

[GB] Government Confirms Plans for the Future Role of the BBC

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The UK Government has now published its delayed White Paper on the future of the BBC. In general, it repeats the proposals made in the earlier Green Paper (see IRIS 2005-4: 11). This will form the basis for the new Royal Charter for the Corporation, to run from the beginning of 2007 until the end of 2016; a draft Charter and Framework Agreement with the minister are published alongside the White Paper. For the first time, the Charter will refer explicitly to the scope of judicial review for enforcing its provisions and those of the Agreement.

The White Paper sets out six new public purposes for the BBC: sustaining citizenship and civil society; promoting education and learning; stimulating creativity and cultural excellence (including film); reflecting the UK's nations, regions and communities; bringing the UK to the world and the world to the UK; and building digital Britain. Five characteristics for the BBC's content are also set out: high quality, challenging, original, innovative and engaging.

The major reform is the replacement of the BBC's Board of Governors (much criticised for combining regulation and promotion of the Corporation) with two new bodies: the BBC Trust and the Executive Board. The Trust will be responsible for representing the interests of licence fee payers and will oversee the activities of the Executive Board, which will be responsible for management of the Corporation. BBC services will be run on the basis of a service licence issued by the Trust to the Executive which will set out how the service contributes to achieving the Trust's priorities and will include indicators which the Trust will use to judge performance.

Funding of the BBC will continue to be by licence fee, although a review will be undertaken during the Charter period of the case for the fee to be distributed more widely beyond the BBC.

A new market framework will be established to prevent unfair competition by the BBC in its provision of commercial services. This will include a duty for the Trust to have regard to competition issues, an overhauled fair trading regime, and a new system of *ex ante* codes drawn up by the Trust in consultation with Ofcom (the regulator for private broadcasting) in areas which raise potential competition concerns. There will also be a new complaints regime in relation to competition issues. In the case of new services, Ofcom will undertake a market impact

assessment before the Trust decides whether to approve a service; the latter will also itself conduct a public value assessment to establish whether the new service will be in the interests of licence fee payers.

Department for Culture, Media and Sport, "A Public Service for All: the BBC in the Digital Age", March 2006

http://www.bbccharterreview.org.uk/have_your_say/white_paper/bbc_whitepaper_marshall06.pdf

Draft Charter and Framework Agreement

http://www.bbccharterreview.org.uk/have_your_say/white_paper/rchter_fwagreement_mar06.pdf

