

Research and Information Service Briefing Paper

Paper 131/15

24 February 2015

NIAR 140-15

Dr Dan Hull

The BBC Charter Review and its potential implications for devolved jurisdictions

1 What is the BBC Charter?

The BBC Charter, otherwise referred to as the Royal Charter, is a document which provides the constitutional basis for the BBC. It sets out 'the public purposes of the BBC, guarantees its independence, and outlines the duties of the Trust and the Executive Board'¹.

The document also contains a description of the size and scope of the BBC, and its funding mechanism. The Charter system has been in place since 1927, but the BBC Trust was conceived only for the current Charter. Previously, a Board of Governors regulated the work of the BBC. The current Charter term ends on 31 December 2016.

The BBC Charter has previously been accompanied by an 'Agreement' with the Secretary of State for Culture, Media and Sport which sits alongside the Charter. This Agreement provides further detail on the topics outlined in the Charter and also covers

BBC. 'Charter and Agreement': http://www.bbc.co.uk/bbctrust/governance/regulatory_framework/charter_agreement.html

the BBC's funding and its regulatory duties. The current Agreement was laid in the UK Parliament in July 2006.

2 BBC Charter and organisational set-up

The BBC Charter states six 'Public Purposes', one of which is 'representing the UK, its nations, regions and communities'. The Charter also sets out that one of the twelve members of the BBC Trust shall be a Trust member for Northern Ireland. This member is there to bring 'knowledge of the culture, characteristics and affairs of the people in the nation for which he is designated, and his close touch with opinion in that nation'.

The Trust member for Northern Ireland also has the role of chairing the Audience Council for this jurisdiction, which has a complex set of functions including the publication of an Annual Review Report each year on the performance of the BBC in Northern Ireland. The current Trustee for Northern Ireland is Aideen McGinley.

In 2013, the Audience Council identified a set of improvements which it would like to see for the year ahead, including greater diversity in the local news agenda, and further progress in 'portraying a diverse and rapidly changing society in Northern Ireland to audiences across the UK'.

3 Developments in Scotland

In January 2015, a Command Paper was published by the UK Government which set out proposals for further devolution of powers to the Scottish Government and Parliament². This paper proposes a number of changes in the BBC's relationship with Scotland, and states that these could be set out in a Memorandum of Understanding. Among the commitments proposed are the following:

- A commitment by the UK Government to consult with the Scottish Government and Scottish Parliament before recommending that any Royal Charter for the BBC is granted, and detail concerning the terms of engagement throughout the review process;
- A commitment from the BBC to send its annual report and accounts to the Scottish Government and a commitment from the Scottish Government to lay these before the Scottish Parliament;
- A commitment from the BBC to appear before Scottish Parliament committees on matters relating to Scotland; and
- A commitment to enshrine all the above in the next Charter.

The Command Paper also states that:

Setting this out in an MoU, rather than draft clauses, ensures that the BBC's integrity and independence is secured by keeping its governance

² UK Government. 2015. Scotland in the United Kingdom: An Enduring Settlement. <u>http://nia1.me/2hk</u>

and constitutional arrangements off the statute books. Importantly, delivering this commitment by MoU will ensure that the Scottish Government and Scottish Parliament are able to have a consultative role in time for the next Charter Review, which is due to commence after the 2015 General Election; any draft clauses in this respect, setting out a formal role for the Scottish Government, would necessarily come into force too late to guarantee such an involvement. Furthermore, the process, timing and scope of the review of the BBC's Charter are not set out in statute.

Neither the Devolution (Further Powers) Committee nor the Education and Culture Committee of the Scottish Parliament have yet called for any specific oral evidence on the BBC Charter.

4 The Welsh Assembly and scrutiny of the BBC

In 2012, the National Assembly for Wales Committee for Communities, Equality and Local Government conducted an inquiry into the future outlook for the media in Wales³. Among its recommendations, the Committee stated that the Welsh Government should establish an independent forum to advise on policy in relation to the media, commission a review to map the media needs of the people of Wales, and should keep under review the issue of the devolution of broadcasting in Wales.

The Committee recommended devising a protocol with the UK Government for dealing with broadcasting issues which are not devolved, and stated that a Welsh Assembly committee should, on an annual basis, invite Ofcom and public service broadcasters to report to the committee on their responsibilities and commitments to Wales. It was also stated in the inquiry report that BBC output and expenditure within the devolved nations should be better reported to ensure a greater degree of transparency and consistency.

5 What is the review process?

There is no established process for the BBC Charter Review. The Parliamentary Under-Secretary for Culture, Media and Sport has stated in the House of Commons that the Charter Review will not begin within this Parliament¹⁴.

For the previous Charter, a process was followed which lasted approximately two and a half years, as set out in the following table (overleaf):

³ National Assembly for Wales Committee for Communities, Equality and Local Government. 2012. *Report by the Task and Finish Group on the future outlook for the media in Wales*:

http://www.senedd.assembly.wales/mglssueHistoryHome.aspx?IId=1787

⁴ Written response to a Culture Media and Sport question, answered on 7.7.14: <u>http://nia1.me/2he</u>; for further discussion of this, see: Bulkley, K & Kanter, J. 27.2.14. 'BBC charter renewal talks set for 2015', *Broadcast*: <u>http://www.broadcastnow.co.uk/bbc-charter-renewal-talks-set-for-2015/5068133.article</u>

Phase 1	
December 2003 to March 2004	Public consultation on the renewal of the BBC Charter.
January to June 2014	Commissioning and gathering of research and reviews; series of seminars.
Phase 2	
March to May 2005	Green paper, <i>Review of the BBC's Royal Charter – A strong BBC independent of government.</i>
Phase 3	
March 2006	White Paper 'A public service for all: the BBC in the digital age' published ⁵ . Regulatory Impact Assessment on BBC Charter review published ⁶ . Draft Royal Charter and Framework Agreement published ⁷ .
June 2006	Debate in the Houses of Parliament.
July 2006	Agreement approved by the House of Commons.
January 2007	Current Charter commenced.

Table 1: Summary of the previous renewal process for the BBC Charter⁸

The House of Commons Committee for Culture, Media and Sport is currently conducting an inquiry into the future of the BBC, with a report expected soon⁹.

In 2011, the House of Lords Communications Committee conducted an inquiry into the governance and regulation of the BBC¹⁰. The Committee recommended that there should be 'enhanced transparency' in the renewal process for the next Charter. The report also recommended that 'the Government considers not only whether the content of the Charter should be amended, but also whether a Royal Charter remains the best mechanism'.

6 Potential issues for Northern Ireland

The forthcoming review process raises a number of potential issues for Northern Ireland. For example:

- Are the public interests of those living in Northern Ireland sufficiently well-served by the current, longstanding arrangements?
- For example, should there now be a specific Northern Ireland Committee or a Northern Ireland Framework Agreement operating as part of the BBC Trust?
- How is the current Northern Ireland Trust member appointed and should the Northern Ireland Assembly have some role in this appointment?
- Should the CAL Committee request to speak to that Trust member on a regular basis to hear of concerns and the outcomes of the Audience Council?
- Could the BBC be given a statutory duty to appear before the Assembly?

⁵ DCMS. 2006. White Paper - A public service for all: the BBC in the digital age': <u>http://nia1.me/2hf</u>

⁶ DCMS. 2006. Regulatory Impact Assessment on BBC Charter: <u>http://nia1.me/2hg</u>

⁷ DCMS. 2006. Draft Royal Charter and Framework Agreement: <u>http://nia1.me/2hh</u>

⁸ BBC Charter Review: Timetable: <u>http://nia1.me/2hj</u>

⁹ House of Commons Culture, Media and Sport Committee. 'Future of the BBC': <u>http://nia1.me/2hi</u> Page accessed 24.2.15.
¹⁰ House of Lordo Communications Committee. 2011. The Conversional Deputy of the BBC'.

⁰ House of Lords Communications Committee. 2011. The Governance and Regulation of the BBC: <u>http://www.publications.parliament.uk/pa/ld201012/ldselect/ldcomuni/166/16608.htm</u>

- Should the accountability of the BBC to the Northern Ireland Assembly be increased?
- For example, should the organisation's annual report and accounts be laid before the Assembly?