

*Championing
excellence and diversity
in broadcasting*

Founded in 1983 by Jocelyn Hay CBE



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**RESPONSE BY THE VOICE OF THE LISTENER & VIEWER
TO THE OFCOM CONSULTATION ON HOLDING THE BBC TO
ACCOUNT FOR THE DELIVERY OF ITS MISSION AND PUBLIC
PURPOSES**

July 2017

Response by the Voice of the Listener & Viewer to the Ofcom consultation on Holding the BBC to account for the delivery of its mission and public purposes

INFORMATION ABOUT THE VLV

The Voice of the Listener & Viewer Limited (VLV) represents the citizen and consumer interests in broadcasting and speaks for listeners and viewers on the full range of broadcasting issues. It uses its independent expertise to champion quality and diversity in public service broadcasting, to respond to consultations, to produce policy briefings and to conduct research. VLV has no political, commercial or sectarian affiliations and is concerned with the issues, structures, institutions and regulations that underpin the British broadcasting system. VLV supports the principles of public service in broadcasting. It is a charitable company limited by guarantee (registered in England No 4407712 - Charity No 1152136).

EXECUTIVE SUMMARY

1. VLV broadly welcomes Ofcom's approach to holding the BBC to account for its performance.
2. VLV makes this submission in the context of the recently published BBC Annual Plan. We generally welcome the Annual Plan but have concerns about the approach to accountability and audience engagement.
3. We agree with the approach to design the BBC Operating Licence around the BBC's public purposes.
4. We consider that most of the proposals in the new BBC Operating Licence are proportionate, although we are concerned that some of the proposed quotas place too much emphasis on volume rather than quality and this might undermine the BBC's ability to deliver a range of high quality content for audiences.
5. We agree that the new quotas for BBC delivery should be determined by existing quotas and BBC delivery of these quotas in the recent past. We note that the BBC has exceeded its 2015/16 quota requirements in most instances and therefore agree that where output consistently exceeded quotas that Ofcom should increase existing quotas by 10%.
6. VLV is concerned by the removal of a number of quotas for radio output because we believe these are important to maintain BBC delivery of its mission and purposes and to maintain BBC distinctiveness. All requirements for the BBC's music radio stations to provide new music have been dropped, other than those for Radio 1 and Radio 2. We consider that the removal of these quotas runs counter to *presumption against removing any of the current requirements which would result in the provision of less distinctive output and services.*¹
7. With reference to Radio 3, VLV strongly opposes the proposal to remove the existing quota for Radio 3 to broadcast 20 new drama productions per year. Such a change will undermine its distinctiveness and VLV considers that this requirement should remain in place.

¹ *Holding the BBC to account for the delivery of its Mission and Purposes*, Ofcom, 29 March 2017, Pg. 31, para 4.64

8. With reference to Radio 4, VLV also strongly opposes the proposal to remove the requirement for Radio 4 to broadcast 600 hours a year of original drama and readings and 180 hours of original comedy a year. These proposals undermine the existing requirements which contribute towards Radio 4's distinctiveness.
9. VLV is concerned that the 'international' aspect of purpose one does not appear to apply to factual programmes or documentaries which have conditions under purpose 2. We have suggested changes to the high level objective for purpose two and recommend the volume of international factual content should be measured as an indicator of BBC performance. International factual content is important to broaden audience horizons and provide greater context to international events which may be covered in less detail in news programmes.
10. While VLV welcomes the proposed increased quotas for factual content and drama on CBBC, VLV does not believe that this provision should include foreign acquisitions. UK-focused children's content is a distinctive aspect of the BBC's contribution.
11. VLV agrees that it is a significant challenge to define distinctiveness in a way which is measurable using regulatory conditions. VLV believes that the distinctiveness of the BBC should be measured by a range of metrics which should include audience research. The methodology of any audience research should be completely transparent because the way research is framed inevitably influences responses.
12. VLV is not convinced that imposing new first run UK origination quotas will lead to greater distinctiveness and originality of content. It is VLV's view that innovation occurs when broadcasters have creative freedom and are encouraged to take risks. While we understand the rationale behind increasing the proportion of original productions and introducing new quotas for first run UK originations, we are concerned that this may limit the BBC's creative freedom. It might also undermine the BBC's ability to continue to deliver high quality, high budget content because it focuses on volume. VLV would like Ofcom and the BBC to carefully assess the impact of these new quotas to ensure that they do not undermine the BBC's strategy to provide 'fewer, bigger, better' which has worked well in recent years.
13. VLV opposes the new quotas for the volume of production in the nations and regions of England which are being proposed in addition to spend quotas. VLV is concerned that the priority to ensure that the BBC makes a greater contribution to the creative industries in the nations should not undermine the BBC's existing production strategy which has been to create hubs of excellence around the UK which have led to significant employment and training opportunities for local populations as well as greater representation on screen.
14. Specifying quotas for volume and spend, rather than just maintaining the existing quotas for spend, not only limits the BBC's creative freedom but it could also lead to a reduction in quality as regional/nation hubs strive to fulfil volume quotas. The current arrangement has allowed the BBC flexibility to encourage regional/national centres of excellence to grow organically, rather than forcing them to do so because of quotas. The proposed quotas for volume in the English regions additionally may mean capping expansion elsewhere where a hub may be excelling and this would obviously be detrimental.
15. VLV is concerned that under the new system of regulation and governance there could be a reduction in transparency, accountability, audience consultation and audience engagement. Ofcom's expertise until now has been in consulting with industry stakeholders rather than audiences. The consultations which the BBC Trust ran from 2007 onwards allowed the public

to feed back concerns and views about the BBC's delivery of its mission. These were a real step forward in audience engagement and transparency. Thousands of licence fee payers responded to BBC Trust consultations which were advertised on TV and radio.

16. Ofcom's expertise until now has been engaging with industry stakeholders. It is VLV's concern that in future consultations on BBC performance it is industry stakeholders, many of whom are competitors of the BBC, who will be most engaged and that licence fee payers will not be aware of Ofcom's consultations or feel they have the necessary resources or expertise to enable them to respond.
17. VLV is also not encouraged by the BBC strategy to engage with audiences as expressed in its Annual Plan. VLV considers that an accountability and engagement gap has developed as a result of the institution of the new model of governance and regulation of the BBC. Audience engagement needs to go far deeper than simply conducting audience research.
18. VLV would like to propose that a forum of stakeholders and organisations with an interest in the citizen benefits of PSB should be established to ensure that the needs and interests of licence fee payers are represented in the debate about the BBC's performance. This forum could feed into BBC and Ofcom policy deliberations and respond to Ofcom and BBC consultations.

Question 1: Do you agree with our overall approach to setting the BBC BBC Operating Licence?

19. VLV broadly welcomes Ofcom's approach to holding the BBC to account for its performance.
20. Holding the BBC to account for the delivery of its mission and purposes will require a multi-faceted approach which VLV believes Ofcom is adopting in these proposals. A balance will be required between enforcing objectively measurable outcomes (quotas) and taking into account qualitative audience research which will provide greater nuance.
21. VLV welcomes that Ofcom intends to publish an analysis of BBC performance annually² although we understand that some aspects of delivery will be measured on an ad hoc basis.
22. We welcome the fact that Ofcom can conduct ad hoc reviews at any time, addressing specific areas of concern which have been identified. The Reviews the BBC Trust conducted into a range of issues were useful in highlighting areas where the BBC was doing well but also where it could improve delivery.³
23. We welcome the flexibility expressed in the Ofcom proposals which will allow Ofcom to adjust the BBC Operating Licence in response to changes in tastes and consumption habits of audiences and wider developments in the market.
24. VLV considers that Ofcom's responsibility to *seek to increase the current requirements on the BBC to secure the provision of more distinctive output and services*⁴ will be a considerable

² *Holding the BBC to account for the delivery of its Mission and Purposes*, Ofcom, 29 March 2017, Pg. 15 para 3.4

³ *Holding the BBC to account for the delivery of its Mission and Purposes*, Ofcom, 29 March 2017, Pg. 15 para 3.5

⁴ *Holding the BBC to account for the delivery of its Mission and Purposes*, Ofcom, 29 March 2017, Pg. 18 para 4.7

challenge since distinctiveness is a subjective concept. We note Ofcom-commissioned research by Ipsos Mori into BBC Distinctiveness which highlighted the difficulty in defining the meaning of distinctiveness.⁵

25. We generally welcome the proposals in the new BBC Operating Licence which are mostly proportionate although we are concerned that some of the proposed conditions place too much emphasis on volume rather than quality and might undermine the BBC's ability to deliver high quality content for audiences.
26. We agree with the approach to design the BBC Operating Licence around the BBC's public purposes.
27. We agree that the new quotas for BBC delivery should be determined by existing quotas and BBC delivery of these quotas in the recent past. We note that the BBC has exceeded its 2015/16 quota requirements in most instances and therefore agree that where output consistently exceeded quotas that Ofcom should increase existing quotas by 10%.
28. VLV is concerned by the removal of some of the quotas for radio output. We assume these have been removed because Ofcom considers *they no longer secure delivery of the new mission and public purposes and their removal would not result in the provision of less distinctive output and services*.⁶ VLV would disagree with Ofcom that they are not distinctive or fulfil the public purposes, if this is the basis for their removal.
29. **Audience Engagement:** VLV considers that an accountability and engagement gap has developed as a result of the institution of the new model of governance and regulation of the BBC.
30. VLV hopes that Ofcom will continue the valuable work of the BBC Trust in canvassing audience opinion. Ofcom's consultation priorities up until now have focused on engagement with industry and it needs to ensure that it puts in place a range of technologies to engage with audiences which should include analogue methods for audiences to feed back any concerns or praise. VLV notes that Ofcom is not responsible for carrying out reviews of individual BBC services, as the BBC Trust was. Under the BBC Trust these were an opportunity for licence fee payers to provide feedback on the BBC's delivery of its mission. Thousands of licence fee payers responded to BBC Trust consultations which were advertised on TV and radio.
31. VLV welcomed the increased transparency that the BBC Trust provided by putting audience research and the results of consultation in the public domain. We hope that Ofcom will maintain this level of transparency and openness.
32. VLV makes this submission in the context of the recent publication of the BBC Annual Plan. We generally welcome the Annual Plan but have concerns about the approach to accountability and audience engagement. While we look forward to discussing with the BBC the details of how the corporation plans to engage with audiences in the coming months, on the face of it we do not consider that the proposals in the Annual Plan and the Ofcom plans for holding the BBC to account are comprehensive enough.

⁵ *BBC Distinctiveness*, Report prepared for Ofcom, Ipsos Mori, June 2017

⁶ *Holding the BBC to account for the delivery of its Mission and Purposes*, Ofcom, 29 March 2017, Pg. 21 para 4.26

33. The BBC board says it will rely on 6 events a year to garner audience opinion:

The Board and Executive Committee will engage face-to-face with panels of audience members across the country on specific topics. We plan to hold around six events each year with bespoke panels of audience members to develop our thinking around key issues of future strategy and pan-BBC ideas⁷.

34. We are also concerned that the BBC Annual Plan cites that a key means to engage with audiences over the future of the BBC will be through ‘personalisation technology’. While digital technology provides useful tools to gather audience feedback, not all audience members are digital natives and the BBC should ensure it develops methods to engage with the full range of audiences.

35. Ofcom’s expertise until now has been engaging with industry stakeholders. It is VLV’s concern that in future consultations on BBC performance it is industry stakeholders, many of whom are competitors of the BBC, who will be most engaged and that licence fee payers will not be aware of Ofcom’s consultations or feel they have the necessary resources or expertise to enable them to respond.

36. VLV would like to propose that a forum of stakeholders with an interest in the citizen benefits of PSB should be established to ensure that the needs and interests of licence fee payers are represented in the debate about the BBC’s performance. This forum could feed into BBC and Ofcom policy deliberations and respond to Ofcom and BBC consultations.

37. We note that Ofcom is not measuring delivery of online content except when it relates to sports coverage in the nations, minority language services in the nations and children’s educational content. This means that BBC Three content is unregulated and its performance in delivering the BBC’s mission and purposes, aimed especially at younger adult audiences, is unmeasured. VLV believes BBC Three output which is available online should be monitored by Ofcom to assess delivery of the BBC mission and purposes.

Question 2: Do you agree with the approach we have proposed for public purpose 1, including the high level objects and regulatory conditions we are proposing?

38. VLV notes the Ipsos Mori research findings which show that those surveyed considered this to be one of the BBC’s most important purposes.⁸

39. VLV is concerned that Ofcom’s approach to the context of this purpose is mostly focused on provision of news and current affairs because there are conditions attached to these genres. We note that factual and documentary conditions sit under second purpose and refer to our comments on factual programmes in our response to Question 3.

Proposed High level objectives

40. We believe that the high level objectives are appropriate although we are concerned by the vagueness of the phrases *significant level* of news and current affairs and *adequate links* to

⁷ BBC Annual Plan 2017/18, 4 July 2017

⁸ BBC Distinctiveness, Report prepared for Ofcom, Ipsos Mori, June 2017, Pg. 3

external sites. We question what are considered a *significant level* and *adequate* number of links? Such lack of clarity could lead to confusion and unmet expectations.

41. We believe it would be more useful if the first high level purpose was worded as follows.

Maintain the level of news, current affairs and factual programmes across its full range of services and platforms, and seek to increase reach, serving all audiences with this output.

42. With reference to the fourth high level objective, we note that the BBC Trust set a goal for the BBC to increase the number of click-throughs to third party websites. We understand the rationale for the rewording of this commitment because the BBC cannot control audience behaviour, however we believe that the ambition in the BBC Trust condition to *increase* user engagement with relevant external content should be retained in order to broaden users' horizons. We do not believe, as stated in this high level objective, that the BBC has a responsibility to support other providers within the industry, other than when it should acknowledge use of content they provide. VLV believes the BBC's responsibility is to provide content for audiences. We also do not believe this objective should be focused, as is suggested, on news stories. We would suggest rewording this high level objective as follows:

The BBC should ensure that it maintains and where possible increases the number of links to relevant third party online material, helping to provide its users with a wealth of information. In doing so the BBC should exercise careful judgement about the links that it offers.

Proposed regulatory conditions

43. VLV believes the proposed regulatory conditions for purpose one are appropriate to ensure that audiences have access to an appropriate volume of news and current affairs.

44. We note that the quota for news on BBC One has been increased by just over 2 ½ hours a week on average and that the joint quota for current affairs on BBC One and BBC Two has been increased by just over 1 ½ hours a week on average. On the basis that these increases reflect existing BBC delivery of news and current affairs content, VLV supports them.

45. We note that there is a new requirement for Radio 1 to broadcast an extended bulletin in peak each weekday and for Radio 2 to broadcast 3 hours of news in peak per week. VLV supports these new requirements but welcomes the flexibility expressed in the consultation document that Ofcom will monitor the BBC's performance and will revisit the condition for Radio 1 if it believes it is not delivering the best outcome for audiences.

Question 3: Do you agree with the approach we have proposed for public purpose 2, including the high level objects and regulatory conditions we are proposing?

46. VLV notes Ofcom research which shows that education and learning programmes are highly valued by audiences and that there have been declines in spend and output of some factual genres across PSB channels during the past 10 years.⁹

47. VLV notes Ofcom's responsibility in Schedule 2 to the Agreement to ensure the provision and prominence of genres which provide a particular contribution to the BBC's mission and

⁹ PSB Annual Report, Ofcom 2015

purposes but are currently underprovided or in decline across PSB channels, including music, arts, religion and other factual content and children’s programming. VLV notes that the quotas for such content are included under Purpose 2 in the Operating licence.

48. VLV is concerned by the significant decline in the volume of new original UK-specific children’s content on PSB channels since 2003 and note that less than 1% of output for children in the UK is first-run British made content¹⁰. VLV has welcomed the introduction of the new responsibility for Ofcom in the Digital Economy Act to introduce quotas for UK first run British made content for children on the commercial PSBs, however we recognise the crucial contribution the BBC makes towards UK children’s programming and we support Ofcom in its ambition to ensure that this provision is maintained across the full range of genres.

49. VLV notes the increased commitment to children’s content and a new strategy to deliver content to children on a range of platforms in the BBC Annual Plan. We understand that an extra £34m investment in children’s content will be phased in over the next three years, with £6m being added to the department’s budget this financial year, followed by £13m in 2018/19 and £15m in 2019/20.

We will invest more in children’s output and services. This will help maintain the quality and breadth of UK produced children’s content across all genres, including drama, comedy, factual and news. We will sustain our linear channels to meet the needs of our audience and act as important shop windows for our content. To meet the changing needs and behaviour of the children’s audience, we will also step up our innovation in the digital space.¹¹

50. VLV welcomes Ofcom’s proposal that the BBC should continue to provide content which supports formal education for children and teenagers online which is highly valued by parents and children.

51. Informal learning for adults is a challenging area to define. While we welcome the emphasis on subjects such as art, science and history and the development of partnerships with educational and cultural organisations, we would also like to see a strong focus on the delivery of content to support learning in the broadest sense, including helping people acquire skills and understanding as well as build knowledge.

52. In the past informal learning content has largely been viewed as the responsibility of the Specialist Factual department, but in future VLV would like the BBC to be encouraged to consider this responsibility as one to be fulfilled by all production teams. Learning should be viewed in its broadest terms and should include life skills and work skills alongside subjects which are broadly educational.

Proposed High Level Objectives

53. VLV welcomes Ofcom’s proposed high-level objectives for promoting the public purpose of supporting learning for people of all ages.

54. VLV suggests that the first high level objective which relates to informal learning should include the words *engaging* and *accessible* to ensure that this content is designed to appeal to

¹⁰ Report Stage Briefing from Save Kids Content: Amendment to the Digital Economy Bill Original British television programmes for children and young people, March 2017

¹¹ BBC Annual Plan 2017/18, 4 July 2017

a range of audiences on mainstream channels and is not perceived as content which is designed for audiences only interested in what might be considered 'highbrow' content.

55. Despite the fact that the second purpose is intended to broaden audiences' horizons, VLV notes that there is no mention in the consultation document of factual programmes which provide an international perspective. The conditions for documentaries and factual programmes which fulfil Purpose One have been moved from that purpose to Purpose Two in the operating framework. Purpose One requires such programmes to *build people's understanding of all parts of the United Kingdom and of the wider world*. While it may be assumed that programmes about art, history, business, religion and science will inevitably include international content and context, we believe that this aspect should be specified in the first high level objective and a measurement of the volume of such content should be included in the performance measurement framework as an indicator of the BBC's delivery of purpose one.
56. Therefore VLV would suggest the following wording for the first high level objective (4.49.1):

continue to provide a broad range of content across its services, which provide opportunities for all audiences to learn. We expect the BBC to produce informal learning content which covers subjects such as art, music, religion, science, nature, business and history programming. ***This content should provide an international context where appropriate.*** It should be widely available, ***engaging and accessible*** and the BBC should endeavour to serve and reach the widest possible audiences with this content via its mainstream TV channels, radio stations and websites;

Proposed regulatory conditions

57. We note that the quotas for music, arts and religion programmes on BBC One and BBC Two have risen slightly in the new BBC Operating Licence and that *some* of these programmes must be shown in peak. We question whether the requirement for *some* programmes to be scheduled in peak is specific and clear enough to provide the BBC with certainty that it is meeting Ofcom's expectations. VLV would prefer for there to be greater clarity in this requirement, specifying more clearly what proportion of such content should be scheduled in in peak time.
58. While we welcome the increased quotas for factual content and drama on CBBC, VLV does not believe that this provision should include foreign acquisitions. UK-focused children's content is a distinctive aspect of the BBC's contribution. It is VLV's view that the intention of the Charter, when it specifies that Ofcom should ensure the provision and prominence of children's content, is to support the provision of UK specific original children's content which is in decline. VLV believes that programmes on CBBC should provide children with a perspective of the world which is relevant to them in the UK. There is a wealth of foreign, mostly North American, acquired programming available for children's audiences on other platforms and channels, but there is a deficit in UK children's content.
59. VLV welcomes the conditions which require the BBC to provide specialised learning support for pre-school children across a range of genres on CBeebies and curriculum-linked support for children and teenagers on BBC Online. We agree that since the BBC has shifted its emphasis away from formal curriculum-related education on TV (in keeping with the needs of teachers and learners) there should be no quotas for formal learning on TV.

Question 4: Do you agree with the approach we have proposed for public purpose 3, including the high level objects and regulatory conditions we are proposing?

61. VLV agrees that it is a significant challenge to define distinctiveness in a way which is measurable using regulatory conditions. VLV believes that the distinctiveness of the BBC should be measured by a range of metrics which should include audience research. The methodology of any audience research should be completely transparent because the way research is framed inevitably influences responses.
62. VLV believes that the distinctiveness of the BBC should not be judged in terms of what defines the BBC as being 'different' from other broadcasters or in response to what the rest of the market delivers. This will force the BBC down a market failure route which would mean it is unsustainable in the future.
63. VLV is not convinced that imposing first run UK origination quotas will lead to greater distinctiveness and originality of content. It is VLV's view that innovation occurs when broadcasters have creative freedom and are encouraged to take risks. The Charter requires that the BBC *should take creative risks, even if not all succeed, in order to develop fresh approaches and innovative content*¹². While we understand the rationale behind increasing the proportion of original productions and introducing new quotas first run UK originations, we are concerned that this may limit the BBC's creative freedom.
64. VLV agrees with the values which the BBC Trust used to define distinctiveness, namely high editorial standards, creative and editorial ambition, range and depth and UK focused content and indigenous talent.
65. VLV notes the findings in the Ofcom commissioned Ipsos Mori research into BBC Distinctiveness which has recently been published. Specifically we note the following:
- Those surveyed defined distinctiveness in terms of the amount of original UK content broadcast, the quality of output and the range of audiences served.
 - Many of those surveyed considered that the ambition for the BBC to *show the most creative and distinctive output* of any broadcaster in the UK sets the bar too high and they thought this may not be achievable or measurable.
 - Older audiences tend to believe the BBC should continue to do what it does well while striving to take more creative risks.
 - Younger audiences tend to believe the BBC needs to innovate in order to deliver them content which they find engaging.
 - BBC comedy is not distinctive enough.

Proposed High level objectives

66. VLV broadly agrees with the high level objectives as set out in the consultation document.
67. We agree that Ofcom should give the BBC strategic discretion to develop its own plans to ensure that BBC content and services are distinctive.
68. VLV is concerned with the requirement in 4.71.4 for the BBC to *look to reduce the number of long-running series over time*. Many of these series are popular among audiences and care

¹² BBC Charter 2016, Public Purpose 3

should be taken not to force the BBC to innovate at the expense of well-established, popular and informative programmes.

Proposed regulatory conditions

69. VLV supports the proposal for original production quotas for BBC One, BBC Two, CBBC and CBeebies as set out in the proposed BBC Operating Licence because they reflect existing BBC delivery.
70. However, we are concerned that the new first run UK originations quotas might undermine the BBC's ability to continue to deliver high quality, high budget content and, as stated above, may limit its creative freedom. VLV would like Ofcom and the BBC to carefully assess the impact of these new quotas to ensure that they do not undermine the BBC's strategy to provide 'fewer, bigger, better' which has worked well in recent years. This strategy has allowed the BBC to invest in high quality, often costly, landmark productions such as *Planet Earth II* which won the VLV Award for Best TV News and Factual Programme in 2016. Series such as this, which are then repeated, especially on BBC Two, are hugely popular, attract significant funding from co-production partners and secure income for the BBC through secondary sales.
71. VLV questions whether the changes proposed to the BBC's radio stations' licences accord with the proposed high level objectives and the ambition of the Charter.
72. While there is a new requirement for Radio 1 and Radio 2 to *provide a broader range of music than comparable providers*, which we support, all requirements for the BBC's other music radio stations to provide new music have been dropped. VLV considers that the existing quotas for Radio 6 Music, Radio 1 Xtra and the Asian Network ensure that these stations maintain their distinctiveness and the removal of these quotas runs counter to *presumption against removing any of the current requirements which would result in the provision of less distinctive output and services*.¹³ VLV would therefore suggest that the following existing quotas for BBC music radio stations should remain in place:
- Radio 1 Xtra – 60% of music in daytime is new and 35% of music in daytime is British.
 - Radio 6 Music – 30% of all music played is new; 300 new sessions each year; 10 hours a week of speech-based features, documentaries and essays on average.
 - BBC Asian Network – 30% of its music is from UK artists; 30% is new music; 10% of music is South Asian; 10 live events or festivals are covered each year.
73. With reference to Radio 3, VLV strongly opposes the proposal to remove the existing quota for Radio 3 to broadcast 20 new drama productions per year. Such a change will undermine its distinctiveness and VLV considers that this requirement should remain in place.
74. With reference to Radio 4, VLV also strongly opposes the proposal to remove the requirement for Radio 4 to broadcast 600 hours a year of original drama and readings and 180 hours of original comedy a year. These proposals undermine Radio 4's distinctiveness and its ambition to deliver the mission to engage and entertain. In light of the fact that the Ipsos Mori research indicated that comedy is an area of weakness for the BBC, it seems most odd for Ofcom to propose to drop the Radio 4 comedy quota completely.

¹³ *Holding the BBC to account for the delivery of its Mission and Purposes*, Ofcom, 29 March 2017, Pg. 31, para 4.64

75. VLV notes that the BBC remains committed to drama on Radio 3 and comedy and drama programmes on Radio 4 in its Annual Plan, however we remain convinced that quotas for these important genres on these stations should be maintained because over time BBC strategic priorities may change and we believe that audiences appreciate this content.

Question 5: Do you agree with the approach we have proposed for public purpose 4, including the high level objects and regulatory conditions we are proposing?

76. VLV notes in the consultation that Ofcom considers separately the BBC's delivery across the nations and regions and delivery for diverse audiences.

77. We agree with Ofcom's definitions of 'portrayal' and 'representation'.

78. While VLV acknowledges there are three priorities related to production in the nations of the UK – representation, portrayal and the BBC's contribution to the creative industries - VLV considers it is important not to conflate these priorities. For audiences representation and portrayal are clearly the priorities which are most important¹⁴. VLV considers that audiences are less concerned where a programme is made than the nature and quality of the programme itself.

79. VLV is concerned that the priority to ensure that the BBC makes a greater contribution to the creative industries in the nations should not undermine the BBC's existing production strategy which has been to create hubs of excellence around the UK which have led to significant employment and training opportunities for local populations as well as greater representation on screen.

80. VLV holds that just because a programme is produced in a certain location, this does not mean that its content will relate to the location in which it is produced. For example, *Question Time* is produced in Scotland but is set in locations across the UK.

81. VLV notes that the BBC has increased the proportion of its out of London network spend from 32% to 48% in 2015 and the proportion of its hours of out of London network programming has risen from 30% in 2006 to 58% in 2015.¹⁵ We also note the increased commitment to production in the nations and regions in the BBC Annual Plan.

82. We welcome the announcement that Ofcom will be holding a review of its guidance for PSB channels on regional productions in 2017/18.¹⁶

Proposed High Level Objectives

83. We support the High Level Objectives as set out in 4.109.

Proposed Regulatory Conditions

84. VLV notes that the significant change proposed in the quotas for nations and regions production is the introduction of a requirement for a minimum volume of content to be produced in the nations and regions of England alongside the requirement for a minimum spend in these areas.

¹⁴ *BBC Distinctiveness*, Research prepared by Ipsos Mori for Ofcom, June 2017

¹⁵ *Holding the BBC to account for the delivery of its Mission and Purposes*, Ofcom, 29 March 2017, para 4.105

¹⁶ *Holding the BBC to account for the delivery of its Mission and Purposes*, Ofcom, 29 March 2017, para 4.106

85. VLV understands the rationale for increasing the number of hours of output from the nations and English regions: that this could lead to greater representation of the nations and regions on network output. However, we are concerned that this may undermine the BBC's existing content production strategy, as stated above, to support centres of excellence in the nations.
86. Specifying quotas for volume and spend not only limits the BBC's creative freedom but it could also lead to a reduction in quality as regional/nation hubs strive to fulfil volume quotas. In the recent past, for example, Northern Ireland and Wales have especially focused on drama and Scotland on current affairs. If the BBC is to deliver a set number of hours from each nation it will have to resort to producing low cost, high volume content from these areas in order to meet this quota which is likely to undermine the existing strategy and reduce quality. The current arrangement has allowed the BBC flexibility to encourage these centres of excellence to grow organically, rather than forcing them to do so because of quotas. The proposed quotas for volume in the English regions additionally may mean capping expansion elsewhere where a hub may be excelling and this would obviously be detrimental.
87. In light of these considerations, VLV opposes the new volume quotas for productions in the regions. VLV considers that these should be reduced to ensure they are sustainable and do not undermine the BBC's existing production strategy.

Question 6: Do you agree with Ofcom's approach to how we will set and amend the BBC Operating Licence as set out in Annex 5?

88. VLV supports Ofcom's approach to setting and amending the BBC Operating Licence as set out in Annex 5. We welcome the commitment that Ofcom will generally consult publicly on its proposals.

Question 7: Do you agree with our proposed overall approach to performance measurement?

89. Since Ofcom is now responsible for representing the audience interest in the BBC, VLV considers that audience research should be central to Ofcom's assessment of BBC delivery of its mission. We are concerned that delivery should be measured through a range of metrics including quotas and qualitative research.
90. As stated above, VLV is concerned that under the new system of regulation and governance there could be a reduction in transparency, accountability and audience consultation. Ofcom's expertise until now has been in consulting with industry stakeholders rather than audiences. The consultations which the BBC Trust ran from 2007 onwards allowed the public to feed back concerns and views about the BBC's delivery of its mission. These were a real step forward in audience engagement and transparency.
91. VLV would like to propose that a forum of stakeholders with an interest in the citizen benefits of PSB should be established to ensure that the needs and interests of licence fee payers are represented in the debate about the BBC's performance. This forum could feed into BBC and Ofcom policy deliberations and respond to Ofcom and BBC consultations.

92. VLV welcomes Ofcom's overall approach to its assessment of the BBC's delivery of its mission and purposes. We note that although performance measures will not be enforceable, they may indicate where additional or fewer regulatory conditions might be appropriate in future¹⁷. We also note that Ofcom has the power to propose variations to the licence at any time and this could be influenced by performance measures.
93. We welcome that BBC performance measurement will partly be based on existing Ofcom research, such as the annual PSB Report and News Report. We understand that in addition to these research sources Ofcom will commission an annual tracking survey, similar to the Purpose Remit Surveys conducted by the BBC Trust. VLV found the Purpose Remit Surveys most useful in assessing audience appreciation of the BBC's performance and therefore welcomes that Ofcom will conduct similar research.
94. VLV notes that BBC Three content will not be regulated by Ofcom. VLV would suggest that BBC Three content should be taken into consideration in the Performance Measurement Framework. While this content is available primarily online, it is key to engaging younger audiences which according to the recent BBC Distinctiveness research are underserved since the closure of BBC Three as a broadcast channel.

Question 8: Do you agree with the proposed framework of: availability; consumption; impact; contextual factors?

95. VLV supports the measures Ofcom proposes to use for each public purpose, namely:
- Availability – spend, nature, type, quantity, and range of content available across the BBC.
 - Consumption – extent audiences consume content provided.
 - Impact – examining what the audience thinks about the BBC's services and output and what impact it has on their lives
 - Contextual factors – assessment of risk taking, delivering innovative content etc which will benefit for more qualitative information.
96. VLV also supports the principles of measurement as laid out in the consultation document, namely comparability, proportionality, practicability, transparency, reliability and flexibility.

Question 9: Do you agree with Ofcom's approach to how we will set and amend the performance measures?

97. VLV agrees with Ofcom's approach to setting and amending the performance measures.

¹⁷ *Holding the BBC to account for the delivery of its Mission and Purposes*, Ofcom, 29 March 2017, para 5.2