

*Championing  
excellence and diversity  
in broadcasting*



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## **VLV RESPONSE TO THE DCMS BBC FUNDING MODEL REVIEW**

**February 2024**

## 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. VLV considers the BBC's funding model should not be decided before it is established what the Government and citizens want the BBC to provide. VLV would recommend that any decision on the BBC's funding model should be principles-based.
2. VLV considers the cost of TV Licence represents good value for money, especially when compared with the cost of subscription services. We noted Lord Birt's comments during the Second Reading of the Media Bill in the House of Lords on 28 February, '96% of the population still consumes the BBC every month. And, on average, UK adults consume BBC services for almost 17 hours per week – more than Netflix, Disney and Prime all combined. Moreover, licence payers do so for a bargain £13/month – versus the Netflix subscription of £18/month and the mighty £105/month paid by a football fanatic like me who wants to be able to watch any Premier League match across the three services which now carry live Premier League games. My football obsession now costs me six times as much as I pay each month to consume the BBC!' <sup>1</sup>.
3. VLV recommends that the Government should commission full independent analysis of the impact changes to the BBC funding model are likely to have on citizens before consulting more widely with the public. This evidence is required if citizens are to be able to make informed decisions on the issue of BBC funding. As well as market impact studies of any future funding model, there should also be assessments of how alternative funding options relate to the principles of independence, transparency, legitimacy, sufficiency and sustainability, fairness and proportionality, as recommended by the Lords Communications and Digital Committee<sup>2</sup>.
4. VLV recommends that the Government should define what is meant by universality.
5. VLV does not support a 'market failure' model for the BBC. We consider it essential that the BBC should continue to provide a range of content which is universally available and includes information, entertainment and educational material.
6. VLV would oppose advertising, direct taxation and government grant as funding models for the BBC.
7. VLV has long recommended that an independent body should be established to provide recommendations to government on the level of the licence fee or new form of public

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<sup>1</sup> <https://hansard.parliament.uk/Lords/2024-02-28/debates/81F5B479-A404-42DA-8643-C5DAFC088616/MediaBill>

<sup>2</sup> *Licence to Change; BBC Future Funding*, House of Lords Communications and Digital Committee, 18 July 2022, paragraph 91

funding. VLV commissioned Daniel Greenberg CB to draft a Bill to establish such a body during the last Charter Review<sup>3</sup>.

8. VLV opposes a subscription or hybrid subscription model to fund the BBC's UK services, however we do support the concept of an international subscription service to generate commercial income.
9. VLV notes that conditional access using DTT is considered impracticable and therefore we consider that subscription services using a distribution method which is universally available in the UK are, for the foreseeable future, not possible.
10. On the basis of the currently available evidence, and in advance of the full independent impact analysis recommended above, VLV's preferred option for the BBC funding model would be some form of universal means-tested household levy.
11. VLV recommends that the government should consult with citizens in advance of proposing a funding model and all proposals should be debated in Parliament in advance of any decision to change the existing funding model.

## INTRODUCTION

12. VLV works to represent citizens' interests in broadcasting. In making this submission it is primarily concerned with the impact which any changes to the BBC funding model will have on audiences and, more widely, on citizens in the UK.
13. While VLV welcomes the opportunity to contribute to this DCMS Review, we are concerned that since this is not a public consultation, its findings alone should not be used to form the basis of a funding review during BBC Charter Review or to justify Government decisions to make changes to the BBC funding model. How the BBC is funded is too important a decision to be based on a closed, stakeholder consultation. The BBC is funded by citizens and citizens and Parliament should have a full say in how it is funded.
14. Since the decision about the future funding model of the BBC will have significant influence on the future of broadcasting in the UK, VLV proposes that a cross-party parliamentary commission should be established to examine the issue of BBC funding and to scrutinise government proposals. Such a commission should ensure that there is full public consultation as part of its work.
15. **Impact analysis:** The government should carry out rigorous impact studies on any proposed change in the funding model of the BBC in advance of public consultation. These need to evaluate how changes will impact on citizens and the wider broadcasting environment, as well as the BBC's ability to compete in providing a wide range of content. The findings of this research must be made public.
16. VLV notes the Terms of Reference for the review. It plans to explore whether the BBC should provide 'more services to audiences on a fully commercial basis'<sup>4</sup> and whether it could generate more commercial income. We are concerned that both these approaches could undermine the motivation of the BBC to provide distinctive public service content and pre-suppose that it should become more commercial in its approach. While VLV welcomes the increased choice provided by streaming and online services, we believe that the

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<sup>3</sup> <https://www.vlv.org.uk/wp-content/uploads/BBC-Funding-Bill-VLV-January-2016.pdf>

<sup>4</sup> <https://www.gov.uk/government/publications/bbc-funding-model-review-terms-of-reference/bbc-funding-model-review-terms-of-reference>

commercialisation of broadcasting should be tempered. VLV opposes further pressure on the BBC to become more commercial to make up the deficit in its public funding. VLV research shows that the BBC's real terms income has declined by 34% since 2010<sup>5</sup>. In order to make up the shortfall, the BBC is increasingly being forced to become more commercial, selling its content around the world. If the BBC becomes increasingly commercial in this way and favours programmes which are globally appealing, there is a risk that this will subvert its motivation to provide content which is societally valuable for UK audiences in favour of content which is commercially successful globally.

17. The international streaming services supply content which is designed to have global, rather than local, appeal. The majority of the content on their platforms is drama and entertainment. They do not supply news nor do they focus on supplying UK culturally specific content. The BBC, along with the other PSBs, should be supported to do this by updated legislation and adequate funding to ensure that UK citizens continue to enjoy a range of UK culturally specific content which is relevant to their lives.
18. The BBC is a national institution which brings the UK significant public and societal value and is one of the UK's most important institutions. However, especially in recent years, VLV notes a certain antagonism in the relationship between the government and the BBC which it does not believe is helpful to the BBC or UK citizens.
19. VLV holds that the foundation of any funding model for the BBC should be universality of access for all citizens regardless of where they live in the UK and it should be equitable, affordable and paid for by everyone according to their means. This is essential if, as the national broadcaster, the BBC's reach is to be maintained and it can continue to bring the nation together. The BBC should be a 'merit good' that contributes to the creation of a stable, democratic and peaceful society. Merit goods are goods and services that create positive benefits for social welfare and which ought to be provided free at the point of use so that consumption does not depend on ability to pay.
20. VLV believes that **before** deciding the nature of the BBC's funding model and how much funding it should receive, it should be established what the Government and public want from the BBC. We note that this Review does not address what role the BBC should play in the national broadcasting framework.
21. VLV's view is that the BBC should provide live and time-shiftable radio, television and online services for all ages and audiences across the UK from different ethnic and socio-economic backgrounds, gender identities and with different tastes and interests. This content should be universally available and free at the point of consumption. It should provide a range of content which improves citizens' lives. As the BBC has said it should '*enrich individuals with knowledge, culture and information about their world, to build more cohesive communities, to engage the people of the UK and the whole globe in a new conversation about who we are and where we are going ...put to work to the sole benefit of the public*'<sup>6</sup>.
22. VLV notes the unintended consequences in a number of European countries when they moved away from the model of a licence fee. The DCMS Select Committee report on the Future of Public Service Broadcasting in 2021<sup>7</sup> highlighted that this shift led to significant and often unforeseen disruption which has resulted in less stable funding for broadcasters and an erosion of their independence from politicians. The report also highlighted that

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<sup>5</sup> <https://www.vlv.org.uk/news/bbc-real-terms-public-funding-in-2020-21-25-lower-than-it-was-in-2010-11/> and <https://www.vlv.org.uk/wp-content/uploads/VLV-BBC-Public-Funding-Analysis-2010-2023-all-years.pdf>

<sup>6</sup> *Building Public Value*, BBC 2003

<sup>7</sup> <https://publications.parliament.uk/pa/cm5801/cmselect/cmcmds/156/15609.htm>

simply debating the funding model of national broadcasters led to a de-legitimisation of universal fees.

23. VLV notes and supports recommendations made by the Lords Communications and Digital Committee in 2022 in its report *Licence to Change: BBC future funding*<sup>8</sup>. The recommendations VLV considers to be particularly important are:

- That the definition of the concept of universality should be agreed.
- That the mission and role of the BBC should be decided before its funding model.
- The Government should commission independent market impact studies ahead of any decision on the BBC's funding model.
- The Government should publish how alternative funding options relate to the principles of independence, transparency, legitimacy, sufficiency and sustainability, fairness, and proportionality.
- An independent body should be established to provide recommendations to Government on the level at which BBC public funding should be set.
- Whatever funding model is instituted it should be more progressive than the existing model.
- The Government should hold national public consultation in advance of proposing a funding model and this should be debated in Parliament in advance of any decision to introduce it.

## **Questions**

**Question 1: How are you taking advantage of changes in the media market, and how is your business changing?**

24. This question is not applicable to VLV which is a civil society organisation.

**Question 2: What are the most important issues and media market trends for the Government to consider when looking at the future of the BBC's funding model, and why?**

## **Universality**

25. VLV considers that the BBC's funding model should ensure that its services are universally available to all citizens in the UK, free to view at the point of use. It should be sustainable and fair, providing value for everyone; it should support the creative industries; and it should support the BBC's independence.

26. While the main recent market trends have been influenced by changing audience habits to view content online and on demand, often using subscription services, VLV notes that the only universally available platform to view broadcast content in the UK is Digital Terrestrial Television (DTT). We also note that conditional access, which is required for subscription services, is not available on DTT although it is available on cable, satellite and IPTV systems. VLV does not envisage a switchover from DTT to any other universally available platform being possible for at least the next 10 years, which rules out conditional access to BBC services until 2034.

## **Global Giants and SVODS**

27. It is clear that the consumption of non-linear digital content has exponentially increased in recent years<sup>9</sup>. Consumer habits have changed as it has become easier to consume content

<sup>8</sup> <https://committees.parliament.uk/publications/23091/documents/169130/default/>

<sup>9</sup> <https://www.ofcom.org.uk/research-and-data/tv-radio-and-on-demand/media-nations-reports/media-nations-2023>

anywhere on a range of devices and audience expectations have changed accordingly. At the same time, consumption of live TV and radio has declined and VLV considers it is likely it will continue to do so, however both remain very important in the current ecosystem.

28. The growth of online and streamed content has led to greater fragmentation of viewing among audiences. This has reduced the share of traditional broadcasters. VLV believes that this trend is likely to continue, although it should be noted that there is a value in the public service broadcasters' main linear channels because they still attract the largest audiences of any platform domestically.
29. As the reach of traditional broadcasters decreases, it is likely that the power of online platforms and global players will continue to increase in the audio/visual market. Their deficit-funding model means they have relatively unlimited financial resources, whereas traditional UK broadcasters, whether publicly funded or funded through advertising, have limited resources. This unlimited access to funds is allowing global platforms to inflate production costs which is putting additional pressures on traditional broadcasters.
30. As the global streaming market continues to grow, providing distinctive UK content will be crucial for British PSB and the BBC to attract audiences. VLV predicts that unless the BBC is supported with adequate funding, we will see an increase in the cultural homogenisation of content available to British audiences. The global streaming platforms focus their commissioning and acquisition strategies on globally attractive content which appeals to audiences in as many territories as possible. Such a strategy generally precludes the provision of culturally-specific content for national or local audiences. If UK broadcasters, including the BBC, do not have access to adequate funds, they will be forced to produce more globally attractive content in order to increase commercial income through international sales. In this way, UK culturally-specific content will decline and content which is produced in the UK will no longer be as relevant to British citizens' lives or inform them about the country in which they live.

### **Trust in Media and BBC Independence**

31. It can be seen that trust in the media, government and large institutions has declined significantly<sup>10</sup> since Edelman began measuring public trust in the year 2000; it has been exacerbated especially by misinformation and concerns about the integrity of government. It is notable that according to Ofcom and the Reuters Institute UK TV news remains one of the most trusted sources of news<sup>11</sup>.
32. In order to boost trust in the BBC and PSB more widely, it is crucial that the public service broadcasters, including the BBC, are supported in such a way to ensure their independence from government, so that they are able to continue to adequately fund trustworthy, reliable and accurate local, national and international news. Any new model introduced to fund the BBC should safeguard BBC independence from political and financial interference in order to maintain public trust in the BBC.
33. While many have argued that the BBC Charter and Agreement protect the BBC's independence from government, VLV does not believe that the BBC's independence is secure under the current model. Its independence has effectively been undermined since TV Licence income was first used to support other government projects in 2010. While the threat of reduced income is not explicit most of the time, it is implicit and this undermines the BBC's independence.

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<sup>10</sup> <https://www.edelman.com/trust/trust-barometer>

<sup>11</sup> [https://www.ofcom.org.uk/\\_\\_data/assets/pdf\\_file/0024/264651/news-consumption-2023.pdf](https://www.ofcom.org.uk/__data/assets/pdf_file/0024/264651/news-consumption-2023.pdf)

34. In recent years, instead of promoting the value of our broadcasting system which is envied for being one of the best in the world, the government has appeared to be more focused on highlighting the BBC's perceived weaknesses than its strengths. This antagonistic approach does not serve the BBC, the government or citizens of the UK well because it undermines public trust in the legitimacy of a universal fee for a broadcasting system which we should be proud of and is acknowledged to be one of the best in the world. VLV notes recent comments made by the interim Chair of the BBC, Dame Elan Closs Stephens, which indicate that the BBC feels under significant pressure from Government<sup>12</sup>. In an interview with the *Financial Times* she said she 'wants reflection on how frequently ministers use the speed dial' so that BBC decision-making and independence is safeguarded.

### Funding settlements

35. Separate from the funding model issue per se, VLV has long argued that the process for setting the level of BBC funding should be reformed in order to safeguard support and trust in the BBC. These calls for reform have been echoed by both the DCMS Select Committee and the Lords Communications Committee. VLV believes that these negotiations should not be conducted behind closed doors without any parliamentary or public scrutiny. VLV proposes that an independent body should have the authority to set the level of BBC funding and the fee citizens have to pay. In order that income keeps up with inflation, this fee, for example, could rise annually by a specific percentage as it does in Sweden where it rises by 2% per year<sup>13</sup> or track CPI. These decisions would need to be agreed with the BBC, scrutinised by Parliament and informed by consultation with citizens to ensure their interests are being met.

36. VLV commissioned Daniel Greenberg CB to draft a Bill to establish such a body during the last Charter Review which is available on the VLV website<sup>14</sup>.

### Decline in younger and C2DE audiences to the BBC and live TV

37. The decline in the reach of live TV has been particularly noticeable among younger audiences<sup>15</sup>. This affects the BBC as much as it does the other PSBs. While the BBC has been taking steps to better attract these audiences to its output, by boosting its digital strategy and providing a wider range of content, it needs to continue to work hard so that it provides a universal service for all citizens in the UK. This is important if we are to justify a universal funding model.

### Digital Divide

38. If we are to continue to have a universal PSB system, it is crucial that the Government ensures adequate support for DTT which is currently the only viable **universally available** platform to deliver audio visual content in the UK. We noted and welcomed the Secretary of State's comments in September 2023<sup>16</sup> regarding DTT and would urge the Government to ensure that universality is guaranteed in any future funding model for the BBC.

39. Digital Terrestrial Television, available via Freeview, should be supported and maintained until the government can provide an incontrovertible guarantee that broadband is available to all households and is affordable, practicable and secure. VLV opposes the introduction of IPTV as the primary means to deliver public service broadcasting on the basis that it will

<sup>12</sup> <https://www.ft.com/content/8cb82922-ed4f-4269-a55d-cd051ac679e1>

<sup>13</sup> *The Funding of Public Service Broadcasting in Europe – Funding Systems and Decriminalisation - Selected Territories*, Jeanette Steemers (King's College London) with the assistance of members of the Euromedia Research Group, March 2020

<sup>14</sup> <https://www.vlv.org.uk/wp-content/uploads/BBC-Funding-Bill-VLV-January-2016.pdf>

<sup>15</sup> <sup>15</sup> <https://www.ofcom.org.uk/research-and-data/tv-radio-and-on-demand/media-nations-reports/media-nations-2023>

<sup>16</sup> <https://www.gov.uk/government/speeches/lucy-frazers-speech-to-the-royal-television-society>

introduce an additional cost to citizens who may not want to pay for or be able to afford broadband provision to watch television.

## Advertising

40. Currently the commercial PSBs are facing a challenging period because the broadcast advertising market is in a slump and non-addressable advertising income especially has declined.
41. VLV members have always opposed funding the BBC through advertising.
42. If the BBC were funded by advertising this would put it in direct competition with the commercial public service broadcasters and other commercial broadcasters in the UK. If the BBC were funded by advertising this would reduce the income of commercial broadcasters and undermine the creative industries as a whole.
43. Advertising funding models orient broadcasters towards the consumer market and lead to a de-emphasis of content which is not commercially viable, such as children's, investigative journalism, arts and minority language content. This would make the funding of such content, which lies at the heart of the current BBC offering, commercially unviable.

## Question 3: In your view, how should the BBC take advantage of changes in the media market?

44. The BBC's future depends on it being agile and ensuring its content is available free of charge in an easily accessible way on the most appropriate platforms to reach as many citizens as possible.
45. As stated above, one of the major trends in broadcasting consumption is the growth of on demand viewing. The BBC should take advantage of the opportunities provided by digital platforms to ensure it reaches as broad an audience as possible, however this should not be at the expense of those who are dependent on DTT. This is particularly concerning because 7% of households in the UK currently do not have access to broadband<sup>17</sup>.
46. VLV believes that the BBC should focus on the following:
  - It should ensure training and development are maintained to keep up with technological changes.
  - It should improve its BVOD/radio streaming platforms so they are easier to use, promote public service content and compare better with the more user-friendly interfaces of the global streaming platforms. This is essential if the BBC is to ensure engagement with all audiences and compete more effectively with the global SVODs.
  - It should also ensure that it is providing content on platforms which are most popular among citizens, such as providing access to reliable news and information on social media platforms.
  - It should continue to work hard to improve representation of the UK population on screen because there are still significant sectors of the population which feel underserved by the BBC<sup>18</sup>. All citizens need to value its services if the legitimacy of a universal funding model is to be maintained.

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<sup>17</sup> <https://researchbriefings.files.parliament.uk/documents/CDP-2023-0176/CDP-2023-0176.pdf>

<sup>18</sup> [https://www.ofcom.org.uk/\\_\\_data/assets/pdf\\_file/0022/124078/report-bbc-representation-portrayal.pdf](https://www.ofcom.org.uk/__data/assets/pdf_file/0022/124078/report-bbc-representation-portrayal.pdf)



- It should ensure it remains 'distinctive' which for VLV means it provides innovative, engaging content which is identifiably about Britain, is focused on our issues of concern and interest and represents different areas of the UK, including its nations.

47. In the longer term VLV believes that the BBC's future will be dependent on it collaborating and partnering with both British and global broadcasters to maintain its reach and scale. While previous attempts to aggregate UK PSB content have been frustrated, the BBC appears pleased with the development and performance of Britbox in other territories. It should promote its content and raise income from in other markets, as it does on BBC America etc. These services should depend on content already being produced or commissioned by the BBC for which the BBC owns the rights. It is worth noting that programming created for UK audiences contributes to the UK's reputation when it is sold and distributed around the world, enhancing the UK's 'soft power'.

48. With reference to radio, VLV would like the BBC to explore the possibility of the BBC leading the way in creating an aggregation platform for UK PSB radio content.

#### **Question 4: How does the BBC's current funding model impact your organisation or members?**

49. Below we list the primary concerns of VLV members and those we collaborate with in the PSM Forum<sup>19</sup> regarding the current funding model:

##### **Universality**

50. The most important aspect of the BBC's funding, both for VLV members and the supporters of PSM we collaborate with, is universality. This underpins the BBC's provision. The UK's universal broadcasting system ensures equality whereby all citizens have access to high quality PSB content, regardless of where they live or their income. The social value of universality is that it provides content which helps build a shared national conversation. The civic value of universality is that it empowers citizens to actively participate in the wider democratic process. If the BBC is no longer universally available this will undermine many of the key societal and civic benefits it provides.

51. An additional benefit of universality is that if everyone contributes towards the costs of the BBC, this keeps the cost as low as possible for each household and requiring all citizens to pay reduces the problem of evasion.

##### **Role to serve UK citizens**

52. The BBC's funding model should ensure it is primarily focused on serving the UK population through its domestic services. While provision on the World Service is excellent and very welcome, VLV considers that it should be funded separately because its primary audience is not UK Licence Fee payers. Other purposes, such as social policy (such as providing free licences to the over 75's), should be also funded separately.

##### **Adequate funding**

53. It is important that adequate funding is provided to the BBC so that it can provide a wide range of services which appeal to citizens across the UK from different regions, socio-economic backgrounds and age groups. Without adequate funding its legitimacy will decline. There is a strong correlation between the operating revenues of broadcasters and

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<sup>19</sup> <https://www.vlv.org.uk/get-involved/citizens-forum-for-public-service-media/>

their market share<sup>20</sup>. Without adequate funding the BBC's relevance to audiences and its reach will decline.

### **Multi-year settlements**

54. In order to provide financial certainty and stability which lead to long term investment and innovation we consider that multi-year settlements (5 year minimum terms) need to be ensured.

### **Regressive nature of the TV Licence**

55. Most VLV members would welcome a more progressive model of funding for the BBC. VLV believes that the funding model for the BBC could be improved by being more progressive, possibly linked to household income, so that those on low incomes pay less. We note that a number of European countries have shifted from licence fee funding to fees based on household income<sup>21</sup>. VLV would support such a move because it would make the fee more progressive. How household income is assessed remains a question, but VLV notes suggestions that it could be linked to and collected with Council Tax (see below).

### **Collection costs**

56. VLV would continue to support a funding model based on all households paying, but it shouldn't be rely on whether they consume broadcast or online content. A household levy, similar to Germany's 'rundfunkbeitrag' introduced in 2013, would remove the need for a physical licence enforcement regime, although VLV notes that the German system imposes a flat tax which VLV would oppose because, as stated above, we would prefer to see a more progressive income-related tax. The advantage of a household levy, if it could be progressive, is that it is likely to reduce evasion and could be collected at the same time as council tax, for example, as is done in France. This would reduce the cost of collection and the rate of evasion which is currently rising. Nowadays it is more difficult to prove evasion than previously when the TV Licence was based on whether you used a television set. Many may say that they use a TV set now but do not watch live TV. It is difficult to disprove their statements.

### **Hybrid Subscription/Subscription and Market Failure Models**

57. There have been suggestions<sup>22</sup> that that the BBC should continue to provide what is considered core PSB content (news, current affairs and children's content) and the remainder of its content could be provided as an optional subscription service for those who wish to pay for it. VLV opposes these proposals on the basis that they undermine the universality of the BBC and would be iniquitous. They would force the BBC into a position where it focuses on market failure genres and it would reduce its reach, as has been seen in the case of PBS in America. Any degree of subscription funding would also restrict access to the full benefits of the BBC on the basis of the ability to pay which VLV would oppose.

58. In examining subscription as a possible funding model for the BBC, it also is necessary to distinguish between the needs of the citizen and the needs of the consumer. There has been consensus since the 1920s that UK broadcasting benefits society as a whole rather than being purely driven by consumer forces. Consumer interests are based on individual benefit, whereas citizen interests are based on societal benefit. The BBC exists for societal benefit. The BBC is not provided only to people who can afford it; it goes beyond the choices of private individual by providing broader benefits to democracy, culture, identity,

<sup>20</sup> <https://www.ebu.ch/publications/research/membersonly/report/funding-of-public-service-media>

<sup>21</sup> <https://committees.parliament.uk/publications/5243/documents/52552/default/>, page 47

<sup>22</sup> <https://inews.co.uk/news/media/bbc-licence-fee-will-be-axed-and-replaced-by-government-grant-and-subscription-john-whittingdale-predicts-1371762>

learning, participation and engagement; and it benefits those who do not even make direct use of it, in much the same way as schools help create an educated society. This could be the reason why subscription has not been adopted by any other country in the EBU as a mechanism to fund PSB services<sup>23</sup>.

59. It is notable that the current funding model ensures equality whereby all citizens have access to high quality BBC content, regardless of where they live or their income. A hybrid or partial subscription system would favour the better-off in society and thus would undermine many of the key societal benefits of the existing system which is universal. It will no longer act as the glue which binds the nation together and will lead to its ultimate demise. We note that this is the model often suggested by its commercial competitors which will benefit from the BBC discontinuing its most popular content.

**Question 5: What are the main issues to consider from your perspective if the BBC transitioned to a different funding model, and over what period of time would you expect it to take place?**

60. As stated above, VLV considers universality as a key priority for any BBC funding model. We hope that the Government's conclusions which derive from this Review will accord with our view.

61. The only universal broadcasting platform in the UK is currently DTT. Since it is unlikely that DTT will be replaced as the UK's primary broadcasting platform by IPTV before 2034, at the very earliest, VLV would expect the BBC to remain universally available on DTT until then. Therefore we consider that it will not be practicable to change the BBC funding model in the next BBC Charter.

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<sup>23</sup> <https://www.ebu.ch/publications/research/membersonly/report/funding-of-public-service-media>