

DEMOCRACY AND HUMAN RIGHTS

# LOSING ITS AURA?

Public Service Broadcasting in the UK

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Faced with increased competition from commercial rivals and ongoing pressure from hostile governments, public service broadcasters have failed to adequately safeguard their future in an environment marked by constant technological change and an increasingly distrustful audience.



Vulnerabilities such as an inability to capture digital markets, a culture of elitism and outmoded standards of impartiality threaten to strengthen the political pressure under which PSBs find themselves.



PSBs should reinvent themselves as public service content creators and distributors which are financially sustainable, relevant to younger audiences, insulated from vested interests, diverse in relation to staffing and output and sensitive to the changing political geography of the nation.



Public service broadcasting in the UK is fraying at the edges. Faced with increased competition from commercial rivals and ongoing pressure from hostile governments, broadcasters have failed to adequately safeguard their future in an environment marked by constant technological change and an increasingly distrustful audience. This briefing examines some of the recent developments and dilemmas concerning major media companies like the BBC and ITV and outlines a plan of radical reform and modernisation. In particular, public service broadcasters ought to commit more resources to digital content in order to attract younger audiences, democratise governance processes, be more attentive to diversity both on and off screen and establish safeguards to protect their independence from vested interests.

Public broadcasting in the UK normally refers to public service broadcasters (PSBs) who are regulated by the converged communications watchdog Ofcom under the 2003 Communications Act. They are required to provide high quality content that deals with a range of subject matters and is aimed at diverse audiences. This includes all BBC channels (including its digital 'portfolio' services), paid for by the television licence fee, as well as the commercially funded channels, ITV, Channel 4 and Channel 5.<sup>1</sup> Other subscription-based providers, such as Sky and streaming channels like Netflix and Amazon may at times produce public service-type content but they are not classified, or regulated, as PSBs.

UK PSBs have demonstrable economic, political and cultural benefits<sup>2</sup> – in stimulating the cultural sector, informing and entertaining citizens, and facilitating dialogue between and within social groups. Yet they are currently faced with the prospect of declining revenue, changing modes of consumption and a hostile and polarised political environment that poses a major threat to their continued influence.

In this context, both the concept and institutions of public service broadcasting need to be vigorously renewed if they are to maintain their relevance to the lived experience of UK citizens and to continue to offer a counterweight to commercial rivals. The BBC, in particular, needs to be not simply defended but reformed and modernised if it is to adequately meet the needs of UK audiences.

## HOW ARE PSBs PERFORMING IN A DIGITAL AGE?

Despite the increasing popularity of streaming services and gaming, broadcast TV continues to reach over 90 per cent of the UK population every week and accounts for some

80 per cent of all video viewing. PSBs dominate this sector with their core channels accounting for approximately 55 per cent of broadcast consumption, rising to 70 per cent when you include their portfolio channels (like ITV2 and More4). PSB channels produced 32,200 hours of original UK content in 2018 compared to only 210 hours generated by Netflix and Amazon<sup>3</sup>. While they collectively spent £2,585 million (2,840 million Euro) on domestic content, a vital contribution to the UK's creative economy, Netflix spent just £275 million (302 million Euro) on UK programming.<sup>4</sup>

The BBC plays an outsized role in this landscape. It accounts for 63 per cent of all radio listening and 31 per cent of broadcast TV consumption<sup>5</sup> with individuals spending, on average, over two and a half hours each day in 2018 with BBC content, far more than any other provider.<sup>6</sup> It remains the most popular destination for news with 58 per cent of adults turning to BBC1 and 25 per cent describing it as their most 'important' single source of news. The BBC is also the preferred source for online news, far ahead of its public service and commercial competitors with 65 per cent of the population accessing its site and app compared to only 20 per cent for Sky News online.<sup>7</sup>

Such a bright picture, however, obscures a more disturbing pattern of declining audiences, demographic shifts and political interventions that present a serious threat to the financial viability of PSB.

PSB channels currently dominate what is effectively a shrinking market for linear broadcasting that has seen an overall reduction in consumption of 20 per cent since 2010.<sup>8</sup> These channels are now overwhelmingly dependent on older audiences given that adults between 16–34 are now spending more time with subscription streaming services, YouTube and gaming than they are with broadcast TV or the BBC's iPlayer online streaming service. Younger audiences are also more likely to listen to music on streaming services than they are via a radio station and to use social media to access news more than they are to turn to the BBC.<sup>9</sup> Indeed, despite its status as a broadcast news heavyweight, the BBC accounts for only 1.5 per cent of all time spent online. This is mostly to do with its reluctance to fully embrace the more interactive and distributed possibil-

<sup>1</sup> PSBs in some other countries, including Canada and Germany, may be partially funded by advertising but the notion of a 'commercial PSB' is a British peculiarity.

<sup>2</sup> See, for example, <https://publications.parliament.uk/pa/ld201919/ldselect/ldcomuni/16/16.pdf> (this – and all other URLs – were accessed on 04 September 2020).

<sup>3</sup> [https://www.ofcom.org.uk/\\_\\_data/assets/pdf\\_file/0013/192100/psb-five-year-review.pdf](https://www.ofcom.org.uk/__data/assets/pdf_file/0013/192100/psb-five-year-review.pdf), p. 20.

<sup>4</sup> Enders Analysis, *The BBC: Benefiting the UK creative economy*, 27 February 2020.

<sup>5</sup> <https://reutersinstitute.politics.ox.ac.uk/our-research/old-educated-and-politically-diverse-audience-public-service-news>, p. 30.

<sup>6</sup> [https://www.ofcom.org.uk/\\_\\_data/assets/pdf\\_file/0026/173735/second-bbc-annual-report.pdf](https://www.ofcom.org.uk/__data/assets/pdf_file/0026/173735/second-bbc-annual-report.pdf), p. 11.

<sup>7</sup> [https://www.ofcom.org.uk/\\_\\_data/assets/pdf\\_file/0027/157914/uk-news-consumption-2019-report.pdf](https://www.ofcom.org.uk/__data/assets/pdf_file/0027/157914/uk-news-consumption-2019-report.pdf), p. 58.

<sup>8</sup> Ofcom notes a 5 per cent decline in broadcast TV viewing from 2017 to 2018 alone. [https://www.ofcom.org.uk/\\_\\_data/assets/pdf\\_file/0013/192100/psb-five-year-review.pdf](https://www.ofcom.org.uk/__data/assets/pdf_file/0013/192100/psb-five-year-review.pdf), p. 14.

<sup>9</sup> [https://www.ofcom.org.uk/\\_\\_data/assets/pdf\\_file/0027/157914/uk-news-consumption-2019-report.pdf](https://www.ofcom.org.uk/__data/assets/pdf_file/0027/157914/uk-news-consumption-2019-report.pdf), p. 21.

ities of the digital world and to make the necessary investments in platforms in which it does not have an historic advantage. Either way, it is a serious deficiency if the BBC is to make itself relevant to digital natives.<sup>10</sup>

These vulnerabilities are exacerbated by substantial cuts in revenue. The BBC has had to make huge savings in recent years because of stagnating licence fee income in an inflationary sector. In 2015, it was forced by the Conservative government to bear the costs of free TV licences for the over-75s, a policy decision that will cost the corporation an additional £250 million (275 million Euro) a year by 2021/22. This is on top of the £125 million (138 million Euro) lost due to Covid-19 that has resulted in cuts to some 450 jobs this year. Moreover, while subscription revenue has increased substantially in the last few years, the advertising revenue on which commercial PSBs depend has declined by more than 10 per cent since 2014, undermining their ability to meet the competition posed by Netflix, Amazon and others.<sup>11</sup> The coronavirus pandemic has intensified this pressure – with ITV and Channel 4 announcing cuts to their programme budgets of £100 million (110 million Euro) and £150 million (165 million Euro) respectively – and handed a further competitive advantage to subscription-based broadcasters.

## PUBLIC SERVICE UNDER ATTACK

Prime minister Boris Johnson is no great supporter of PSB. He has raised the possibility of privatising Channel 4 and threatened, during the course of the 2019 general election campaign, to scrap the licence fee on which the BBC depends. His chief political adviser, Dominic Cummings, once described the BBC as a ›mortal enemy‹<sup>12</sup> and, more recently, was quoted as wanting to ›whack the BBC‹ as part of a more generalised shake-up of British political life.<sup>13</sup>

Johnson, of course, is not the first leader to threaten the BBC and follows in the footsteps of Conservative prime minister Margaret Thatcher, who attempted to privatise the corporation in the 1980s, and Labour's Tony Blair, who fell out with the BBC after its occasionally critical reporting of the Iraq War in 2003. Skirmishes with the BBC in order to bring it into line are common currency for many prime ministers.

Johnson's government, however, may be seen as having escalated the attacks. For example, it is currently considering whether to ›decriminalise‹ non-payment of the licence fee, a move that could lose the BBC some £1 billion (1.1 bil-

lion Euro) of revenue each year. This follows years of pressure from backbench Conservative MPs who see this as an opportunity to bash the BBC under the guise of protecting vulnerable individuals (whose vulnerability had been increased by the Conservatives' austerity agenda after 2010).

While there needs to be a discussion about the continuing relevance and fairness of a flat-rate fee that is related to live TV consumption, the debate appears to be motivated instead by a desire to weaken the corporation ahead of a funding review in 2022 and the renewal of the BBC's Charter in 2027. Parliament's influential Digital, Culture Media and Sport committee is now steered by a critic of the BBC, Julian Knight, while it is expected that Downing Street will attempt to install a new BBC chair in 2021 who shares its reservations about the corporation.

For some supporters of the BBC like the *Guardian's* Polly Toynbee, this is evidence of the government's determination to ›demolish‹ the BBC or, at least, to turn it into a subscription service that would eviscerate its public service character and effectively render it redundant.<sup>14</sup> Yet this overstates the consensus within government about the threat posed by the BBC and glosses over the differences between those like Cummings, with a deeply-held ideological hostility to the BBC, and other ministers who appreciate the corporation's ability to act as ›social cement‹ during a crisis like the Covid-19 pandemic. Indeed, it is likely that the mere threat of drastic action will prove to be more effective in disciplining the BBC and bending it to the will of those who, ultimately, have power over it.

The BBC – and public service broadcasting more generally – is certainly not safe in the hands of an aggressively right-wing government but neither is it an obstacle that requires neutralising if Johnson's project is to continue.

## ELITE-DRIVEN AND RISK-AVERSE: FROM BREXIT TO COVID-19

A challenging political, economic and technological environment has undermined the ability of UK PSBs to achieve their stated objectives: to represent populations to themselves, to hold power to account and to act as trusted intermediaries between citizens and the state.

For the BBC, this has meant the steady erosion of its political independence and the emergence of an increasingly cautious editorial culture. Buffeted by years of cuts and controversies, the BBC in particular has lost its aura. For every innovative service developed, including its ›Culture in Quarantine‹ arts programme during the UK's lockdown and its award-winning natural history programmes, there are countervailing problems: a bureaucratised management structure, a centralised commissioning system, a sustained gender pay gap, a significant over-representation of

<sup>10</sup> <https://reutersinstitute.politics.ox.ac.uk/our-research/old-educated-and-politically-diverse-audience-public-service-news>, p. 30.

<sup>11</sup> [https://www.ofcom.org.uk/\\_\\_data/assets/pdf\\_file/0013/192100/psb-five-year-review.pdf](https://www.ofcom.org.uk/__data/assets/pdf_file/0013/192100/psb-five-year-review.pdf), p. 16.

<sup>12</sup> <https://www.theguardian.com/politics/2020/jan/21/mortal-enemy-what-cummings-thinktank-said-about-bbc>.

<sup>13</sup> <https://www.thetimes.co.uk/article/cummings-is-the-marxist-of-downing-street-lvn3tjtxk>.

<sup>14</sup> <https://www.theguardian.com/commentisfree/2020/jul/13/ending-free-tv-licences-over-75s-boris-johnson-dismantling-bbc-dominic-cummings>.

privately and Oxbridge educated executives, and an increasingly elite-driven and risk-averse journalism that, as one academic survey found, 'has led the BBC to seek shelter in more conservative enclaves'.<sup>15</sup>

We can see some of these trends in relation to recent major news stories. Despite noisy arguments from supporters of »Leave« in the 2016 Brexit referendum that the BBC was clearly biased against their cause, the BBC operated with a ruthless commitment to »balance« that meant that every claim on one side (no matter its veracity) had to be countered (but not rebutted) by a competing claim made by the other side. The fact that no politician has appeared more, since 2000, on the BBC's leading current affairs programme, *Question Time*, than Nigel Farage, one of the most prominent supporters of Brexit (but who has never been an elected Member of Parliament), is a further illustration of the limits of this routinised approach to balance. This is compounded by its tendency, in pursuit of »due impartiality«, to afford a »false equivalence« to views on, for example, climate change or immigration, that are not based in fact.

The BBC was also heavily criticised for some high-profile mistakes during the 2019 general election. It was twice forced to apologise for errors: first when it used old footage of Boris Johnson at a Remembrance Sunday service, obscuring the fact he had laid a wreath upside down (an act for which the then Labour leader Jeremy Corbyn would have been heavily criticised), and second when it edited out the *Question Time* audience jeering Boris Johnson when a subsequent clip of the programme was replayed on news bulletins. The tendency for high-profile journalists repeatedly to amplify government sources without rigorous fact-checking infuriated Labour supporters who saw this as further evidence of the establishment's hostility to Jeremy Corbyn.

More recently, the Covid-19 pandemic has driven audiences back in large numbers to the BBC but also revealed some underlying tensions. More than 15 million people watched Boris Johnson's announcement of the lockdown on 23 March 2020 on BBC1 alone while a further 14 million turned to BBC1 to watch the Queen's »broadcast to the nation« on 5 April. 82 per cent of the online UK population have turned to the BBC for news and information about Covid-19 with 36 per cent of them identifying BBC TV as their main source of information.<sup>16</sup> The BBC therefore has played a hugely important role in how this crisis has been narrated.

Yet, according to one former senior presenter, BBC executives warned journalists not to put ministers under pressure to give direct answers (a claim denied by the BBC itself).<sup>17</sup>

Evidence of this caution could be seen in the regular parroting of official sources – for example, »a Downing Street spokesperson said...« – rather than forensically examining the government's record over testing, tracing and the availability of protective equipment.

## WHITE, MIDDLE-CLASS AND LONDON-CENTRIC?

While there is a residual loyalty to the BBC, especially at times of crisis, this loyalty is not equally shared. White and wealthier audiences are far more likely to be positive about the BBC than minority ethnic and poorer audiences. Audiences from the South of England are more likely to feel that their lives are adequately represented by BBC programmes than, for example, those from Northern England or Scotland. As Ofcom notes in its assessment of the BBC's services: »BBC News is seen by some as representing a white, middle class and London-centric point of view that is not relevant to their lives.«<sup>18</sup>

This connects to a more general problem that PSBs across the board are failing to reflect the full diversity of the UK. Only 50 per cent of audiences agree that PSB channels provide an adequate representation of their region or nation to the rest of the UK while minority ethnic viewers make up a larger proportion of multichannel and streaming audiences than free-to-air ones.<sup>19</sup> This is a gap that public service broadcasters need to confront if they are to address the democratic deficits and polarised politics that have been evident in recent elections.

## CONCLUSION AND RECOMMENDATIONS

The UK's public service broadcasters have been weakened by political attacks as well as the rise of commercial rivals like Sky, Netflix and Amazon and digital intermediaries like Google and Facebook. In turn, they have lost some of their reputation for independence and innovation. They have relied for too long on their global reputation and their dominant position in the domestic media landscape – advantages that are fast evaporating.

Yet the need for a media that can act as a counterweight to government pressure, the »clickbait« logic of wholly commercial enterprises and the growing power of an unregulated tech sector is greater than ever.

In this situation, public service broadcasters need to reinvent themselves as public service content creators and distributors. This will be essential to create a communications environment that is financially sustainable, relevant to younger audiences, insulated from vested interests, diverse in relation to staffing and output and sensitive to the changing political geography of the nation.

<sup>15</sup> <https://www.independent.co.uk/news/media/opinion/extract-how-the-bbc-leans-to-the-right-9129608.html>.

<sup>16</sup> [https://www.ofcom.org.uk/\\_\\_data/assets/pdf\\_file/0031/193747/covid-19-news-consumption-week-one-findings.pdf](https://www.ofcom.org.uk/__data/assets/pdf_file/0031/193747/covid-19-news-consumption-week-one-findings.pdf).

<sup>17</sup> <https://www.dailymail.co.uk/news/article-8210271/BBC-bosses-warning-interviewers-not-ministers-pressure-coronavirus-crisis.html>.

<sup>18</sup> [https://www.ofcom.org.uk/\\_\\_data/assets/pdf\\_file/0025/173734/bbc-news-review.pdf](https://www.ofcom.org.uk/__data/assets/pdf_file/0025/173734/bbc-news-review.pdf), p. 3.

<sup>19</sup> [https://www.ofcom.org.uk/\\_\\_data/assets/pdf\\_file/0013/192100/psb-five-year-review.pdf](https://www.ofcom.org.uk/__data/assets/pdf_file/0013/192100/psb-five-year-review.pdf), p. 23.

The following recommendations are designed to foster a process of democratic renewal that will enable PSBs to rebuild trust with the publics to whom they are accountable.

- PSBs need to make a new ›digital turn‹ and to significantly increase spending on content aimed at platforms where younger audiences are more likely to be found.
- Commissioning budgets and editorial functions should be further decentralised and devolved to the nations and regions of the UK.
- Appointments to the BBC's Board and decisions about the level of the licence fee (and any future universal funding mechanism) should not be made by government but by an independent body.
- PSBs should ring fence funding for content specifically aimed at Black and Minority Ethnic audiences.
- Governing bodies of all public service broadcasters should be subject to election by citizens and should include staff representation.
- There should be a dedicated regulator for the public service media sector that enforces appropriate standards in relation to governance, content, access to services and diversity.
- A new publicly-owned digital media organisation should be launched, along the lines of the British Digital Corporation proposed by Jeremy Corbyn in his speech at the Edinburgh Television Festival in 2018.<sup>20</sup> This would work across a range of platforms to generate pioneering digital public service content and to collaborate with other content providers like museums, universities, theatres and community and hyperlocal media groups.
- The new corporation should develop technological solutions to enhance democratic participation, reduce misinformation and harness data for the public good in order to mitigate against growing concerns around surveillance and the lack of algorithmic transparency.
- UK government should consider a levy on digital intermediaries ring fenced to pay eligible not-for-profit groups to produce public interest online news that could be shared with established broadcasters.

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<sup>20</sup> <https://labour.org.uk/press/full-text-jeremy-corbyns-2018-alternative-mactaggart-lecture/>.

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## LOSING ITS AURA?

### Public Service Broadcasting in the UK



Faced with increased competition from commercial rivals and ongoing pressure from hostile governments, public service broadcasters have failed to adequately safeguard their future in an environment marked by constant technological change and an increasingly distrustful audience. Major media companies like the BBC and ITV need to develop a plan for radical reform and modernisation.



UK PSBs have demonstrable economic, political and cultural benefits – in stimulating the cultural sector, informing and entertaining citizens, and facilitating dialogue between and within social groups. Yet they are currently faced with the prospect of declining revenue, changing modes of consumption and a hostile and polarised political environment that poses a major threat to their continued influence.



In response to this loss of reputation for independence and innovation, PSBs should reinvent themselves as public service content creators and distributors which are financially sustainable, relevant to younger audiences, insulated from vested interests, diverse in relation to staffing and output and sensitive to the changing political geography of the nation. Additionally, they can act as a counterweight to government pressure, the 'clickbait' logic of wholly commercial enterprises and the growing power of an unregulated tech sector.

Further information on the topic can be found here:  
[www.fes.de/medienpolitik](http://www.fes.de/medienpolitik)