chapter we provide an update on our high-level views.
- We are continuing to engage with the BBC on how it is responding to our review of BBC Studios, and provide the results of our related benchmarking exercise.

Introduction

As a large, publicly funded organisation operating across TV, radio and online, the BBC can have a significant impact on competition, both positive and negative. Ofcom's role is set out in the Charter and Agreement and requires us to protect fair and effective competition in the UK. To deliver on this role, we have put in place rules for the BBC's public service and activities, and we review changes that the BBC makes to these activities.

In this chapter we discuss and report on the following areas.

- Changes the BBC has made and our assessment of how the BBC has met its competition requirements when assessing these changes.
- The BBC's ongoing public service activities, including its compliance with commissioning requirements.
- The BBC's commercial activities, including how it is responding to regulatory changes we made.

- Changes we have made to our guidance for assessing the impact of proposed changes to the BBC’s public service activities to ensure regulation remains fit for purpose, and an update on the BBC in the changing media landscape.



Revised competition guidance

In April, we published our [decision](#) to place a new enforceable requirement on the BBC to publicise changes to its public services that are likely to be subject to a materiality assessment by the BBC.¹⁵⁹ This was intended to support more effective engagement between the BBC and stakeholders. We also made changes to our [guidance](#) for assessing the impact of proposed changes to the BBC’s public service activities, which came into effect on 18 August 2023.

Within the revised guidance we explain what a reasonable and proportionate approach to engagement during the materiality process should look like, set clearer expectations about the information the BBC should provide to stakeholders when it consults as part of a PIT, and explain what we expect to see in the BBC’s public value assessments. Over the next year, we will engage with stakeholders to understand their perspectives on how the BBC has publicised changes to its services, and we will comment in next year’s Annual Report on the BBC’s progress in this area.

The BBC and the changing media landscape

Alongside our revised guidance, we set out our high-level views on competitive conditions in the audiovisual and audio sectors and the potential impact that future changes by the BBC to its public services could have on competition in these areas.¹⁶⁰ As market conditions may change, we are committed to monitoring market developments and updating our views as necessary. We have provided an update in this Annual Report.

In the tables in Annex 3 we set out our most recent estimates for viewing and listening shares, which indicate a similar overall picture to that set out in April. In particular, the viewing shares show that

¹⁵⁹ Under the Agreement, the BBC is responsible for assessing whether proposed changes to its public services may be ‘material’. A change is material if the BBC is launching a new UK public service, or making a change to an existing service that may have a significant adverse impact on fair and effective competition.

¹⁶⁰ [How Ofcom regulates the BBC’s impact on competition](#), Annex 1 (pp.46-56): The BBC’s impact on competition in the audio-visual and audio sectors: detailed analysis.

while the BBC’s linear services are relatively large in terms of viewing, BBC iPlayer currently accounts for a relatively small share of total viewing time (3%).¹⁶¹

In relation to audio listening shares, the BBC’s online-only audio content accounts for a very small share of total listening time (less than 1% in 2023). In contrast, the BBC’s radio portfolio accounts for a sizeable proportion of listening, although its share of all radio listening has been declining.¹⁶²

Based on analysis of the recent data, our high-level view on the BBC’s position within the audio-visual and audio sectors is as we set out last year.

- Changes to BBC iPlayer are unlikely to have a significant impact on the viewing share – and therefore revenues – of domestic competitors. They are therefore not expected to carry a significant risk of crowding out.¹⁶³ However, we recognise that the risk could be higher if the impact of a specific change was expected to fall on a concentrated pool of domestic commercial providers. Such a change would be more likely to require closer scrutiny.
- Changes to the BBC’s linear TV services may have the potential to have a bigger impact on domestic competitors and so could pose a higher risk of crowding out than changes to BBC iPlayer.
- Changes that only affect BBC Sounds are unlikely to have a significant impact on the listening share – and therefore the revenues – of domestic competitors and we do not expect a significant risk of crowding out.
- Changes to the BBC’s radio services which result in a significant increase in listening have the potential to have a bigger impact on domestic commercial radio providers. As such, we consider there is a higher risk of crowding out from such changes, compared to changes that are limited to BBC Sounds.

Ofcom recommendations to DCMS as part of the Mid-Term Review

In June 2022, we published our [review of the regulation of the BBC](#). One of the aims behind this review was to inform DCMS’s Mid-Term Review of the BBC Charter. We looked at whether our competition regulation of the BBC was fit for purpose and set out recommendations for changes to the Agreement for DCMS to consider. These were to:

- Remove the link between the BBC undertaking a public interest test and Ofcom doing a BBC competition assessment. This will allow us to approve a change without conducting a competition assessment, but only where we agree with the BBC’s analysis and it has effectively engaged with stakeholders.

¹⁶¹ Note, the viewing shares presented here use a different methodology to those set out in April due to improved data availability, and so are not directly comparable. Specifically, Barb made enhancements to their measurement at the end of 2021 which means we are now able to use it for SVoD/AVoD and VSP viewing in the home, with IPA TouchPoints data used to estimate out-of-home viewing (the shares set out in April were estimated using data from Barb, Comscore and IPA TouchPoints). We intend to use this data going forward, to allow comparison over time in the future.

¹⁶² Comparison with listening shares previously published should be made with caution as RAJAR listening figures from Q3 2021 onwards were calculated using a modified survey methodology.

¹⁶³ If the BBC changes its public services in a way that leads audiences to switch away from commercial services to the BBC’s services, commercial providers’ revenue may diminish. This may in turn limit commercial providers’ ability to invest in their services, reducing the overall choice, quality and range of content available for UK audiences. We refer to this effect as ‘crowding out’. Crowding out is not the only way in which the BBC can harm competition – for example, there is a risk that BBC activity may cause harmful impacts on services elsewhere in the UK media supply chain.

- Enable Ofcom to approve a BBC change with conditions using a shorter assessment.
- Change the definition of a ‘material’ change so that new BBC public services are not automatically considered to be material (the change will still be subject to the test of whether it may have a significant adverse impact on fair and effective competition).

If DCMS and the BBC agree any changes to the competition processes set out in the Framework Agreement, it is likely we will need to make some changes to our competition guidance. We would look to implement any changes to the Framework Agreement as soon as reasonably practicable.

Our work in 2022/23 to protect fair and effective competition

Public service activities

Our regulatory duties in relation to the BBC’s public service activities cover four broad areas, as set out in the table below.

Figure 4: How we regulate the impact on competition of the BBC’s public service activities

Changes to public service activities	We consider whether the public value of a material change proposed by the BBC to its public service activities justifies any adverse impacts on fair and effective competition. We can do this through a BBC Competition Assessment (‘BCA’).
Ongoing public service activities	We may open a BBC Competition Review (‘BCR’) where there are reasonable grounds to believe that the carrying out of a UK Public Service is having a significant adverse impact on fair and effective competition.
Commissioning	The BBC is required over the course of the Charter period to commission an increasing amount of content following a competitive process that is fair, reasonable, non-discriminatory, and transparent (‘FRNDT’). Our role is to monitor the BBC’s compliance and enforce those requirements.
Distribution	We have a role to consider specific competition complaints about the way the BBC distributes its public services.

Changes to public service activities

The BBC is responsible for assessing whether proposed changes to its public services may be ‘material’ (a materiality assessment).¹⁶⁴ Where a change is material, the BBC is required to conduct a public interest test which Ofcom must review. We have set [guidance](#) on the procedures, timescales and approach which we will generally apply when assessing the impact of material changes.

¹⁶⁴ Clause 7(7) of the Agreement. A change is material if the BBC is launching a new UK public service or making a change to an existing service that may have a significant adverse impact on fair and effective competition.

BBC public interest tests

BBC iPlayer PIT

As we explained in last year's report, the BBC concluded in October 2022, following consultation, that its proposals to further expand the amount of content on BBC iPlayer satisfied the PIT and did not amount to a material change. We completed our assessment in November 2022, concluding that the proposals were not a material change. This was based on the available evidence and how BBC iPlayer is expected to develop over the next few years which led us to conclude that the proposals were unlikely to have a significant impact on fair and effective competition and were therefore not material. Our conclusions are consistent with our market view that the risk of competitive harm from changes specific to BBC iPlayer is likely to be low (see above).

The BBC was transparent and engaged well with us throughout. However, as we noted in our [statement](#), stakeholders raised concerns about the quality of the BBC's consultation process. Our view was that although sufficient information was provided in the BBC's PIT conclusions to allow us to review materiality, the BBC could have provided more information on the nature and detail of its plans in its PIT consultation to enable stakeholders to understand the proposal fully and provide constructive input. In our revised competition guidance (noted above), we set out the information we expect the BBC's PIT consultations to include going forward.

BBC Radio Cymru 2 PIT

On 27 September 2023, the BBC published its PIT on its plans to extend the number of originated Welsh language hours offered by BBC Radio Cymru 2 so that it becomes a UK Public Service in its own right. Under the Agreement, the introduction of a new UK Public Service is a material change and therefore subject to a competition assessment by Ofcom. Having assessed the BBC's PIT, we are currently consulting on our [provisional determination](#) to allow the BBC to proceed with the change. We set out our view that the proposal is likely to deliver additional public value for Welsh language listeners, whilst it is unlikely to have a significant adverse impact on competition. We are also consulting on new Operating Licence conditions for the service, should it be approved, to ensure it contributes towards the BBC's promotion of its Public Purposes.

Materiality assessments

During 2022/23 we reviewed the BBC's materiality assessments of the following proposed changes to its public service activities:

Figure 5: Table showing materiality assessments we have considered this reporting year

Name and date of MA	Subject	Decision/action
Local online news (Sep 2022)	The BBC is making changes to its local news provision as part of a broad programme of work to modernise its local services. This includes increasing the average number of local online news stories published each day and adding four more local areas to the online index (which was the subject of the materiality assessment).	No PIT required. We recognised the importance of protecting competition in the provision of local news and said that we would monitor the progress of the BBC's proposals and gather information from the BBC and commercial operators to consider the impact of the proposals on audiences (after the BBC has finished rolling out its changes). As discussed in Section 2, we are undertaking a wider piece of research on what audience's

	This raised concerns in the local media sector about the impact on competition. The BBC met with the NMA to share details and discuss the proposals.	value from local media. As part of the wider review, we will look at the BBC’s impact on competition in the sector including gathering information from the BBC and commercial news publishers.
BBC Sounds (Feb 2023)	Proposals to make changes to the content offering on BBC Sounds, including delivering Sounds-only radio programmes and new short-form content, increasing the amount of podcast acquisitions and exercising flexibility in how and where the BBC releases its library of podcasts. These changes were based on trialled changes the BBC undertook in 2022. The BBC engaged with Radiocentre about the proposals.	No PIT required. We did not consider the changes, individually or cumulatively, were ones that may have a significant adverse impact on fair and effective competition. If the BBC seeks to increase the volume of content beyond the amounts set out in its proposals, we said we expect it to consider whether such proposed increases constitute a material change.

Non-public service activities

The BBC is involved in some activities that are not UK public services, but which still directly or indirectly fulfil the Mission and Public Purposes. Non-service activities include services such as Freeview. Where the BBC makes changes to a non-service activity it will need to consider whether the change is a ‘material’ change in the same way that it must consider changes to its UK public service activities.

We have not considered any changes to non-service activities in the reporting year.

Competition in commissioning

The Agreement sets out specific targets that the BBC must meet in relation to increasing the proportion of content commissioned for its public services through a contestable process. We have continued to monitor the BBC’s progress in meeting its targets and are satisfied that it is making some progress towards these, in particular that it has met its target for contested audio hours. We comment on this in more detail below.

Figure 6: BBC’s progress this year towards commissioning targets

	Contested to date 18/19	Contested to date 19/20	Contested to date 20/21	Contested to date 21/22	Contested to date 22/23	Target	When target must be met

TV ¹⁶⁵	56%	62%	64%	62%	63%	100%	31 Dec 2027
Network radio ¹⁶⁶	35%	48%	53%	55%	62%	60%	31 Dec 2022
Online ¹⁶⁷	44% ¹⁶⁸	62%	59%	72%	80%	100%	31 Dec 2027

The BBC is also required to ensure that there is genuine competition between BBC producers and external ones (whether independent producers or not) on a fair, reasonable, non-discriminatory and transparent (FRNDT) basis.

The BBC has made minimal progress this year towards meeting its commissioning target for TV. Achieving the 100% target by 31 December 2027 will require a significant change in trajectory from the modest year on year growth so far. We will continue to monitor the BBC’s progress towards fulfilling the commissioning targets for TV and online on an FRNDT basis.

We have spoken to TV producers as part of our ongoing engagement with the sector. No significant issues about competition within the commissioning process were raised.

Audio contestability

The BBC was due to meet its target for contested hours of relevant radio commissions by 31 December 2022.¹⁶⁹

The BBC set out in its Annual Report and Accounts 2022/23 that, for relevant radio programmes, 62% had been opened to competition.¹⁷⁰

The BBC commissioned EY to conduct a limited assurance review into whether the BBC had met the target, we reviewed this information and met with the BBC regulatory and commissioning teams to understand how the BBC had met the target. The BBC has provided us with information on the proportion of relevant hours contested in 2022/23 by genre. This showed that a similar proportion across pop, classical and speech radio hours are contested. The BBC also provided us with information on who won contested hours, which showed that the proportion won by BBC in-house production was similar to that won by external producers.

Having analysed this information, we are satisfied that the BBC met its obligation to secure competition for at least 60% of relevant radio hours by 31 December 2022. This obligation does not

¹⁶⁵ The Agreement requires the BBC to ensure that it secures competition for 100% of relevant television programmes by 31 December 2027.

¹⁶⁶ The Agreement requires the BBC to ensure that for relevant radio programmes it secures competition for at least 60% of relevant broadcasting time by 31 December 2022.

¹⁶⁷ The Agreement requires the BBC to secure competition for 100% of relevant online material by 31 December 2027. The BBC has defined ‘relevant online material’ in a way that adheres to the provisions of the Agreement and has discussed this definition with Ofcom. It measures online contestability by expenditure on content production of relevant online material.

¹⁶⁸ In this year the BBC used the percentage of relevant spend that was external as a proxy for contested spend. Therefore, this figure is not directly comparable with the figures for other years.

¹⁶⁹ Under the Agreement, clause 7(3) “relevant radio programmes” means all network radio programmes included in the UK Public Services except (a) news programmes; and (b) repeats, continuity, simulcasts, EBU material and autoplaced music.

¹⁷⁰ [BBC Annual Report and Accounts 2022/23](#), p.135.

continue beyond 2022, however the BBC has said it “will continue to ensure that 60% of eligible spend (across the BBC’s network radio), measured on an annual basis, will have come into existence through a competitive process.” We recognise the importance of this requirement to the audio production sector and therefore welcome this. We expect the BBC to continue to report annually on the percentage of relevant radio programming contested. We would be concerned by undue reductions from its December 2022 target level.

As part of our ongoing stakeholder engagement, we spoke to a range of audio producers to understand their views on the BBC’s commissioning process. While they did not express significant concerns about the FRNDT requirement, they raised a number of points about the commissioning process, including:

- One producer considered the cost of tendering for ongoing series was high given the likelihood of success.
- Commissioners at some BBC radio networks are seen as more willing to commission externally and there was also a perception that different networks were more willing to commission from producers in the nations and regions.
- It would be helpful if the BBC provided feedback to producers where they have not been successful in gaining a commission.
- There are differences in the commissioning processes – for example, varying lead times and expectations between different networks which can lead to a lack of clarity for producers about the BBC’s expectations.

Distribution

Ofcom has set requirements regarding the way the BBC distributes its public services. We can also consider complaints about distribution of the BBC’s public services where the complainant has not been able to resolve the issue through the BBC’s complaints process. This reporting year we have not considered any complaints regarding BBC distribution.

Commercial activities

Under the [Trading and Separation requirements](#), and as set out in the Agreement, the BBC must consider whether any proposed changes to its commercial activities are material and, if so, undertake a commercial test and refer the material change to us before it is implemented.¹⁷¹ We would then assess whether this change is material and, if we conclude it is, conduct a Trading and Separation assessment and determination.

We also carry out ongoing monitoring of the BBC’s performance in relation to its commercial activities, including assessing the annual reporting information provided by the BBC under our rules.

We set out our main areas of work in 2022/2023 below.

BBC Studios

As part of the BBC [Studios Review](#), we identified two significant areas in relation to secondary content sales and transfer pricing, where we were not satisfied that the BBC had appropriate controls and procedures in place to ensure that it was operating in line with our regulation.

¹⁷¹ Clause 24 of the Agreement.

Following our [review](#) of how Ofcom regulates the BBC's impact on competition, we updated our Trading and Separation requirements and provided the BBC further guidance as to how it could comply with the requirements.

In November, the BBC [updated us](#) on the action it is taking on its approach to secondary content sales where the Public Service owns the intellectual property to ensure that its co-production arrangements with BBC Studios are at arm's length and on commercial terms. Following its analysis of relevant programme titles, the BBC set out the objective criteria it has used to determine that the value the Public Service receives from BBC Studios, as the co-producer of the different programme titles, is in line with the value of the rights being traded. We consider the BBC's analysis and process employed to apportioning value address the concerns we raised in the review and will monitor how the BBC applies this process in the future should the investment profile of these titles change significantly.

Assessments of changes to commercial activities

We considered the BBC's commercial materiality assessment of the partial transfer of audio production activity from the UK Public Services to BBC Studios, which the BBC intends to complete in April 2024. Having reviewed the safeguards the BBC will put in place, we agreed with its conclusion that the change will not result in a significant risk of market distortion or unfair competitive advantage as a result of BBC Studios' relationship with the Public Service. We published the [letter](#) we sent to the BBC regarding our view.

BBC Studios commercial rate of return benchmarking

In our [BBC Studios Review](#), we said we would provide more clarity to stakeholders about what we consider represented a commercial rate of return and the appropriate period BBC Studios (and its lines of business) should earn this rate over. To provide this clarity, we undertook our own benchmarking analysis of BBC Studios to supplement the information the BBC periodically provides to Ofcom in confidence as part of the Requirements.¹⁷² Due to the issues identified as part of the review, we were unable to publish the results of our benchmarking work at that time.

To benchmark BBC Studios and its lines of business, we decided on a comparator set of companies based on the BBC's own benchmarks, an Ernst & Young report commissioned by the BBC, and a Mediatique report commissioned by Ofcom which looked at BBC Studios' activities.¹⁷³ Each company referenced was assigned a level of suitability (high, medium, low) based on country of trading, size and scale of activities.¹⁷⁴ For those benchmarks that were considered high and medium suitability, we collected revenue and profit data for the five-year period from 2018 to 2022 inclusive¹⁷⁵ using publicly available information.¹⁷⁶

¹⁷² Per [BBC's commercial and trading activities: requirements and guidance](#), Requirement D.11 e).

¹⁷³ [BBC Commercial Review, Ernst & Young, 31 December 2018](#) & [State of the markets in which BBC Studios Operates, Mediatique, October 2020](#).

¹⁷⁴ A 'high' rating is given to comparators which share closely overlapped activities with BBC Studios or its lines of business, they also have a similar size and scale with operations in the UK.

¹⁷⁵ For comparison purposes, 2022 is either results for the year ended 31 December 2022 or 31 March 2023.

¹⁷⁶ Financial information was sourced from S&P Capital IQ, Annual Reports and Financial Statements from Companies House.

Based on this information, we calculated an indicative benchmark rate of return range for BBC Studios as a whole, as well as its lines of business concerned with production and distribution (Content Studios) and broadcasting (Channels and Streaming).¹⁷⁷

Figure 7 sets out the results of our benchmarking as well as BBC Studios' (and its lines of business) latest achieved rates of return.¹⁷⁸

Figure 7: Results of Ofcom benchmarking

	BBC Studios	Content studios	Channels and streaming
Range	7.0% - 21.0%	6.0% - 15.0%	10.0% - 28.0%
Mean	20.0%	10.0%	22.0%
Number of comparators	n/a	7	7
BBC Studios EBITDA margin 2022/23	11.0%	9.0%	19.0%

Source: Ofcom analysis of publicly available financial information and BBC Commercial Limited financial statements. Note: benchmark ranges and mean based on data between 2018 and 2022.

We also said we would provide further information on what time period we would expect this commercial rate of return to be earned over. We conducted desktop research and gathered informal responses from stakeholders on what an appropriate time period would be for a new production and distribution business to earn a commercial rate of return.¹⁷⁹ Based on this, we consider that a new production and distribution business would take between 2 and 10 years to generate a commercial rate of return.

The above analysis shows that BBC Studios' (and its lines of business') EBITDA margins were in line with comparator companies in 2022/23. It should be noted, however, that were the BBC not to earn a rate of return within this range in one particular year, it might not be grounds for concern. However, as outlined in [BBC's commercial and trading activities: statement on Ofcom's requirements](#), if there was a situation where a line of business was consistently not achieving, or was not expected to achieve, a commercial rate of return, we would be likely to look at a number of different factors before deciding what, if any, further action might be appropriate. This could include:

¹⁷⁷ The profitability metric used in the indicative benchmark rate of return calculations was "earnings before interest, taxation, depreciation and amortisation margin" (EBITDA margin). In BBC Commercial Limited's financial statements for the year ended 31 March 2023, the BBC states, "EBITDA is the non-statutory measure of financial performance that best provides guidance to help understand performance on a comparable basis year to year. The intention of this is to illustrate an underlying profitability that can be benchmarked relatively easily and gives a reasonable base from which to link through to cash flow measures." Given this metric is used by the BBC and other benchmark companies to measure performance we have used it in our benchmarking work.

¹⁷⁸ Given the low comparability of the combined production, distribution and channels benchmark companies to BBC Studios, we estimated a benchmark range for BBC Studios as a whole using the Content Studios and Channels and Streaming benchmarks weighted by BBC Studios revenues and EBITDA to estimate an indicative range for BBC Studios.

¹⁷⁹ We received responses from five stakeholders.

- a review of the lifecycle of the specific activities, including whether the longer-term business plan shows the line of business achieving a commercial rate in the future; and
- an assessment of what may have caused the low returns, including a consideration of market circumstances that might mean that achieving a commercial rate of return was not realistic in the short term.

6. Content standards

Summary

- Although overall complaint volumes to both the BBC and Ofcom continue to fall and are closer to pre-pandemic levels, the number of complaints Ofcom received in relation to due impartiality has increased over the last year.
- The BBC has implemented changes to improve its complaints-handling processes and has reported that it has complied with all of Ofcom’s revised complaints determinations.¹⁸⁰ We will continue to monitor the implementation of these measures closely to see whether they address audience concerns highlighted in our research in 2022.
- In particular, last year we recommended steps for the BBC to take to improve audience perceptions of the BBC’s due impartiality. We provide an update in this section on the action the BBC has taken to improve the transparency of its complaints process and to provide audiences with greater clarity about how the BBC assesses due impartiality concerns.

Enforcing the BBC’s content standards in 2022/23

Ofcom is the regulator for all areas of the BBC’s content standards, which include the due accuracy of news and the due impartiality of news and current affairs. Our [Broadcasting Code](#) (the Code) sets out the standards that we require all broadcasters (including the BBC) to meet and we use this to secure content standards in BBC programming. The BBC also has its own [Editorial Guidelines](#) (the Guidelines) which reflect the Code – going further in some areas – and the BBC requires all its content to comply with these Guidelines.¹⁸¹ In relation to the BBC’s content standards for its broadcast and on-demand content, Ofcom regulates the BBC’s compliance with the Code. We do not regulate compliance with the BBC’s broader Editorial Guidelines. In May 2017, Ofcom and the BBC entered into a separate [arrangement relating to online material](#), under which Ofcom can consider and give an independent ‘Opinion’ on whether the BBC has observed the relevant BBC Editorial Guidelines in its online material.¹⁸²

Complaints about BBC programmes are considered under a ‘BBC First’ process, reflecting the [BBC’s Charter and Agreement](#) set by Parliament. As a result, complaints about the BBC’s content standards are normally initially dealt with by the BBC¹⁸³ in accordance with the [BBC’s own complaints](#)

¹⁸⁰ [BBC Annual Report and Accounts 2022/23](#), p.123.

¹⁸¹ This includes being more widespread in relation to due impartiality: the BBC’s Editorial Guidelines require due impartiality across all its output, whereas Ofcom’s rules on due impartiality apply primarily to news and current affairs content.

¹⁸² Online material includes text, images, video and audio content on the BBC’s website and apps. Relevant Editorial Guidelines refers to the guidelines which reflect the standards set under section 319 of the Communications Act 2003 and the code in force under section 107 of the Broadcasting Act 1996. It does not extend to the BBC’s social media content. Under the Charter and Agreement Ofcom has no role in enforcing content standards on the output of the BBC World Service.

¹⁸³ In exceptional circumstances, Ofcom can step in before a complaint has completed the BBC’s process.

[procedures](#).¹⁸⁴ The complainant can refer their complaint to Ofcom if they are dissatisfied with the BBC’s final response or if the BBC fails to respond in a timely manner. Ofcom has set [procedures](#) to handle and resolve complaints about the BBC’s TV, radio and on-demand programmes that have been referred to us, as well as complaints about the BBC’s [online material](#). In 2022/23, Ofcom considers that the BBC has met the standards that we expect of broadcasters. We have recorded no new breaches of our Code by the BBC.¹⁸⁵

In 2022, we published our review [How we regulate the BBC](#), which incorporated an examination of the BBC’s complaints handling process and audiences’ perceptions about the BBC’s due impartiality. We suggested steps for the BBC to take to ensure that the BBC’s complaints process continues to work well for audiences. In the BBC’s 2022/23 [Annual Report](#), it said that it had implemented all the recommendations and requirements coming out of our review, including improving transparency and making its complaints process simpler to use.¹⁸⁶ We provide an update on these areas below.

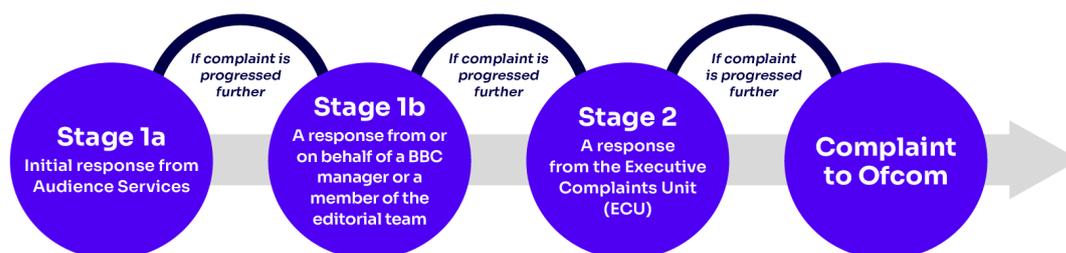
In this section we discuss:

- the BBC First system and how it performed in 2022/23;
- Ofcom’s strategic oversight of the BBC’s enforcement of content standards (including due impartiality); and
- the progress the BBC has made with regards to its complaints handling.

The BBC First system in action in 2022/23

Under the BBC First system, the BBC, unlike other broadcasters, can resolve audience complaints before they can be escalated to Ofcom. Figure 8 below shows the stages of this process. Normally, it is only after Stage 1 and Stage 2 have been completed with the BBC that a complainant can submit their complaint to Ofcom.

Figure 8: The process for audiences who have complained about the BBC



¹⁸⁴ We further set out our role in regulating the BBC’s content standards in our [Operating Framework](#) for the BBC, as well as in [previous Annual Reports on the BBC](#).

¹⁸⁵ In [last year’s report](#), we reported in detail on two breaches for the 2022/23 reporting period, even though they were outside of the reporting period of 2021/22. These related to:

- an edition of [The World at One, BBC Radio 4, 24 February 2021](#); and
- a [BBC London News](#) broadcast on 2 December 2021 (and related online article) about an antisemitic attack on Jewish students in London.

We are including them here again for completeness. These are not new breaches.

¹⁸⁶ [BBC Annual Report and Accounts 2022/23](#), p.123.

According to the BBC’s own complaints statistics, it received 229,123 complaints in 2022/23, 204,449 fewer than in the previous year. The BBC noted that this significant reduction was largely due to the number of complaints received about the coverage of the death of HRH The Duke of Edinburgh for the 2021/22 period.¹⁸⁷ This year, 97% of Stage 1 complaints were answered within the Key Performance Indicator (KPI) targets set by Ofcom, an improvement on the previous year (see Figure 9 below).

Figure 9: Stage 1 complaints to the BBC

	2021/22	2022/23
BBC Stage 1 complaints	433,572	229,123
Complaints answered within the prescribed timeframe of ten working days (target set by Ofcom 93%)	95%	97%

Source: BBC Annual Report and Accounts 2022/23 and 2021/22

An important part of the BBC First system is the investigatory activity that is carried out at Stage 2 of the BBC’s complaints process by the BBC’s Executive Complaints Unit (ECU). The ECU is tasked with considering complaints impartially and independently of the interests of the programme makers and content providers. The outcomes of its investigations normally constitute the BBC’s final response to complaints.

The ECU aims to complete 80% of its investigations within its target response times of 20 working days for standard Stage 2 complaints or 35 working days for more complex Stage 2 complaints. The ECU dealt with 1,199 complaints at Stage 2 of the BBC’s complaints process in 2022/23 as follows.

- 35% of these complaints were concluded within 20 working days for standard stage 2 complaints.¹⁸⁸ Although this is a significant drop from the 87% that it achieved the previous year, the BBC reported that the reason for not meeting KPIs at Stage 2 in this period was mainly as a result of one complex case which attracted an unprecedentedly large number of complaints.¹⁸⁹
- For complex Stage 2 complaints, 80% were concluded within 35 working days.¹⁹⁰

The BBC reported that, of the investigations it undertook within the reporting period, the ECU found 43 breaches of editorial standards where its [Editorial Guidelines](#) had not been met.¹⁹¹

¹⁸⁷ [BBC Annual Report and Accounts 2022/23](#), p.123.

¹⁸⁸ [BBC Annual Report and Accounts 2022/23](#), p.123. Ofcom’s compliance target in this area is 80%.

¹⁸⁹ This complex case was in relation to the online article: ‘*We’re being pressured into sex by some trans women*’ (original title), since retitled: ‘*The Lesbians who feel pressured to have sex and relationships with trans women*’, BBC News website, 26 October 2021. Ofcom also received a high number of complaints in relation to this article and issued an Opinion on this matter, we provide a case study on our Opinion below.

¹⁹⁰ [BBC Annual Report and Accounts 2022/23](#), p.123.

¹⁹¹ [BBC Annual Report and Accounts 2022/23](#), p.123. This figure includes cases that would have been outside Ofcom’s regulatory remit (for example, if they involved content broadcast on the BBC World Service).

Serious editorial breaches

In our June 2022 review we requested that the BBC alert Ofcom as soon as it is reasonable about potential serious editorial breaches across its content. Since then, Ofcom has been alerted to two serious editorial breaches by the BBC:

- BBC Tyne and Wear – a BBC online article was published based on what transpired to be a fake tweet related to Hollywood actor Will Ferrell. The BBC removed this article in its entirety and a correction was posted on the BBC Corrections and Clarifications website;¹⁹² and
- BBC News – the BBC published an inaccurate online article about why Nigel Farage’s account at Coutts bank was closed.¹⁹³ The BBC treated this as a serious breach of its Editorial Guidelines, updated its original article and issued an apology to Mr Farage on the matter.¹⁹⁴

The BBC identified four additional serious editorial breaches in its Annual Report which were investigated outside the normal complaints process. Two of these breaches were in Ofcom’s regulatory remit and took place prior to the BBC agreeing to alert Ofcom as soon as it is reasonable about such breaches. These cases were:

- BBC Cymru Wales – a report regarding the National Eisteddfod and its Chief Executive included unfounded allegations. This story was taken down from BBC platforms and an apology was issued and broadcast. The BBC carried out an investigation and an action plan was implemented; and
- *The Papers*, BBC News channel – remarks from the presenter relating to the Conservative Party leadership election in October 2022 did not meet the BBC’s editorial standards and there was insufficient challenge to views expressed by a participant on the programme.¹⁹⁵ The BBC carried out an investigation into the matter and carried out impartiality discussions with staff.

In all of the above cases, Ofcom did not consider it necessary to take any further regulatory action given the steps already taken by the BBC.

We welcome the fact that the BBC now, as a matter of course, alerts Ofcom to serious editorial breaches, which has enabled us to better scrutinise the BBC’s complaints process and have oversight of these issues and ensure that audiences are protected from potentially harmful material. We have established a [protocol for communication](#) between the BBC and Ofcom going forward where cases fall under the BBC’s procedures for self-initiated investigations of potential breaches of editorial standards and fast-tracked cases. We expect to see this early notification to Ofcom continue and will liaise with the BBC as a priority as and when these breaches occur.

Complaints referred to Ofcom

A complainant can refer their complaint to Ofcom if they remain dissatisfied with the BBC’s final decision.¹⁹⁶ Ofcom assessed and closed 1,834 complaints about BBC content between 1 April 2022

¹⁹² [BBC Corrections and Clarifications](#), BBC Tyne & Wear, 18 February 2023.

¹⁹³ BBC News, [Nigel Farage: BBC apologises to Farage over account closure story](#), 24 July 2023.

¹⁹⁴ This serious editorial breach was reported to Ofcom in July 2023 and is outside the reporting period for this report. We have included it here as it is one of the first serious editorial breaches reported to Ofcom and because it is important to highlight.

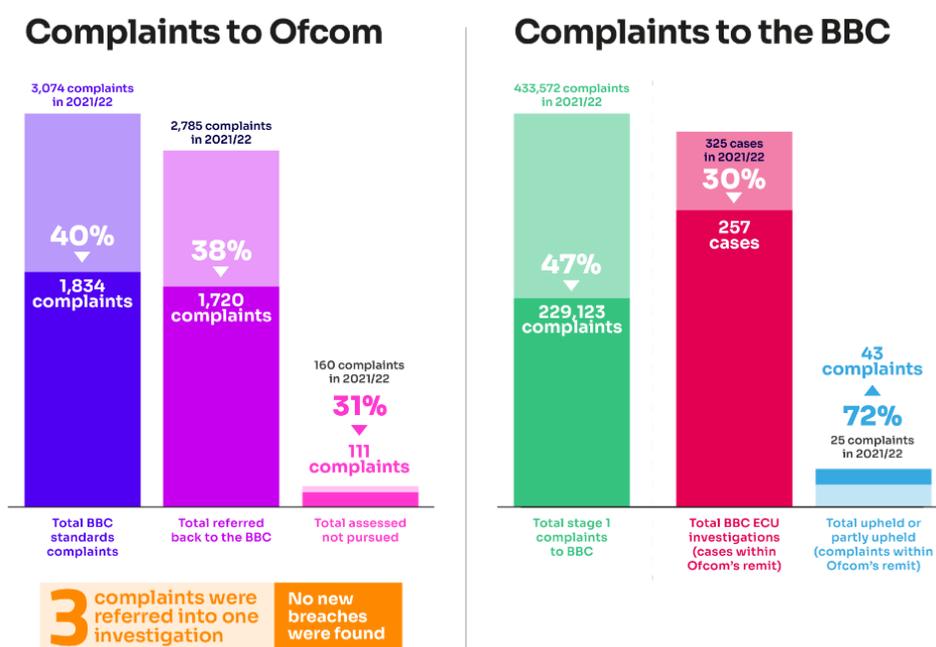
¹⁹⁵ The breach related to *The Papers* occurred in one edition of the programme in October 2022.

¹⁹⁶ Complainants can also come to Ofcom if they consider, following the resolution of a complaint by the BBC, that the imposition of a sanction may be appropriate, or if the BBC has failed to resolve a complaint within the time period set out in its procedures.

and 31 March 2023. Of these, only 114 had completed the BBC’s complaints process first and therefore we referred the remainder back to the BBC. Figure 10 below provides an overview of complaints dealt with under the BBC First System for the 2022/23 period.

These figures continue to show a low rate of escalation.¹⁹⁷ As we noted in our June 2022 [research on audience perceptions of the BBC First complaints system](#), this could be due to a range of factors and may not just be an indication that the BBC First process is working well. It could also be driven by frustration with how the BBC has dealt with audience concerns, timeliness, or tone and clarity of Stage 1b responses. We discuss the changes the BBC has made to its complaints handling processes and our next steps in relation to our review of the BBC First system later in this section.

Figure 10: Overview of complaints dealt with under the BBC First system in 2022/23



The three complaints we referred for investigation were in relation to BBC Northern Ireland elections coverage (see below). There were multiple programmes complained about which we considered under one investigation.

BBC standards investigations

We completed three standards investigations in 2022/23. Two of these concerned content broadcast in 2021 and they were included in detail in last year’s report – see footnote 186. They related to an edition of *World at One* on BBC Radio 4 which concerned our due impartiality rules and a BBC London news report (and related online article). These are not new breaches, but we have referred to these cases in this year’s report for completeness.

¹⁹⁷ The BBC’s data shows that of the 229,123 complaints it received at stage 1 in that financial year, only 1,199 were escalated to stage 2. Ofcom data shows that 114 of these Stage 2 complaints were escalated to Ofcom.

The third standards investigation we concluded in 2022/23 was regarding BBC coverage of the run-up to the May 2022 Northern Ireland Assembly Election.¹⁹⁸ Ofcom received a complaint from the Green Party Northern Ireland (GPNI) which alleged that, in excluding the GPNI from the BBC One programme *The View's* series of interviews with political party leaders, referred to as 'the Leader Interviews' and in its coverage more generally, the BBC failed to comply with its obligations in respect of due impartiality. Ofcom's Election Committee considered the complaint under Section Five (Due impartiality and due accuracy) and Section Six (Elections and referendums) of the Code.¹⁹⁹ Ofcom's Election Committee did not have any concerns over the BBC's approach to the format of *The View's* 'Leader Interviews', nor any concerns about the BBC's overall approach to coverage of the GPNI during the Northern Ireland Assembly election period. It therefore decided this was not in breach of Ofcom's rules.

Due impartiality and due accuracy complaints

Complaints to Ofcom about the BBC's due impartiality have increased over the past year. Ofcom assessed 918 complaints in 2022/23 about the due impartiality of BBC content (39% of all BBC complaints to Ofcom) compared to 594 complaints the previous year (19%). These figures for due impartiality cover both BBC Standards and BBC Online Material complaints.

Of the 918 complaints (570 cases) assessed in 2022/23:²⁰⁰

- 102 complaints (98 cases) were not pursued/not accepted as we did not consider they raised issues warranting investigation;
- 247 complaints (5 cases) were referred for investigation,²⁰¹ and
- the remaining 569 (467 cases) were referred back to the BBC to complete the BBC's complaints process.

In addition to Ofcom's investigations, the BBC carries out its own investigations to ensure due impartiality standards on BBC services are maintained. During the 2022/23 period, of the 21 cases that the BBC's ECU upheld or partly upheld, four related to due impartiality.²⁰² Since the start of the current Charter period in 2017, the BBC's ECU has upheld or partially upheld cases in 29 instances (out of a total of 147) where it found that the appropriate standard of due impartiality had not been applied.²⁰³

Since 7 October 2023, we have received a number of complaints relating to the BBC's coverage of the Israel-Gaza conflict. Some of these raised concerns about the vocabulary the BBC used on air to refer to the proscribed terrorist organisation Hamas and how the BBC's Editorial Guidelines deal with such matters. As mentioned above, Ofcom does not enforce the BBC's Editorial Guidelines in relation to the BBC's broadcast and on-demand output. We assess against the Ofcom Code any

¹⁹⁸ Ofcom's [Decision of the Election Committee on a due impartiality complaint from the Green Party Northern Ireland regarding BBC coverage of the run-up to the Northern Ireland Assembly Election 2022](#), 28 April 2022.

¹⁹⁹ During an election period, Ofcom establishes an Election Committee which has delegated authority from the Ofcom Board to consider due impartiality complaints in respect of election-related programmes where the complaint, if upheld, might require redress before the election.

²⁰⁰ Individual complaints received by Ofcom are assigned to cases. A case is opened when Ofcom is assessing a specific programme or issue and may consist of one or more complaints.

²⁰¹ These included the three complaints which we referred into one BBC standards investigation in relation to the BBC's coverage of the run-up to the Northern Ireland Assembly Election, and two BBC online material complaints in relation to the BBC's article on an antisemitic attack on Jewish students in London and the BBC's article "[We're being pressured into sex by some trans women](#)" (original title).

²⁰² BBC response to s.135 Notice of 25 September 2023.

²⁰³ These figures do not include cases outside Ofcom's remit.

complaints about the BBC's coverage of the Israel-Gaza conflict that have completed the BBC First process and that have been referred to us. We will provide an update on the complaints we received on this issue in next year's Annual Report on the BBC. .

Fairness and privacy complaints

Ofcom has a duty to adjudicate on complaints made by people or organisations participating in, or otherwise directly affected by, programmes as they are broadcast, or in the making of programmes. These are known as Fairness and Privacy complaints and relate to unjust or unfair treatment in programmes or are about unwarranted infringement of privacy in programmes (or in connection with the obtaining of material included in them).²⁰⁴

Within the 2022/23 reporting period, Ofcom assessed 24 complaints against BBC programmes about alleged unjust or unfair treatment, or about an unwarranted infringement of privacy, compared to 39 the year before. In addition to these, we also completed four fairness and privacy investigations into BBC programmes and two of these were upheld.²⁰⁵

Online material complaints

As outlined above, Ofcom can consider and give an independent 'Opinion' on whether the BBC has observed the relevant BBC Editorial Guidelines²⁰⁶ in its online material.²⁰⁷

This year we assessed and closed 297 complaints (55 cases) about the BBC's online material. A further 197 complaints (196 cases) were referred to the BBC under the BBC First approach or were found to be outside our remit. Of the 55 cases Ofcom assessed in 2022/23, 53 were closed as 'not accepted' following assessment by Ofcom. This means that we did not consider that the online material raised potential issues under the relevant BBC Editorial Guidelines and therefore it did not warrant further investigation by Ofcom.

We accepted 244 complaints (two cases) for the purposes of providing an Ofcom Opinion, including the case study below.²⁰⁸

- In July 2022, we issued an Opinion that the BBC did not observe Section 3: Accuracy and Section 8: Reporting Crime and Anti-social Behaviour of the [BBC's Editorial Guidelines](#) in relation to an article reporting criminal proceedings on the BBC News website '*Man jailed after blaming speeding ticket on fictional Frenchman*'.²⁰⁹

²⁰⁴ The BBC First system does not apply to fairness and privacy complaints, and unlike complaints about BBC content standards, these can be made to Ofcom in the first instance.

²⁰⁵ [Look East \(West\)](#), BBC 1 (broadcast 10 August 2021) and once for [Beyond Today: How is 'pickup' culture still a thing](#), BBC Sounds, 9 October 2019 and [1Xtra Talks: Pick-up Artists](#), BBC Sounds, 24 October 2019.

²⁰⁶ Relevant BBC Editorial Guidelines refers to those of the BBC's Editorial Guidelines which reflect Ofcom's Broadcasting Code.

²⁰⁷ Online material includes text, images, video and audio content on the BBC's website and apps, but does not extend to the BBC's social media content.

²⁰⁸ Within the 2022/23 reporting period, we accepted two cases for the purposes of providing an Opinion. However, during the reporting period, we provided Opinions on three cases (including the two Opinions listed above). We provided a third Opinion in November 2022 which we had accepted in the previous reporting period (2021/22) and included in last year's Annual Report. This related to an investigation regarding a BBC online article about an antisemitic attack on Jewish students in London – see footnote 186. We issued an [Opinion](#) that the BBC failed to observe its [Editorial Guidelines](#) to report news with due accuracy and due impartiality. We are mentioning it here for completeness as it is captured by the 2022-23 reporting period. This is not a new breach.

²⁰⁹ [Ofcom Bulletin for complaints about BBC online material](#), issue number 32, 11 July 2022.

- In April 2023, we issued an Opinion on whether the BBC had observed relevant BBC [Editorial Guidelines](#) in the content of an online article originally titled ‘*We’re being pressured into sex by some trans women*’.²¹⁰ We agreed with the ECU’s response that the BBC had failed to observe Section 3: Accuracy, but that the BBC did not breach its due impartiality or harm and offence rules.²¹¹ The case study below provides more details on this investigation.

Case study: ‘*We’re being pressured into sex by some trans women*’ (original title), since retitled: ‘*The Lesbians who feel pressured to have sex and relationships with trans women*’, BBC News website, 26 October 2021

This article explored the views of lesbian women who claim to feel pressured into having sex with trans women, out of fear of being called transphobic.

Following publication of the BBC ECU response, which partially upheld the complaints in relation to the due accuracy of the original title of the article (the ‘Original Article’), Ofcom received over 220 complaints raising several issues, including that: the Original Article promoted a harmful transphobic stereotype that trans women are men seeking sexual access to lesbians; the inclusion of the questionnaire by ‘Get the L Out’ was not statistically valid since it only included 80 participants; the Original Article failed to be duly impartial by giving a platform to transphobic views; and the tone of the Original Article portrayed trans people as a threat without any evidence base.

Ofcom agreed with the ECU’s response that the title of the Original Article gave a misleading impression that pressure for sex was applied by some trans women, when in fact the article focused on pressure felt by some LGBT people. Therefore, the Original Article fell below the standards of due accuracy contained within the BBC’s Editorial Guidelines in this respect. Ofcom also agreed with the ECU’s response that the Original Article fell below the standards of due accuracy in failing to exercise an appropriate degree of scepticism in its treatment of the ‘Get the L Out’ questionnaire’s findings given that the survey was undertaken by self-selecting ‘women only’ and ‘lesbian only’ groups and had a small sample size.

Ofcom agreed with the ECU’s response that overall, the Original Article did not breach Section 4: Impartiality or Section 5: Harm and Offence of the BBC’s Editorial Guidelines since a range of perspectives were featured. However, we reminded the BBC that when creating content about issues that have a high potential for offence, it is even more important that the content meets a high level of editorial standards and has a sound evidential basis in order to maintain trust in news. Given the range of views that were presented within the article, we considered the potential offence was mitigated in this particular case.

Ofcom’s Opinion was that the BBC did not observe the relevant provisions in Section 3: Accuracy of the BBC’s Editorial Guidelines in relation to the Original Article. However, Ofcom considered the action taken by the BBC to amend the Original Article to correct the inaccuracies was sufficient and appropriate.

²¹⁰ This complaint was accepted in the 2022/2023 period; however, we issued our opinion on 3 April 2023 which is outside of our reporting period. We have included it in this Annual Report since it is an important case to highlight.

²¹¹ [Ofcom Bulletin for complaints about BBC online material](#), Issue number 38, 3 April 2023.

The progress the BBC has made to meet the challenges around complaints handling

As above, in our 2022 review we said that several changes would need to be made to ensure the BBC First complaints process worked for audiences and we revised our Complaints Handling Determinations to improve transparency. In response to our review, in November 2022 the BBC announced [it would be making changes to simplify its complaints process](#).²¹² Ofcom has developed closer links with the BBC's Editorial Guidelines and Standards Committee (EGSC) and compliance teams to monitor the BBC's progress in this area.

Ofcom's Complaints Determinations

In our 2022 review we revised our requirement for the BBC to publish its reasoning in 'not upheld' Stage 2 decisions. As a result of our intervention, the BBC is now required to publish its reasoning for:

- all decisions related to a complaint about due accuracy or due impartiality that reach the final stage of its complaints process; and
- all decisions related to a case where the BBC has received more than 100 complaints about the item at Stage 1a.

We are pleased to see that, since we introduced our revised Complaints Determinations on complaints-handling, the BBC has significantly increased its publishing in this area.

- In our last Annual Report on the BBC, we reported that the BBC had published its reasoning in 67 'not upheld' cases in the period 4 July 2022 (when our revised complaints determinations were introduced) to 21 November 2022.
- The BBC has since provided us²¹³ with updated figures until the end of the reporting year and in that period (4 July 2022 to 31 March 2023), it published its reasoning in 188 not upheld cases.²¹⁴

Information on these complaints is both published on the BBC's [fortnightly complaints reports website](#) and provided to Ofcom. We welcome the BBC's reporting in this area, which has increased transparency into the BBC's complaints process and given audiences greater clarity about how the BBC approaches these issues. We expect to see this level of reporting continue.

In addition to the above, we requested that the BBC alerts Ofcom at an early stage about potential serious editorial breaches across its content. This enables us to scrutinise the BBC's complaints process and, if necessary, intervene at an early stage. As outlined above, Ofcom has been alerted to two serious editorial breaches since the publication of our last Annual Report on the BBC.²¹⁵

²¹² BBC News, [BBC announces changes to simplify its complaints process](#), 29 November 2022.

²¹³ BBC emails to Ofcom 31 July 2023 and 31 October 2023.

²¹⁴ The BBC started to record this data from July 2022 (when Ofcom's revised Complaints Determinations were published and came into effect), and Ofcom is beginning to collect trend data for BBC 'not upheld' complaints. We have included data for the 4 July 2022 to 31 March 2023 period in this report. However, for Ofcom's next Annual Report on the BBC we will report on our first full set of data for the 2023/24 financial reporting period.

²¹⁵ These breaches were in relation to a BBC Tyne and Wear online article and a broadcast item on BBC News.

The BBC has made additional commitments to improve its complaints process

In addition to Ofcom's revised Complaints Determinations, the BBC has told us that it has introduced several changes to improve its effectiveness and transparency of complaints handling. The key changes include:

- **Improvements to the timeliness of response to complaints at Stage 1b** – The BBC has restructured its complaints team so that more resource is applied to complaints handling, particularly at Stage 1b of the process. It has also implemented new internal reporting which provides complaints agents with more detailed age analysis of complaints, helping them meet internal KPIs.
- **Increasing the transparency of the complaints process** – In its Annual Report, the BBC confirmed it introduced changes to its complaints process to make it simpler to use and more transparent.²¹⁶ For example, it introduced an informative [video](#) which sets out the BBC complaints process for audiences. The BBC is currently developing another video which will explain the top reasons why people contact it about BBC iPlayer. The BBC has implemented better signposting and introduced a link on every BBC webpage titled '*Make an editorial complaint*' which takes users directly to its complaints landing page. It is also trialling additional wording on its complaints responses and setting out the next stage in the complaints process to further help clarify the process.
- **On-going review of BBC complaints process** – The BBC has an ongoing review to improve the user experience on its complaints webpages which considers accessibility of the pages. It also uses software to continuously track and improve its quality assurance processes to help improve the tone and wording of its complaint responses. The BBC also provides ongoing briefings to its key stakeholders to make them aware of their centralised complaints handling process, encouraging them to route all complaints they might receive via the BBC complaints website.²¹⁷

We welcome the changes the BBC has made to its complaints handling processes. As outlined in our 2022 review, Ofcom will conduct a further review of the BBC First system before the end of the current Charter period to assess the impact of these changes and we will also undertake new research to update our understanding on audience perceptions of the BBC's due impartiality in the next two to three years. In addition, in the shorter term, we intend to conduct further mystery shopping research of the BBC's complaints process to gauge the effectiveness of the changes the BBC has made and will report the results of this research next year.

²¹⁶ [BBC Annual Report and Accounts 2022/23](#), p. 123.

²¹⁷ BBC email to Ofcom 20 October 2023.

7. Our focus for the year ahead

The year ahead will see a regulatory transition with a focus on embedding the new Operating Licence and implementing any recommendations from the Government's Mid-Term Review. In addition, we are undertaking a review of local media and mystery shopping research on the BBC's complaints process, as well as continuing to monitor performance and assess BBC changes as appropriate.

Monitoring and scrutinising the BBC's performance is particularly important under the new Operating Licence (where we have provided the BBC with more flexibility), to ensure we hold the BBC to account and that audience needs are being met under the Mission and Public Purposes.

As well as implementing any recommendations from the Government's Mid-Term Review and undertaking the Local Media Review, our priorities for the forthcoming year include:

- updating our approach to compliance to ensure it reflects the new conditions under the Operating Licence;
- continuing to evolve our approach to assessing BBC performance;
- focusing on monitoring areas where the BBC is making changes to its services and output; and
- holding the BBC to account on its news provision, ensuring it retains its focus on impartiality.

Future assessment of BBC performance will take account of its flexibility under the new Licence

Most of the new Operating Licence conditions came into effect at the beginning of the 2023/24 financial year, which means that our Annual Report on the BBC next year will be the first in which we report on the BBC's performance and assess its compliance under the new Operating Licence.

In our [Modernising the BBC's Operating Licence](#) statement, we explained how we plan to monitor and assess the BBC's performance under the new Licence. We have, as previously mentioned, also published an updated PMF for assessing the BBC's performance.

The assessment of the BBC's performance will still be underpinned by the principles of availability, consumption, impact and contextual factors.²¹⁸ However, given that the new Operating Licence conditions provide the BBC with greater flexibility to deliver for audiences on its online services, we want to ensure our performance assessment can reflect these new conditions.

As part of the new Operating Licence, we have also introduced new distinctiveness and discoverability conditions for its online services: BBC iPlayer, BBC Sounds and the BBC website.

Online Distinctiveness

Our approach for assessing online distinctiveness

As audiences' media habits continue to evolve and migrate online, delivering high-quality and distinctive output across its digital services will remain important for the BBC to be able to keep attracting and remaining relevant to audiences. The distinctiveness of BBC's broadcast services is

²¹⁸ We [announced](#) that we will be expanding the scope of our approach to measuring impact in July this year.

defined by looking collectively at a basket of measures we have termed the five pillars of distinctiveness.²¹⁹

In our [Modernising the BBC's Operating Licence](#) statement we noted that while the approach to measuring the distinctiveness of BBC's broadcast services may also apply to the BBC's online services, online platforms offer additional elements that create distinctive services.²²⁰ For example, discoverability and the use of editorial curation alongside algorithmic personalisation may feed into the distinctiveness of a service.²²¹ We therefore plan to expand our existing approach to assessment to incorporate online distinctiveness.

Our initial focus is on reviewing the metrics we currently use to measure distinctiveness to assess how they apply to online and, where relevant, identify new online service-specific metrics which link back to the performance measurement framework.²²² We will also identify where qualitative assessment is appropriate, for instance in exploring platform and content innovation and around discoverability (which we explore in more detail in the section below).

Our approach to assessing online distinctiveness is likely to evolve as BBC services develop and it therefore needs to be flexible to incorporate future changes. We will also continue to engage with the BBC to better understand how it measures online distinctiveness.

Discoverability

Our approach for assessing discoverability

We consider discoverability to be about enabling audiences to discover new and important content that may interest them and which they might not otherwise come across.²²³ Traditionally, audiences have discovered new content on broadcast services in a number of ways, such as the scheduling of programmes, the electronic programme guide (EPG) and through cross-promotion on other channels or services. However, as the BBC can deliver to audiences across its range of services under the new Operating Licence, we placed requirements on the BBC to ensure that it makes certain types of content – including news and current affairs, some informal learning, and original UK and nations and regions content – easily discoverable on its online services.

Discoverability is a new area of our BBC regulation and the BBC will continue to refine its approach to making content discoverable to audiences. We will need to remain flexible and our approach to assessing the BBC's performance will reflect this.

As part of this process, the BBC's reporting against its transparency requirements under the new Operating Licence will form a key component of our performance assessment over the next year. In its Annual Plan and Annual Report, we expect the BBC to tell us what it is doing on its online services to enable audiences to easily discover certain types of content, in line with its requirements.

As part of considering how the BBC measures performance, we will also explore the impact on audiences. We can do this by considering case studies which could provide insight into the BBC's

²¹⁹ 'Distinctive output and services' is defined in Article 63 of the Charter, and paragraph 1 of Schedule 2 to the Agreement.

²²⁰ Under the original Operating Licence, we used the five pillars weighed up against the performance measurement framework measures of availability, consumption, impact and contextual factors to assess the BBC's delivery of distinctiveness of its broadcast services.

²²¹ Ofcom, [Modernising the BBC's Operating Licence](#), 2023, p. 99.

²²² Ofcom, [Changes to our framework for assessing the BBC's performance](#).

²²³ Ofcom, [Modernising the BBC's Operating Licence](#), 2023.

performance and by engaging directly with audiences through research to understand their perceptions and satisfaction levels.

We will continue to engage with the BBC on discoverability to ensure we are able to hold it to account.

We will continue to monitor the BBC's changes and step in if required

As we have highlighted, the BBC is in the process of implementing changes to its organisation and in the way it delivers to audiences across its portfolio of services. This is in response to a range of challenges, including continuing changes in audience behaviour, funding pressures, market changes and technological developments.

We recognise that some of these changes (such as those involving editorial or creative decisions) are outside the scope of our regulation of the BBC. But for those which have the potential to impact audiences and the BBC's delivery of its Mission and Public Purposes under the Operating Licence, it is important we closely monitor them so we can intervene swiftly if required.

As well as regular engagement with the BBC and stakeholders, our monitoring will make use of the information the BBC provides on how it intends to meet its regulatory and licence requirements in its Annual Plan and reporting in its Annual Report. We set out details of our analysis of the BBC's latest Annual Plan in Annex 1.

Annexes

Annexes to this report can be found [here](#).