

*Championing
excellence and diversity
in broadcasting*

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BRIEFING ON BBC CHARTER RENEWAL

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INFORMATION ABOUT THE VLV

The Voice of the Listener & Viewer (VLV) is an independent, not for profit membership-based charity, free from political and sectarian affiliations. VLV supports high quality broadcasting which maintains the democratic and cultural traditions of the UK. We support the independence and integrity of the BBC and encourage work which demonstrates commitment to the principles of Public Service Broadcasting (PSB). VLV is a charitable company limited by guarantee (registered in England and Wales No 4407712 - Charity No 1152136).

Executive Summary

1. The BBC plays a unique role in national life because it has four fundamental features whose combination is not possessed by any other media institution: public ownership, a public remit, public funding and universal accessibility free at the point of use. These four features must be safeguarded, and the BBC's importance to national life recognised, in the forthcoming charter renewal and funding settlements. The safeguarding of these four features must be accompanied by strengthened mechanisms of direct public accountability, ensuring that audiences are not only beneficiaries of the BBC's services but active participants in shaping its future.
2. The rise of the internet has brought about the streaming revolution: a fundamental transformation in viewing over the past fifteen years, particularly among younger generations, driven by the decline of live TV viewing and the rise of subscription video-on-demand (SVOD) services and video sharing platforms (VSPs). Around 70% of UK households have at least one SVOD subscription. Among people aged between 4-44, on average SVOD and VSP viewing now accounts for more time than all broadcast viewing. The global scale of SVOD services means they have content budgets whose size dwarfs those of UK broadcasters: Netflix's is around four and a half times the BBC's.
3. The streaming revolution has brought a range of new choice and some high-quality films and programmes. These changes have also come with four major limitations:
 - a. Not everyone can afford the cost of subscriptions: some can afford access to an abundance of streaming content, while others are excluded. After decades in which television was a cultural leveller, streaming is turning it into a force for cultural inequality.
 - b. Streaming services are only strong in some of the more entertainment-oriented genres and generally fail to provide much if any content in less profitable but socially important public service genres like news.
 - c. Streaming services and VSPs are under no obligation to support UK content or the UK production sector, or to represent and reflect life in the UK.
 - d. Video sharing platforms atomise video production, precluding cross-subsidy from more to less profitable genres. They sustain the production of much commercial content but very little public service content – for example, high-quality journalism.
4. The BBC is the solution to the streaming revolution's limitations because it is universally available to all UK audiences and because its public ownership, funding and remit allows it to focus on delivering the greatest value to the British public, providing programmes and services that meet public needs regardless of their commercial profitability. However, the BBC faces three major challenges that limit its ability to fulfil its mission:
 - a. Political interference, which has undermined BBC funding and is corroding trust and creating institutional caution

- b. Declining funding, driven by a series of adverse funding settlements and now by declining TV licence sales, and which has required deep cuts to BBC programmes and services
- c. Flaws in the BBC's current public purposes and regulation

Unless these three issues are addressed during this period of charter renewal, there is a risk of a vicious circle of declining engagement and funding that leaves the BBC seriously diminished and relegated to an increasingly marginal position in national life.

These challenges are compounded by insufficiently robust and visible mechanisms through which the public can hold the BBC, Ofcom and DCMS to account. Without meaningful public accountability, trust, engagement and democratic legitimacy are weakened.

5. VLV has three main priorities for charter renewal all of which must be underpinned by stronger, more participatory forms of public accountability:
 - a. Ending political interference by making the BBC more meaningfully independent of government
 - b. Putting BBC funding on a more sustainable basis
 - c. Enhancing the BBC's ability to fulfil its core mission by revising its remit and regulation
6. Ending political interference:
 - a. Either renew the BBC with a permanent Charter, enshrining its independence, or establish the BBC on a statutory basis in a new Public Service Broadcasting Act.
 - b. Establish a new Public Media Commission, responsible for determining the level of public funding for the BBC and for reviewing the BBC's fulfilment of its mission and public purposes.
 - c. End government control of media appointments by establishing a new, independent Media Appointments Panel, chosen by the Public Appointments Commissioner and responsible for appointing the boards of the PMC, BBC, Channel 4 and Ofcom.
7. Putting BBC funding on a more sustainable basis:
 - a. Replace the TV Licence Fee with a new, more sustainable funding mechanism. On the basis of present evidence, VLV believes a progressive household levy with social exemptions is the best option.
 - b. The PMC would have the responsibility to recommend the level of the levy to Government. Its recommendation would be published.
 - c. Social exemptions from the levy could be made for households in receipt of universal credit or pension credit, students, disabled citizens and those in residential care.
 - d. Businesses could pay their own levy, with an exemption for the self-employed, small businesses, non-profit organisations, public bodies and charities.
8. Enhancing the BBC's ability to fulfil its core mission:
 - a. The BBC's mission and public purposes should be established in legislation, like Channel 4's. The current mission to inform, educate and entertain should be retained, but with a requirement that all BBC programmes and services must be universally available and free to access for all UK audiences.
 - b. The BBC's public purposes should continue to cover: sustaining citizenship through the provision of news and information, current affairs and factual programming; promoting education and learning; showing the most creative and high-quality output and services;

reflecting, representing and servicing the diverse communities of the UK's nations and regions; reflecting the UK, its culture and values to the world.

- c. The public purposes should be amended to emphasise more the importance of educational content and lifelong learning, and to require the BBC to also bring the world to the UK, not only the UK to the world. One further purpose should be added to the five above: to deliver to the public the benefit of emerging communications technologies and services.
- d. Responsibility for assessing the BBC's fulfilment of its mission and public purposes should be removed from Ofcom and given to the PMC, which should use these assessments to inform its decisions on funding.
- e. The public interest test Ofcom applies to the launch of new BBC services should also be applied to the closure of BBC services.

Introduction: the importance of the BBC

The BBC has long been a vital and essential part of Britain's national life and identity, informing, educating and entertaining the British public for over a century. Today, the BBC remains a fixture in the lives of the majority of the British public. In 2024/25, BBC services were used by 94% of UK adults on average each month and 84% each week, with 64% using it for five or more days a week, and 53% for five or more hours a day. Among under-16s, 70% use the BBC each week, for an average of four hours.¹ BBC News reaches 74% of UK adults on average each week, including 45% on TV, 47% on radio and 34% online, and around four fifths of these users say it sets a high standard for quality.² The BBC remains the most trusted news brand in the UK³ and around 61-66% of the public continues to say it is effective at providing content that sets high standards for quality and creativity, that is distinctive, original and caters for a wide range of tastes, and that raises awareness of different lives and perspectives in the UK.⁴ The BBC is also the single institution most responsible for bringing Britain's voice to the rest of the world, reaching a global weekly audience of 453 million people in 2024/25.⁵ This international role is not merely cultural or diplomatic but epistemic. Through the BBC World Service, the UK provides trusted, independent news and information to global audiences in environments increasingly shaped by disinformation, propaganda and state-controlled media. The World Service therefore constitutes a critical component of the UK's epistemic security, strengthening global access to reliable knowledge and shared standards of truth.

The BBC plays a unique, central role in national life because it has four fundamental features whose combination is possessed by no other UK media institution:

1. **Public ownership:** its form as a public corporation established by Royal Charter means that the BBC is controlled and monitored, and its remit is set, through a range of public political mechanisms subject to democratic debate and accountability.
2. **Public remit:** as a consequence of the BBC's public ownership, it has a remit to serve the UK public by pursuing the mission and public purposes set out in its Royal Charter, rather than the production of private profit. This also distinguishes the BBC from commercial PSBs like ITV and Channel 5, for whom contributing to the public service broadcasting remit is an obligation fulfilled in return for channel licences with EPG prominence but whose ultimate obligation is to provide a satisfactory return for their investors.⁶
3. **Public funding:** the BBC is predominantly funded by public rather than commercial money. The TV licence fee accounts for 71% of total BBC income and 85% of PSB group expenditure. This has two key consequences. First, it frees the BBC to focus primarily on serving public purposes instead of generating commercial revenue. Second, it limits the influence on the BBC that the dependence on commercial revenue sources, like advertising and subscription, has on other media organisations. For example, because more affluent social groups are more able to afford private subscriptions and attract more advertising

¹ BBC, [Annual Report and Accounts 2024/25](#), p. 42, 52, 223, 225

²² The percentage of weekly users of these services who say so is 79% for BBC News on TV, 85% for BBC News on Radio, and 80% for BBC News Online. See BBC, *Annual Report and Accounts 2024/25*, p. 224

³ Reuters Institute, *Digital News Report 2025*, p. 67

⁴ BBC, *Annual Report and Accounts 2024/25*, p. 227

⁵ BBC, *Annual Report and Accounts 2024/25*, p. 23. BBC World Service weekly reach of 312.8 million; 453m figure includes BBC News and BBC Studios.

⁶ Note also that, as viewing through linear channels declines, so does the value of the Channel Three and Channel Five licences held by ITV and Channel 5, and therefore the extent of the public service obligations those commercial PSBs are prepared to meet in return for those licences and the benefits of EPG prominence they confer. As a result, Ofcom has agreed to the dilution of the public service requirements in their licence conditions.

spending per person, there is an overall structural bias in commercially funded media towards catering to those groups more than to less affluent ones.

4. **Universal access:** BBC programmes and services are made universally accessible – free at the point of use – to everyone in the UK with means of receiving them, without advertising. This is made possible by the combination of the BBC’s public remit with its public funding. All other broadcasters, streaming services and video sharing platforms have to fund themselves by requiring either private subscription, exposure to advertising, or both. The UK’s two main commercial public service broadcasters, ITV and Channel 4, both now offer the option of a subscription to stream their content ad-free (ITVX Premium and 4+).

It is imperative that this round of charter renewal sees the importance of the BBC to national life recognised, and that it results in a settlement that protects the future of the BBC.

The digital transformation of viewing

The UK’s tradition of public service broadcasting, for which it has long been internationally famed and envied, is now under serious threat. The rise of the internet has brought new alternatives to traditional broadcast TV and radio into the home and on mobile devices: video-on-demand (VOD) services like Netflix, Amazon Prime Video and Disney+, and video sharing platforms (VSPs) like YouTube and TikTok. These are predominantly provided by American tech companies (Apple, Amazon, Alphabet, Netflix) and media conglomerates (Disney, Paramount Skydance, Comcast) who are aiming to build global scale: Netflix has over 300 million subscribers; YouTube has 2.7 billion users.

The VOD services have vast catalogues of content and huge content budgets: Netflix alone expects to spend £13.8 billion on content in 2025, around four and a half times the BBC’s content spend in 2024/25. The two seasons of the Disney+ *Star Wars* series *Andor* cost 21% more than the BBC’s entire expenditure on film and drama in 2024/25.⁷ Clearly the BBC as presently funded cannot financially compete with the major VOD services’ ability to spend on big-budget series and films. But the latter’s strategy has been palpably successful in attracting UK subscribers. As of Q3 2025, 20.5 million UK homes (69.5%) had access to a subscription video-on-demand (SVOD) service. 17.6 million (59.5%) had access to Netflix, 13.6 million (46.0%) had access to Amazon Prime Video, and 7.5 million (25.4%) had access to Disney+.⁸ Around a fifth of UK households subscribe to all three.⁹ Consumer spending on SVOD services reached £4.4 billion in 2024, up from £1.7 billion in 2019.¹⁰ At the same time, SVOD investment is driving rapid cost inflation in high-end TV production, particularly in drama and documentaries, which erodes what the BBC can buy on its budget.

Over the last fifteen years, live TV viewing has collapsed and SVOD services and VSPs have transformed the viewing habits of the British public, particularly younger people. 16-24s watch only 18% of the amount of live TV they watched in 2010 (25-34s watch 28% and 35-44s watch 38%). Among children aged 4-15 and adults aged 16-44, SVOD and VSP viewing account for more time than all broadcast viewing (across live TV, recorded playback and BVOD). Among

⁷ *Andor* cost \$650 million (around £500 million) for two seasons (24 episodes, around 16 hours of content). The BBC’s entire expenditure on film and drama in 2024/25 was £411 million. *Andor* cost around £31 million per hour. The BBC’s indicative tariff range for ‘high-cost drama’ is £650k-1.1 million per hour. See BBC, [“BBC tariff range of indicative prices for the supply of commissioned television programmes”](#), August 2023

⁸ Barb, [“Barb releases Q3 2025 SVOD subscriptions data”](#), 11 November 2025

⁹ Ofcom, *Media Nations 2025*, p. 31

¹⁰ Ofcom, *Media Nations 2025*, p. 45

16-24s, SVOD and VSPs combined account for over three times the minutes of broadcasters; YouTube alone plays a bigger role in their lives than traditional broadcasting.¹¹ The broadcasters' share of overall video viewing has declined rapidly since the last charter review in 2017: from 73% of total video viewing to now only 56% of in-home video viewing (i.e. not including mobile).¹²

Consequences of the streaming revolution

The streaming revolution has delivered some major benefits for the UK public. There are now a range of streaming and pay TV services, and an enormous quantity of content available to choose from. Some of this content is made very expensively and to a high standard of production. But this revolution has come with four major limitations:

- Not everyone can afford to subscribe to SVOD services. Combined, they would cost around £250-265 a month or £3,000-3,200 a year.¹³ Standard Netflix alone costs £13 a month; together with Disney+ and Amazon, the cost (without ads) is £35 monthly or £420 annually. The TV licence fee costs £14.54 a month or £174.50 annually. Around 5.9 million UK households have access to all of Netflix, Amazon and Disney+; a further 14.6 million can access at least one SVOD service; but 8.9 million – about a third – can access none. There is good reason to think that is because many can't afford them: more than 1 in 5 people in the UK are in poverty, including 3 in 10 children.¹⁴ So while some might enjoy abundance, others experience exclusion and deprivation. Whereas in the past – before pay-TV – everything on UK television was freely accessible to everyone who had a TV set and paid the TV licence, there are now major inequalities of access. In this specific sense, the streaming revolution is turning television from a force for cultural equality, inclusion and national community, into increasingly a force for cultural inequality, exclusion and separation.
- The SVOD services are only strong in some of the more entertainment-oriented genres: big-budget scripted series and films; some limited factual programming, often true crime. They supply very little in key public service genres like news, current affairs, arts, history, science, religion, educational or children's programming. No SVOD service provides any news programming. Yet these genres are all part of a healthy, well-rounded viewing diet that informs and educates as well as entertaining the public. Meanwhile, because their scripted series tend to be big-budget productions aimed at large audiences across many countries, they tend to take few creative risks, rely on familiar franchise IP and global stars, and be unable to address specific UK national – let alone regional or local – issues and needs. These limitations are not confined to domestic audiences. Globally, the retreat of trusted news provision has created an information vacuum that is increasingly filled by authoritarian state media and coordinated disinformation. The BBC World Service remains one of the few institutions capable of countering this trend at scale.
- SVOD services are under no obligation to invest in UK-based productions or content that reflects life in the UK, its nations, regions and communities, and their focus on building global scale means they have little incentive to do so. They are also under no obligation to ensure the investments they do make in the UK serve to promote the health of the overall

¹¹ Ofcom, *Media Nations 2025*, p. 19

¹² Ofcom, *Media Nations 2025*, p. 18

¹³ This cost includes: Netflix Premium, Amazon Prime Video (ad-free), Disney+ (premium), Apple TV+, Paramount+ (premium), Discovery+ (including TNT Sport), ITVX Premium, 4+, MUBI GO, BFI Player, YouTube Premium, Sky Ultimate (including Sky Sports, Cinema and Kids, with UHD & Dolby Atmos, Ad Skipping and in the whole home).

¹⁴ Of those, 8.1 million were working-age adults, 4.3 million were children (among whom the rate is 30%) and 1.9 million were pensioners. See the Joseph Rowntree Foundation, "[UK Poverty 2025](#)", 29 January 2025

UK production sector (e.g. by investing in skills and training), give fair terms of trade to independent producers, or develop the creative industries outside of London.

- The VSPs rely on an individualised ‘content creator’ model that, by disaggregating and atomising video production, structurally precludes cross-subsidy from more profitable to less profitable, but more socially beneficial, genres and methods of production. Content that easily lends itself towards monetisation through advertising or sponsorship – e.g. unboxing videos or skincare tutorials – might thrive, but content that in the traditional PSB model relied on public funding or cross-subsidy, because it was less inherently commercial, does not. YouTube might be able to sustain fan communities, but it cannot, for example, financially sustain high-quality journalism.

In short, the impact of the streaming revolution has been uneven: beneficial in some areas, damaging in others. Overall, it is driving a broad shift in video production and viewing away from less profitable but more socially valuable, informative and educational genres, and towards more profitable, entertainment-oriented genres. Because the major SVOD services are American in ownership and global in orientation, there is the added problem that much of what they do provide has very little connection to British national life, culture or identity. Because they are under no specific obligation to ensure production meets wider social, industrial and civic goals, their investments are generally less beneficial to the UK than those of the PSBs. And because VSPs rely on an individualised, disaggregated model of content creation, they are unable even to cross-subsidise the production of public service content and therefore tend not to enable its creation.

There is nothing wrong with entertaining audiences, of course, but a televisual culture that prioritises entertaining audiences too exclusively over informing or educating them is one that seriously neglects a whole range of fundamental public needs. One too heavily dependent on American imports risks losing the capacity to represent Britain both to itself and to the world.

The BBC is the solution to the streaming revolution’s limitations

The BBC is the solution to the limitations of the streaming revolution set out above. First, its programmes and services are universally available to all UK audiences, acting as a force of cultural democratisation, inclusion and community. Second, as a publicly owned and mostly publicly funded corporation, with a mission and public purposes set out in its Royal Charter, it has the mandate and the means to focus on providing the greatest value to the British public: to pursue ‘public value’ in the full range of its forms – social, cultural, economic, industrial, representational, civic – and not to only make more profitable kinds of programmes.¹⁵

Internationally, this same public service logic underpins the BBC World Service, whose universal access to independent journalism supports democratic resilience and epistemic security¹⁶ far beyond the UK. No commercial streaming or platform-based service can replicate this function.

This means it is able to provide programming in a much wider range of genres, to take more creative risks rather than sticking with familiar, safe bets, and to invest in the development of UK

¹⁵ Tom Chivers and Stuart Allen, “[A public value typology for public service broadcasting in the UK](#)”, *Cultural Trends* Vol. 33 No. 2 (2024)

¹⁶ <https://demos.co.uk/research/epistemic-security-2029-fortifying-the-uks-information-supply-chain-to-tackle-the-democratic-emergency/>

production, skills and talent. The BBC provides a much more varied viewing diet than any streaming service, including some of the most popular programmes in the UK, which help bring families, communities and the nation together. When it makes programmes, it does so to far higher professional and ethical standards than video-sharing platforms require, and with public accountability far beyond any private streaming service. This distinctive public value depends not only on funding and remit, but on public legitimacy. In a fragmented media environment characterised by opaque algorithms and unaccountable global platforms, the BBC's accountability to UK audiences should be a defining strength, clearly articulated and institutionally embedded.

The fact remains, however, that the streaming revolution poses a fundamental challenge to the BBC's central role in British national life. Among young people, in particular, the BBC plays a much smaller role in their media lives than it did fifteen years ago. But the reasons for that decline are, we believe, far less the fault of the BBC itself than of three fundamental problems facing the BBC, set out below. Unless this charter renewal period addresses all three of these problems, it will become increasingly marginal to millions of people, its central role in our national life will continue to be eroded, and its place will increasingly be taken by American-owned streaming services and video sharing platforms who are not required to meet the full range of British public needs.

The three fundamental challenges facing the BBC

In our view there are three fundamental problems hampering the BBC's ability to fulfil its mission. These go a considerable way towards explaining why the streaming revolution has drawn audiences, and especially younger audiences, away from the BBC. Each of these must be addressed during this charter renewal process:

1. Political interference: the BBC is too often subject to politically motivated interference and pressure which hampers its ability to fulfil its mission. The central issue is the power and willingness of governments to cut the BBC's licence fee funding. The result is to make the BBC institutionally cautious, negating one of the fundamental strengths of its public funding model, which should be that it has the financial security to make long term investments and the confidence to take risks, make bold choices and trust its programme makers with the editorial and creative autonomy needed to make high-quality, innovative and important programming.

There is a particular danger of political interference making the BBC too editorially cautious in politically sensitive genres like News and Current Affairs, or around commissioning programmes on politically controversial subjects. If there is an institutional incentive to avoid these, for fear of provoking political punishment, then over time the BBC's capacity to truly fulfil its mission to inform, educate and entertain the public is fundamentally impaired and the public's engagement with the BBC undermined. The perception that the BBC lacks independence from government is already widely held among the public: the BBC's own recent user survey found that only 43% of respondents believed it was effective at being independent from the government of the day (38% said ineffective).¹⁷ This perception risks further reducing public engagement with the BBC and eroding consent for its continued public funding.

The BBC's job is to represent and cater to all UK audiences. Its greatest loss of engagement over the past fifteen years has been amongst younger audiences. The Corporation is seeking to

¹⁷ BBC, "[Our BBC, Our Future](#)", October 2025

appeal to all audiences, whereas other media institutions – like national newspapers – are able to focus more narrowly on catering to very specific audiences.¹⁸ The underlying reality is that the complaint about ‘liberal bias’ that is being made by some is being used to put pressure on the BBC *not* to cater to all audiences equally. The BBC needs to be made more independent of political pressure so that it is freer to focus on appealing to, and reflecting all generations equally.

2. Declining funding: despite the growth of the BBC’s commercial revenues, the licence fee still provides the vast majority (71%) of its income. Since 2010/11, licence fee revenue has fallen by around £2.7 billion (40%) in real terms, to £3.8 billion in 2024. If, instead, it had risen in line with inflation and household growth it would be around £7.1 billion, or £3.3 billion higher than it is now: nearly double its current size.

The enormous real terms decline in licence fee funding over the past fifteen years is the result, first and foremost, of government policies since 2010 that have repeatedly cut the BBC’s licence fee income: mainly repeated licence fee freezes, but also the requirement for the BBC to take over the cost of free TV licences for over-75s in receipt of pension credit. But there is a second, increasingly important problem. Since the late 2010s there has been a rapid decline in the proportion of UK households buying TV licences. Licence sales have been in absolute decline since 2018/19 and are now 2.5 million, or 9.7%, below their peak in 2017/18.

The BBC’s initial response to declining funding was to pursue a series of programmes of efficiency savings. These have resulted in some productivity gains and the elimination of some waste. But over time, as the funding cuts have continued, it has increasingly had to make cuts to audience-facing services and been unable to fund the new investments needed to keep up in the competition for viewers. This is now having a seriously detrimental impact on BBC services.

Funding pressures have had particularly serious implications for the BBC World Service, whose financing has increasingly been exposed to short-term political decisions despite its strategic importance. Cuts or instability in World Service funding directly weaken the UK’s ability to counter global disinformation and undermine the BBC’s role in protecting epistemic security.

3. Flaws in the BBC’s current public purposes and regulation: while political interference and declining funding are the primary problems impairing the BBC’s ability to fulfil its mission, the problem is also being compounded by some flaws in the BBC’s current public purposes, by a lack of public involvement in the BBC itself, and by some aspects of Ofcom’s competition regulation of the BBC. In particular, while the launch of any new BBC public services that may have a significant impact on competition triggers an Ofcom review to determine whether it is in the public interest, there is no similar requirement for a review of the public impact of the closure of BBC services. For example, there was no review of the impact of merging BBC News 24 and BBC World News in 2023. In addition, at times in the past the interests of the commercial sector have been given too much priority, as in the BBC Trust’s 2015 decision to block a new BBC One +1 channel because, by attracting viewers, it would have a negative impact on commercial broadcasters’ advertising revenue; this despite ITV and Channel 4 having had ‘+1’ timeshift channels of their own for years.

¹⁸ In the case of the national press, there is a structural bias towards catering to the older age groups most willing still to buy print newspapers, in addition to the general bias towards more affluent groups that reliance on commercial funding tends to produce.

The danger of a vicious circle of decline

If these three problems are not resolved during the current charter renewal process, there is a danger that the BBC's ability to fulfil its mission will become increasingly impaired over time, which will cause the UK public's engagement with its programmes and services to continue to decline. Since sales of TV licences are in large part determined by how many households recognise that they consume licensable content, the danger is that declining engagement with the BBC will cause a continuing decline in the number of UK households buying TV licences. In other words, the danger is a vicious circle of declining licence sales, declining funding, continuous cuts to programmes and services, and falling audience engagement. Given that licence sales have already fallen by 2.5 million in the 6 years to 2024/25, the vicious circle has already started. Unless it is halted now by fundamental reform, the results over the next decade could be catastrophic for the BBC.

Our three major priorities for charter renewal

Adapting to the shift away from linear viewing and towards increasingly online and on-demand media consumption would have been challenging enough for the BBC as it is without the three problems set out above. To give the BBC the best chance of not only surviving, but thriving, over the next decade there must be fundamental reforms to address each of these. VLV will therefore be arguing for three key priorities, to be achieved by a series of policy changes set out below, during this charter renewal period:

- **Priority 1: end political interference by making the BBC more meaningfully independent of government**
 - a) Two alternative solutions are: to draw up a permanent Charter establishing the BBC in perpetuity, guaranteeing its independence; or to establish it on a statutory basis, like Channel 4, in a new Public Service Broadcasting Act. This would guarantee that, in future, any changes made to the BBC's mission, public purposes, structure, regulation or funding mechanism would be debated and approved by both Houses of Parliament in the normal democratic way, not merely agreed by the Privy Council, which in practice means just (some members of) the Cabinet. Both options need detailed consultation.
 - b) Establish a new Public Media Commission (PMC) responsible for determining public funding for the BBC by periodically recommending its level, whether from the TV Licence Fee or a new funding mechanism. The PMC would also be responsible for periodically assessing the BBC's performance in fulfilling its mission and public purposes. These assessments should be conducted through transparent processes that include citizens' panels, public hearings and open consultations.
 - c) End government control over media appointments. Make the Commissioner for Public Appointments responsible for appointing an independent Media Appointments Panel (MAP), which is then responsible for appointing the boards of Ofcom, the BBC, Channel 4, and the new PMC. This replicates the process that was used to appoint the Press Recognition Panel.¹⁹ MAP appointments would be subject to rules designed to ensure appointees are free of political affiliations.

¹⁹ Press Recognition Panel, ["Creation of the Press Recognition Panel"](#)

- **Priority 2: reverse declining BBC funding by replacing the TV Licence Fee with a new, more sustainable funding mechanism**
 - a) Replace the TV Licence Fee with a new, more sustainable funding mechanism. VLV believes, on the basis of present evidence, that a progressive household broadcasting levy is the best option, structured so poorer households, students, disabled citizens and those in care are exempt or discounted. The levy should be used exclusively to fund the BBC. In addition, any future funding settlement must explicitly include the full, secure and inflation-linked public funding of the BBC World Service, recognising it as a core public service rather than a discretionary or auxiliary function.
 - b) Responsibility for recommending the level of the broadcasting levy could be given to the PMC. Funding settlements could be decided on a more long-term basis – e.g. eight years – to give the BBC greater financial stability and security. The PMC could inform its decisions by conducting public hearings with a wide range of stakeholders, running a public consultation, and developing new and more participatory forms of public engagement.
 - c) Households could pay roughly £17.50-20/month, or £210-240 a year, with the poorest roughly 3 million households exempt from the levy and discounts also available for students, disabled citizens and those in residential care. Eligibility criteria for exemptions and discounts could be periodically reviewed and determined by the PMC.
 - d) Businesses could pay their own specific levy, which could be determined by their number of employees, ranging from £800 for businesses of 10-19 employees to £100,000 for businesses with over 1,000. Small businesses with 9 employees or fewer could be exempt, as would non-profit organisations, public bodies and charities.

- **Priority 3: enhance the BBC's ability to fulfil its core mission by revising and enhancing its public purposes, and by reforming the assessment of its performance**
 - a) The BBC's mission and public purposes should be established in legislation, as outlined above, in the same way as Channel 4's remit is established in the Communications Act 2003. The BBC's core mission, "to act in the public interest, serving all audiences through the provision of impartial, high-quality and distinctive output and services which inform, educate and entertain," must be retained but with the additional requirement that these are "universally available and free to access for all UK audiences."
 - b) The BBC's public purposes should continue to cover the following main areas:
 - i. Sustaining citizenship through provision of impartial news and information, current affairs and factual programming
 - ii. Promoting education and learning
 - iii. Showing the most creative and high-quality output and services
 - iv. Reflecting, representing and serving the diverse communities of the UK's nations and regions
 - v. Reflecting the UK, its culture and values to the world
 - c) However, the BBC's public purposes should be amended in two areas:
 - i. The importance of educational content and supporting lifelong learning – not only school-age learning – should be made more central.
 - ii. The requirement in the 2007 Charter for the BBC not only to bring "the UK to the world" but also to bring "the world to the UK" should return.
 - d) One further purpose should be added to the five above:
 - i. The 2007 Charter required the BBC to help "deliver to the public the benefit of emerging communications technologies and services." This should return: the BBC should be encouraged to be at the forefront of using innovations in digital technology to benefit the public.

- e) There should be a new division of responsibilities between the PMC and Ofcom. Ofcom already has a wide range of regulatory responsibilities, including, since the Online Safety Act, the regulation of online platforms. Ofcom should retain responsibility for sector-wide broadcasting regulation, e.g. the enforcement of the Broadcasting Code. But the responsibility for periodically assessing the BBC's performance against its mission and public purposes should be transferred to the new PMC. As the body responsible for determining future BBC funding, the PMC would be better placed to assess BBC performance and determine if its funding needs to be increased in order to more fully achieve its purposes. The PMC's remit should require it to maximise the involvement of the public in its reviews through consultations and a range of participatory mechanisms and should explicitly require it to report publicly on how citizens' views have influenced its conclusions and funding decisions.
- f) The public interest test currently applied by Ofcom to the launch of new BBC services should also be applied to the closure of BBC services.

Conclusion

The BBC needs to be given the editorial and creative freedom, the quantity and security of funding, the clarity of purpose and the direct connection to the public needed to equip it to compete in the strongest way possible for the engagement and continued support of the British public in the era of streaming. The three priorities we have set out above are not exhaustive of all the issues raised by the charter renewal debate, but we believe they are the most urgent. In the coming months we will publish more detailed work on each of these areas, and others. We hope you will join with us in ensuring that the outcome of this charter renewal process is one that guarantees the BBC will be able not only to survive, but thrive, in the decades to come.