28 March 2018

Katherine Humphreys
Distribution Policy Consultation
BBC Corporate Affairs
Room 5045
BBC Broadcasting House
Portland Place
London, W1A 1AA.

The BBC’s Draft Distribution Policy: Consultation Document

Dear Katherine,

News Media Association is the voice of national, regional and local news media organisations in the UK – its members publish around 1000 local, regional and national titles, read by 48 million adults every month in print and online.

The NMA primary concern is that Ofcom and the BBC Board will ensure that the BBC’s draft distribution policy and its final implementation do not undermine the sustainability of local news media companies and their titles, in print and online, whilst also avoiding any adverse impact on competition in respect of all local, regional and national news media companies.

There is one particular issue which we were advised to pursue with the BBC Board at this time.

In May 2016, the NMA and BBC jointly wrote to the Secretary of State announcing the agreement on partnership and the initiatives which were to be undertaken. These were immediately welcomed by the Government’s White Paper. The BBC and NMA were united in the belief that these partnership initiatives would sustain plurality in the local news media, drive up the quality of services and use the expertise of both the BBC and the local commercial news sector for the benefit of all audiences.

As the joint BBC and NMA letter stated, the agreed framework for co-operation included:

‘The establishment of a local public-sector reporting service to cover local authorities and public services. The BBC will fund 150 journalists from 2017, who will be employed by local newspapers and other qualifying providers of local news (e.g. IPSO-accredited organisations). While the journalists will be under the editorial direction and control of their employers, processes will be jointly agreed to ensure the quality of coverage is in line with the BBC’s public service obligations. The number will rise to 200 journalists, depending on the outcome of a joint review of usage in 2019. If the usage of the journalism on BBC outlets warrants increasing the numbers from 150 to 200 in 2019, the further 50 journalists could be funded from a number of different sources including net revenues raised by the participating news media groups from advertising against BBC news bank video content (which may need specific approval from the future regulatory body of the BBC), external funding, or reallocation of BBC resources spent on the data journalism unit.’
The Local Democracy Reporting Service is now well underway with contracts awarded, reporters being recruited and the reports of those already appointed in daily circulation - see BBC - Local News Partnership - Inside the BBC.

In respect of LDRS future funding and proposal for advertising against BBC News Hub video content, the BBC initiated a formal consideration of a NMA request for regulatory approval. It was advised that the BBC’s then current regulatory framework prohibited advertising such as pre- and post-roll advertising around News Hub content. However, the BBC did state that ‘the NMA will have the opportunity to make representations regarding pre- and post-roll advertisements as part of the BBC Board’s consultation around the BBC’s future Distribution Policy’.

We note that the draft Distribution Policy for the BBC’s UK Public Services issued for public consultation provides that:

‘3.21 BBC public service content and services must be made available free of advertising and sponsorship. No advertising or sponsorship (including pre-roll advertisements) may be inserted into or placed adjacent to BBC content or services in a manner that could be interpreted as a BBC endorsement for or connection with a product, service or cause.’

We also note that draft Part 5 ‘Exceptions’ allows the BBC to exercise discretion on application of the conditions and departure from them - and that the non-exhaustive instances of exceptions make some reference to work in partnership with other organisations.

As the BBC suggested, we would be interested in exploring whether the new Draft Distribution policy might permit any advertising, whether as set out in the letter to the Secretary of State or otherwise.

Best wishes
Yours sincerely

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