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 (VLV) TO THE BBC CONSULTATION ON THE BBC's DRAFT DISTRIBUTION POLICY

April 2018

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INFORMATION ABOUT THE VLV

Voice of the Listener & Viewer Limited (VLV) represents 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 and Wales No 4407712 - Charity No 1152136).

INTRODUCTION

- 1. VLV is committed to supporting the principles of Public Service Broadcasting [PSB] and is anxious to ensure the continuation of universal access for UK citizens to free to air PSB services by all practicable and economical means.
- 2. The VLV welcomes the opportunity to respond to the BBC consultation on its Draft Distribution Policy. As the leading voice in the UK's media industry the BBC should remain the yardstick by which other broadcasters are judged and the setter of the highest standards both of content production and of quality of service in its delivery. Unless it is enabled to maintain such a position it cannot fulfil its duties to the public.
- 3. VLV supports the provisions as set out in the draft distribution policy, but we have a few broader concerns about the future of free to air broadcasting which we outline in this submission.
- 4. VLV has examined the BBC's Distribution Strategy which was published at the same time as the Draft Distribution Policy. While we understand that the Strategy is beyond the scope of this consultation, we make this submission in the context of the strategy.
- 5. VLV supports the seven Conditions for Distribution, namely: prominence, editorial control, branding and attribution, quality, data, free access and value for money.
- 6. VLV is concerned that BBC content should be as widely and easily accessible as possible in order to maximise the public value of the services provided by the BBC and to ensure maximum possible value for licence fee payers.
- 7. VLV is concerned that on some platforms, notably subscription services, content is promoted without consideration of its public value, motivated often by the commercial interests of the platform. We would like to see BBC content promoted equally alongside other content so that its prominence is ensured and it is easily discoverable. We welcomed Ofcom's announcement that it will be consulting on the EPG Code later in 2018¹ and will support the application of the code to on-demand viewing. VLV would support such a move.

¹ Public Service Broadcasting in the digital age, Ofcom, March 2018, para 4.3

- 8. VLV is also concerned that BBC content should easily identifiable as having been produced by the BBC for the benefit of licence fee payers.
- 9. When distributing its content on third party platforms the BBC needs to give due attention to the policies that platforms have on collecting, processing and sharing data from viewers/ listeners. These policies should be equivalent to those of the Corporation and should not allow more permissions.
- 10. While VLV understands the need for the BBC to ensure it can withdraw its services from obsolete or technically dysfunctional platforms because this could impact adversely on its reputation and also impact on audiences, the key criterion should be that licence payers continue to be able to access BBC services in the way that is most convenient and affordable for them. In this context, we are concerned that BBC should ensure it continues to support the DTT platform, including technological developments for free to air platforms based on DTT delivery.
- 11. It follows therefore that VLV would wish the BBC robustly to protect the Ultra High Frequency [UHF] spectrum and the use of DTT technology as a means to deliver its services because the majority of viewers use this means of access. Despite other emerging technologies that make claims on the UHF spectrum DTT remains robust and we would expect it to remain so for the foreseeable future well beyond this Charter period.
- 12. We recognise the changing background to the dissemination of audio visual content and the rapid evolution of different means of delivery in recent years.
- 13. The widespread use of the internet as a means of accessing BBC Content adds value to viewers and listeners' experiences but remains inconsistent and somewhat unreliable in quality. Until these alternative means of access fully emulate the high quality of service of DTT VLV holds they should not be given undue preference by the BBC and other PSBs.
- 14. Additionally, VLV holds that broadcast content delivered via the internet is not free to view because gaining access to content via the internet is not free of charge, as DTT and FM or DAB radio are. Viewers and listeners do not pay for access to terrestrial TV according to consumption as they do with broadband and some television subscription services. This is a key element of universality which should not be overlooked in any discussion of the future of BBC distribution.
- 15. It is clear that in meeting new challenges the BBC must be mindful of the economic impact of a widening range of delivery channels and also fully aware of the public preferences for content consumption. Whilst new means of accessing content via the internet are available, they do not as yet dominate listening and viewing and for certain types of content they will be unable to deliver the full quality available. Mainstream consumption and quality of service via traditional delivery methods must not be compromised in accommodating these new distribution methods. Whilst the iPlayer is widely used variable internet consistency of service especially during periods of heavy loading prevents it from functioning adequately and universally [ie in terms of equivalent coverage] and so cannot yet be considered a replacement for more established delivery methods.
- 16. One specific area of distribution that is of great concern at the present time is the increasing pressure on spectrum most notably for Digital Terrestrial TV [DTT] in the UHF bands. Already, as a result of Digital Switchover in 2012 and the decision by Ofcom to reclaim the so-called 700 MHz band in around 2020 or sooner, a considerable amount of spectrum has been taken from the traditional broadcast bands in the UHF. This challenges broadcasters with the

potential costs and inconvenience involved in accommodating existing services in less spectrum. More importantly it also challenges a public that has little knowledge of these changes and the costs which they will have to bear in responding to changes in reception conditions eg new technical standards and hence new equipment.

- 17. VLV has responded to a range of consultations in recent years on spectrum issues both within the UK and Europe and has been forthright in protecting PSB from the consequences of proposed changes. We would expect that the BBC would also take a leading role in assuring itself that the proposed reductions in spectrum over the current Charter period will not compromise its PSB duties and will not place unreasonable burdens on the public which it serves and who funds its operations.
- 18. With reference to the distribution of radio content, VLV welcomed the approach set out by Bob Shennan, BBC Director of Radio and Music, at the recent Radiodays conference where he said that for the time being audiences were best served by a provision of radio content on a range of platforms which should include FM, DAB and IP.

We all once thought DAB was the only digital future for Radio. But audiences want choice. We now know DAB is very important but as a part of the story, along with FM and IP. We need to do more before we consider a switchover in the UK, and for that to be genuinely audience-led.

We are fully committed to digital and we believe we should review the landscape again in a few years' time. Great progress has been made but switchover now would be premature. For now we believe audiences are best served by a mixed economy. Radio is better served by a mixed economy.²

Question A) Has the BBC identified reasonable conditions in relation to the distribution of its public services?

 VLV considers that the BBC has set out reasonable conditions for the distribution of its content.

Question B) Are the conditions appropriate to ensure that the distribution of the UK public services enables the delivery of the BBC's public purposes and the fulfilment of the BBC's mission in the interests of its audiences across the UK?

- 20. VLV interests focus on the principles of PSB and we support the BBC's proposals as described in the Draft Policy. In being dependent on third parties for distribution facilities the BBC must clearly assure itself that all public interests are protected when arranging for the provision of BBC content on those services; in particular, there must be no loss of editorial control and BBC content must be freely and easily accessible with no additional cost to the viewer.
- 21. VLV agrees that the BBC will need to be flexible and responsive in its approach³, ensuring that the ways it distributes its content are appropriate for different audiences. These audiences should include those who are less digitally enabled, therefore it should be a priority for the BBC to continue to support free to air television and radio broadcast platforms which are not reliant on the internet for delivery.

² Bob Shennan Speech to Radiodays conference, 19 March 2018

³ BBC's Distribution Strategy, 12 February 2018, para 21

22. VLV is concerned that while the BBC's strategy to ensure it is ready for the switch to IP delivery is sensible, the BBC should not actively encourage viewers to move away from live TV viewing which will potentially undermine the popularity of DTT. VLV considers DTT to still be the most important television platform for UK audiences. We note that in its recent report *PSB in the Digital Age* Ofcom said,

Our analysis shows that the DTT platform will remain uncontested for free-to-air TV for at least the next ten years. While most broadcasters expect in the long term to migrate fully to the internet, that is not feasible today. Broadband networks are not yet of sufficient quality to support universal HD streaming and more than 40 per cent of TV sets cannot yet connect to broadband. So, for broadcasters and viewers alike, DTT will remain important for some time.⁴

QUESTION C) Are the conditions proportionate and targeted given the BBC's duty under Article 11 of the Charter to have particular regard to the effect of its activities on competition?

23. VLV considers the conditions are proportionate given the BBC's duty under Article 11 of the Charter.

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⁴ Public Service Broadcasting in the digital age, Ofcom, March 2018, para 4.5