

MEMORANDUM

To: Department for Culture, Media and Sport
From: Duncan Bennett
Subject: BBC Charter Review public consultation
Date: 29th February 2004

I have seen your web pages at <http://www.bbccharterreview.org.uk/> requesting comments from interested individuals for the preparation of the Charter Review. I am grateful for this opportunity to present my opinions. I do not have a television set, but have several radios and often listen to BBC radio stations. In my opinion, the BBC's unique contribution to society is its radio services. Their high quality contrasts with the BBC television services which have the reputation of being frequently mediocre and dumbed-down. My main interest in the Charter Review is the funding of the BBC and the problems caused by the TV licensing system. I set up web-pages at:

<http://www.marmalade.net/lime/>

to help others who do not have television and who, like myself, feel threatened, harassed and distressed by the behaviour and conduct of TV Licensing™. I would be grateful if you would look at these web-pages and consider their content as part of my contribution to the public consultation. I believe these web-pages are now the Internet's single-largest resource of information on the problems of the television licensing system for the non-viewer.

There are aspects of the licensing system that are not logical, reasonable or fair; but it is applied – regardless – in the interests of raising revenue. Currently it is possible to receive hundreds of different television channels from various sources. Of these only a handful originate from the BBC; despite this, to view *any* TV station one has to pay the BBC through the “licence-fee”. The BBC must be paid even if it has no involvement with the programmes being watched^[1]; so the licence is apparently for the television set. However, if someone in the UK uses streaming-media with a computer and a network connection to watch a live BBC broadcast, they are committing an offence to do so without a licence even though no television set is involved – the computer *etc* is considered “receiving equipment” and thus requires a “television licence” (of course, if the live BBC broadcast is viewed outside the UK there is no need for a licence); so here the licence now appears to be for watching the BBC. Of course, one can listen to the BBC radio services and read the BBC web pages

^[1] This restriction may contravene article 10 of the European convention on human rights.

without needing a licence, and people like myself who use the BBC extensively do not contribute towards it. I understand that listening to BBC radio over the Internet costs the BBC around 23p per listener per hour^[2] (over and above normal broadcast costs) and this is given away freely to anyone in the world who cares to listen.

In order to collect the licence-fee, it is necessary for the body TV Licensing™ to exist. TV Licensing™ is a profit-driven commercial operation with the authority of law behind it. To have any organisation with powers to harass and persecute – for the personal gain of its operatives – stands out against the way things are generally done in the UK. Compare this, for example, with other bodies that operate under statute; can you imagine if, say, police officers were offered cash incentives for prosecutions? I believe this is a reasonable comparison and I understand that TV Licensing™ field-officers *do* receive bounties^[3]; consequently there are reports of them being less than scrupulous in their operation^[4]. TV Licensing™ also criminalise poverty with their aggressive revenue-raising policies^[5]. Statistics show that they primarily target vulnerable members of society, threatening to prosecute lone parents, people with mental health problems, and those who do not have English as their first language. Most of these groups are living on a low-income and have not paid the fee because they simply cannot afford to do so. The majority of those prosecuted are women. I also understand that visits are based on deprivation-index statistics; households without licences are more likely to be visited by enforcement officers if they are in deprived areas according to the census. In the case of lone parents it is ironic that the BBC fabricates a caring image with the annual “Children in Need” appeal, but at the same time allows its agents to persecute similar vulnerable sections of the community.

It is a concern to me that TV Licensing™ has no regulating body to account to. From my own experiences I have seen that if one is unhappy with the behaviour of TV Licensing™ (for harassment, say) one can *only* complain to TV Licensing™ themselves. TV Licensing™ can then brush-off or ignore complaints if they choose. The options beyond that are limited; for example, taking out an injunction at Court. In the running of my web site I am frequently asked what action harassed non-viewers can take against TV Licensing™. I generally suggest that those affected solicit the interest of the newspapers. “Bad press” appearing in a local paper *always* causes TV Licensing™ to reconsider individual cases; however, it is completely unreasonable that honest people should have to go to such lengths to be treated decently.

The BBC’s source of funding needs to be changed. I think that everyone should contribute to what is *genuine* public service broadcasting for both television and radio, and that should come out of taxation. Having everyone pay for the BBC’s public service broadcasting, regardless of whether they watch television or not, would bring it in line with other publicly-available resources. This already happens with many other things, for example we all pay towards the upkeep of civil amenities and services, though we may never use

[2] Greg Dyke 1st July 2002, in response to questions by the Select Committee on Public Accounts.

[3] http://www.tvlicensing.biz/archive/index_oct2002_jan2003.htm#210

[4] Website, various news articles – <http://www.marmalade.net/lime/#news>

[5] “TV Sinners” – report by the Citizens Advice Bureaux – <http://www.nacab.org.uk/docks/tvsinners.doc>

them. But the BBC needs to change too; the tax-payer cannot fund an organisation that competes in a commercial market – it would be simply wrong. At the moment the licence-payer underwrites a commercial enterprise. I do not believe the argument that the BBC would lose independence (of the government in power) by being funded through taxation.

The BBC should be a public service broadcaster and lead other broadcasters in areas of information and education, but instead it behaves like a commercial organisation competing against other commercial entertainers. This competitive aspect is highly questionable. I have never understood why an organisation with no profit-returning product (*i.e.* nothing other than ratings to gain) should commercially promote itself. I have always been puzzled as to why BBC television goes to the lengths of advertising programmes on billboards, in the cinema, and in newspapers if it does not gain any return for larger numbers of viewers. Clearly the BBC should not actively compete with other broadcasters and it should not try to steal audiences, for example in prime-time wars for audience figures. Backing such activities with a licence-fee and its impact on commercial competitors is grossly unfair and morally wrong.

There are also technical reasons for the replacement of the licence-fee with a different funding mechanism. The licence-fee system is becoming an increasingly anachronistic mechanism that does not adapt itself well to modern technology. For example, with the rise of mobile devices for watching television, *e.g.* mobile phones, the licence-fee will become increasingly unenforceable. The licence-concept is also difficult to apply where streaming media is included. To cover both of these situations, one would need to have a “television licence” for both mobile phones and computers. Both of these examples strongly argue for a system of funding that is transparent.

It has been said that, despite its faults, there is no alternative to the licence fee; I urge you to treat such a conclusion with the greatest skepticism. In the 1999 Davies report on BBC funding^[6], alternatives to the licence-fee were considered, but there was a basic assumption that funding via the licence-fee was acceptable. Much of the discussion seems only to have concentrated on changing some aspects of the licence-fee system. The topic of funding-alternatives takes only a relatively small part of this extensive document. Points against direct funding suggest an unfounded distrust in the ability of our system of government, Parliament and legislation to ensure the independence of the BBC. This reasoning is questionable as there is one proven example of how direct funding can work: the BBC World Service is funded by a direct grant and is regulated by a Select Committee. Similar funding could work for other BBC services without compromising their integrity. Some of the points against other methods of funding are valid; other options are discarded a little too readily. Advertising is probably not appropriate for the core of BBC public service broadcasting, but sponsorship is a very suitable and relatively non-intrusive addition to direct funding for core public services broadcasting. Subscription might not be suitable for core domestic services within the UK but is essential for core domestic services accessible outside the UK. It is unacceptable that those outside the UK should receive BBC services (other than the World Service) for nothing, while those in the UK have to pay. Subscription

^[6] *The Future of the BBC*, Chairman: Gavin Davies (July 1999).

may also find its place in BBC entertainment services that become independent in the commercial sector. In all of this, lessons may be learned from the USA's NPR^[7] (National Public Radio) and other United States public service broadcasters. I do not believe the authors of the Davies report were entirely objective in their evaluation of alternative funding. While they do consider alternatives to some degree, they are too focussed on the BBC as it is, and the potential for future growth. I would suggest that alternative funding needs be considered for a much-reduced BBC. One thing that is missing from the Davies report is the impact of the licence-fee system on those who do not have television. This is an interesting omission because when the report considers the possibility of charging households for each television set, the suggestion is dismissed because enforcement would be impractical and searching people's houses to check on the number of TV sets would be an invasion of privacy. However, no concern was expressed for the invasion of privacy currently suffered by those who do *not* have television; TV LicensingTM frequently threatens to search our houses.

What would happen to the BBC if the current, cosy, system of funding were lost? I do not believe this would be as bad as some might imagine. It is almost certain that large sections of the BBC could immediately be sold-off as stand-alone independent entities in the commercial sector. Further, without the licence-fee there would be no need for TV LicensingTM and millions of pounds^[8] would be saved every year by not employing these enforcement agents. Another benefit to society in general would be that, without the hundreds of thousands of prosecutions for non-payment of the licence-fee, the legal system would be freed-up to operate more efficiently.

The Charter Review discussion document asks whether the BBC should provide "something for everyone". It certainly should attempt to do this, but only on the condition that everyone pays for it. In the consultation document there are frequent mentions that services should be "free" and "freely available to the public". BBC television is *not* "free" because there is a licence-fee; through this no other television services are "free" either. With a system of funding through taxation the "free" aspect would be more easily attained as funding would be transparent. I would also argue that replacing analogue with digital services too rapidly makes the BBC less freely available.

In conclusion: I ask that you do not support the renewal of the Charter for the BBC as it is now. The form of the BBC and its place amongst other media services needs to be critically evaluated. Presently the BBC is not concentrating on its public service broadcasting commitments and is inappropriately concerned with profit, growth and commercial competitiveness. It is also funded unfairly. The BBC may have gained a unique place in the public's affections over the decades, but it would be unwise to take this for granted. It is only through people's tolerance that this affection has not already been lost. The BBC needs to change in order to regain some of the respect it has lost in recent years.

[7] National Public Radio – <http://www.npr.org/>

[8] Licence-fee collection cost – £146.4m (BBC Annual Report and Accounts 2002/2003).