

[GB] Parliamentary Committee Condemns Plans for Funding BBC Digital Services

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The Culture, Media and Sport Committee of the UK House of Commons has produced a report which is highly critical of proposals to fund the provision of digital services by the BBC through an additional licence fee to be paid by all who take up digital television (IRIS 1999-8: 11). The Committee considers that the additional fee would slow the take-up of digital television and delay analogue switch-off. It would also hamper the possibility of marginally free digital television being available to consumers and so bear most heavily on the most disadvantaged in society. Thus it would, according to the Committee, run directly counter to the objectives of public policy. The Committee recommends that the current commitment to a five-year funding formula up to the end of 2002 for the BBC should not be changed. Funding after that date should only be determined after a fundamental review of the BBC's role and remit.

The Committee also made a number of other recommendations relating to the funding of the BBC. It is critical of the cost-effectiveness of the News 24 service compared to that of other broadcasters or in the context of the total BBC news budget, and questions the figures given for BBC expenditure for digital promotion as "an obscure use of public money". According to the Committee, the BBC has "singularly failed to make the case for a much-expanded role in the digital era and consequently for additional extra funding". It also rejects proposals for the partial privatisation of BBC Worldwide and BBC Resources. The Committee re-iterates its previous recommendation that the BBC be made subject to an independent regulator covering the whole of communications.

Select Committee on Culture, Media and Sport, 'The Funding of the BBC', HC 25, 1999-2000.

