



***Delivering Quality First in
England***

DELIVERING QUALITY FIRST IN ENGLAND

EXECUTIVE SUMMARY

The BBC's mission in England is to provide audiences with the highest quality network and local programming, with a backbone of rigorous, insightful and impartial journalism at its core. With commercial broadcasters scaling back local output and production, the BBC's role is ever more important in ensuring that local communities are represented and served on broadcast and online platforms and that local democracy is properly represented and scrutinised. The BBC will do this through seeking continued excellence from its dedicated local and regional services, a step change in the scale of investment outside London and in the seriousness with which it takes the role of stimulating creativity across the whole of England.

The BBC provides value to audiences in England in two main ways: through programmes and services made in and for the English regions specifically; and through the delivery of BBC services that are broadcast across the whole UK. The BBC's dedicated programming for audiences in different parts of England includes regional news bulletins, the current affairs programme *Inside Out* and BBC Local Radio. These services are highly valued amongst local audiences. At the same time, the BBC's pan-UK services (like BBC One, Radio 4 or BBC Online) provide significant value to audiences in England and contribute the majority of their consumption of the BBC.

England represents the bulk of the United Kingdom, and due to this scale, the performance of services in England closely mirrors the performance of the BBC's services in the UK overall. The overall impression of the BBC in England is at its highest of all time (a mean score of 7.0 out of 10 in 2011) and is second only to Wales.

Reflecting local and regional communities

The BBC's dedicated services for audiences in England¹ are some of the most successful programmes in the BBC's portfolio. Each of the twelve regions of England has regional news bulletins on BBC One at lunchtime, 18:30 and 22:25 with some opts during breakfast and other times of day. This is the primary showcase for output that reflects the English regions and represents the backbone of the BBC's offering for audiences in England. The 18:30 regional news bulletin remains extremely popular – it is the news bulletin with the highest average audience in the UK. Alongside daily news, the BBC also provides regional political, sporting and other output on television.

The BBC's network of 39² local radio stations connect with an audience that the BBC's network radio services struggle to reach (over two million listen to no other BBC radio service). These services are embedded in the communities they represent, often working with other institutions to deliver the BBC's public purposes in ways outside traditional broadcasting.

¹ The BBC's regional and local TV, radio and online services for audiences in England, Jersey, Guernsey and the Isle of Man are, for simplicity, referred to throughout this statement as services for audiences in England.

² In addition to the BBC's 39 local radio stations, the BBC provides a limited hours service for audiences in Dorset (BBC Radio Solent for Dorset). This is currently a programme on Saturdays which replaces the Radio Solent schedule

The BBC provides 42 websites at a local level, as well as websites to complement the BBC's regional TV news services. It reaches over 7.5 million weekly unique browsers³.

All platforms – TV, radio and online – have high quality journalism at their core and deliver this critical purpose to audiences.

In *Delivering Quality First* we have prioritised the most popular and important services: the 18:30 and 22:25 TV news, Breakfast, mid-morning and Drive on local radio, and Online. In other parts of the schedule, the BBC will prioritise high-quality output, though this will sometimes be less local/regional. Although audiences will notice the varying levels of regional granularity, we believe the best way to maintain impact in these areas is to focus on higher quality output. To ensure that our services are fit for the future, we have allocated reinvestment funds for newsgathering and regional correspondents for each of the local radio stations.

Representing England to the UK

The BBC is committed to ensuring the diversity of England is fully represented on its services. The BBC's major production centres across England are in London, Bristol, Birmingham and now Salford. This latter move has ensured that Northern England will have a greater representation than ever before in the BBC's output. Salford will be the main centre for Children's and Sport production, as well as the home of the Children's channels, Radio 5 Live and Breakfast News. There will be some reductions to production in Birmingham (for instance in factual production, as this becomes strengthened in one of our core factual hubs in Bristol), but we will retain major TV and radio drama titles there and seek to boost commissions from independent production in the region. Bristol will safeguard its world-famous Natural History Unit, whilst increasing the production of documentaries and features in partnership with BBC Wales. London will retain world-class scale and a breadth of genres. Focusing in-house production in a small number of creative hubs allows for greater range and volume in each location. Over the longer term this will create vibrant clusters of talent and lead to a more sustainable broadcasting ecology, benefitting both in-house and independent production communities in those areas.

The move to Salford is a structural, geographic and cultural change on an unprecedented scale in UK media: dedicated services (including Five Live and both Children's channels), two departments and staff from every department in the BBC have moved to Salford. As a result of this shift and our other changes, the proportion of investment in England (outside of London) will rise from around a quarter to a third. By investing in creative hubs across the UK, we will strengthen and support the UK's creative community by stimulating creative talent. We will use independent producers – which are spread across the whole of England – to ensure that we find talent and creativity in those parts of England beyond the BBC's main production bases.

To ensure more effective representation in our journalism, we will continue to integrate the English Regions within our network news output. English Regions is part of the wider News Group and collaboration and joint planning is well developed in a number of areas. Over the next few years, this collaboration will become more pronounced. This means that we will make the best use of talent in the English Regions, building on their long-standing relationship with audiences and ensuring the presence of a diversity of voices on network output. When a major event

³ One individual may well use several browsers (for example on a work PC, a personal smartphone and a home laptop), so this may not equate to unique individuals. Source: iStats Digital Analytix, Q4 2011

happens in a particular part of the country, audiences will increasingly see English Regions journalists on air on the BBC's network news bulletins.

While the range and depth of the BBC's dedicated services in England are different in nature and scale from those in Scotland, Wales and Northern Ireland, our ambitions are the same. We will continue to deliver the best local and regional services to communities across England, complemented by UK-wide services that reflect better than ever the different regions and communities of England.

INTRODUCTION

In October 2011, the BBC published *Delivering Quality First*, detailing BBC Executive proposals for delivering *Putting Quality First* within the terms of the 2010 Licence Fee settlement.

The BBC Trust asked the BBC Executive to prepare statements, as part of the implementation of *Delivering Quality First*, about what the BBC intends to offer the audience in each of the Nations of the UK. This statement sets out the strategy and proposals for England:

1. The national, political and broadcasting context
2. The BBC in England
3. The value provided to England by the BBC through a high-level view of BBC performance
4. *Delivering Quality First* in England to 2016
5. The strategy for network production in England to 2016
6. Summary and conclusions

I. NATIONAL, POLITICAL AND BROADCASTING CONTEXT

England makes up the vast majority of the United Kingdom in population terms (83%). Most of the UK's cultural, commercial and political institutions are based in London. As a result, outcomes for England have tended to be seen as identical to outcomes for the UK as a whole.

However, this disguises considerable variation within England. The regions of the North of England are different from those of the South, and there has been a move towards greater decentralisation. However, no devolution process comparable to that of Wales, Scotland or Northern Ireland has been adopted in England and previous attempts to introduce regional assemblies failed to develop even when proposed for areas traditionally distant from London.

Broadcasting has a long history of reflecting the regional diversity of England. Traditionally, the bulk of this activity has been through the commercial sector: both the commercial radio sector and the main commercial TV stations (the Channel 3 licensees) were established on a regional basis. Although in both cases smaller national stations were then established, the bulk of advertising income and output remained regional.

However, over the last twenty years there has been a gradual shift away from this regional diversity, which has made the BBC's role in regional and local output increasingly important. Within television, the consolidation of the distinct ITV licences into a single company has been accompanied by a greater centralisation of programme commissioning and production, and the falling value of those licences due to competition from multichannel television has resulted in a decline in the volume and variation of regional output (ITV now has ten regions in England versus the BBC's fifteen).

In radio, changes in regionality have been more recent. The last twenty years have in fact seen the launch of large numbers of new commercial local radio stations, both on FM and DAB and a variety of micro-level community radio stations. However, as in television, commercial radio groups have consolidated and are increasingly combining their networks of local stations into national or quasi-national offers.

As a result, there is now less broadcast content available for local audiences in fewer regions across all platforms than a few decades ago and this trend is likely to continue. ITV's commitment to regional TV is unlikely to grow especially in the light of the changes in the Local TV market; commercial radio is similarly likely to become more networked. Other platforms confirm this trend, with local newspapers in decline. There may be some new local services online and on mobile, but these tend to be fragmented e.g. local amateur blogs or services in some cities only.

Current government policy is seeking to reverse this trend with a growing focus on localism and local broadcasting. The government is planning to launch a network of Local TV stations in up to 60 cities in the UK. These will be distributed on digital terrestrial television in the first instance, but with rollout on broadband becoming important in the longer term once penetration of internet-connected television services increases to a level of critical mass. The Government stated in its December 2011 paper that Virgin Media and BSkyB have indicated a willingness to offer 'yellow-button' access to all local TV services via their IPTV or video on demand platforms. The first local TV stations are expected to launch on DTT in the next few years.

2. THE BBC IN ENGLAND

The BBC's mission in England is to provide audiences with the highest quality network and local programming, with a backbone of rigorous, insightful and impartial journalism at its core. With some commercial broadcasters scaling back local output and production, the BBC's role is ever more important in ensuring that local communities are represented and served on broadcast and online platforms.

However, regional diversity is not limited to the output narrowly designated 'regional' or 'local'. Rather, the BBC should reflect creativity from across England, and the broader UK, in its network output. The BBC operates a number of major production hubs across England and in particular, has ensured that Northern England will have a greater representation than ever before through the move to Salford, while also retaining output in London, Bristol and Birmingham. All services should reflect the diversity of England through varied voices and production from across England.

The BBC's output made specifically for different audiences across England includes news, current affairs and local radio, at an appropriate level of regional and local granularity, on TV, radio and online.

Television

The BBC's television regions are based on recognisable, though large, regional identities. However, in common with all broadcasters, the BBC's ability to reflect the regional identity of the UK is constrained by technical requirements, i.e. the location of transmitters and the cost of multiple transmissions. As a result the borders of regions owe as much to the location of the transmitters as to administrative or cultural boundaries, though in some cases – over many decades – they have created their own identity.

Each of the twelve major regions of England has regional news bulletins on BBC One at lunch, 18:30 and 22:25 with some opts during breakfast and other times of day. Smaller ten-minute news bulletins for three further regions take the total number of regional variants to fifteen. These regions are the primary showcase for output that reflects the English regions and represents the backbone of the BBC's offering for audiences in England.

BBC One also broadcasts non-news regional output including the regional current affairs programme *Inside Out*, which is broadcast in 18 weeks of the year at 19:30 on BBC One, reflecting a range of stories and issues of interest to the local community, and *Sunday Politics*, an English Regions opt during the network *Sunday Politics* show, broadcast for 20 minutes every Sunday and featuring the latest political news, interviews and debate relevant to the different English Regions.

The diversity of different regions is also reflected through a range of one-off television programmes specifically for English audiences on BBC One. These mark significant moments and events as well as an opportunity to offer a broader view of the region's character and culture. Recent highlights have included debates marking the election of a new Mayor in Leicester, the General Election on the Isle of Man and progress on the Olympic preparations for London. An increasing proportion of these programmes are also being repeated on BBC networks, adding more regional diversity to the network schedules.

Radio

The primary mechanism of reflecting smaller communities of England is through English Local Radio. Local radio was the first BBC service on air in the 1920s and its pattern of stations has changed significantly over time; today, we believe BBC Local Radio's network of 39 stations reflects a common sense and proportionate view of the most appropriate way to serve local communities, with the average population covered by a local radio station at around 1 million listeners. This figure, of course, masks large disparities: the largest station (London) has some 50 times the population of the smallest.

The BBC's 39 local radio stations broadcast from 5am to midnight, with some split programming at breakfast and for sporting events. English Local Radio reflects a wide range of local concerns, including news, sport, music, and discussion. For many listeners to English Local Radio, their station is the only radio station they listen to.

Online

Online, each local area has its own local website, aligned with local radio station coverage areas. The websites primarily focus on news, sport, travel and weather.

3. THE VALUE PROVIDED TO AUDIENCES BY THE BBC IN ENGLAND⁴

The BBC provides value to audiences in England in two main ways: through programmes and services made in and for the English regions specifically; and through the delivery of BBC services that are broadcast across the whole UK – these pan-UK network services (like BBC One, Radio 4, CBBC or bbc.co.uk/) provide significant value to audiences in England and contribute the majority of their consumption of the BBC.

Services for audiences in the English Regions

The BBC's output of regional news bulletins, *Sunday Politics*, *Inside Out*, other non-news programmes, and English Local Radio is clearly valued by audiences in England, with the 18:30 regional news being the most popular television news programme in England. BBC Local Radio achieves an average quality score of 82 out of 100, and in Guernsey and Jersey has the highest audience share of any BBC radio service.

Performance of dedicated English Regions services is strong, with over 50% of England adults watching the BBC's regional news bulletins over the course of the week, and almost 18% of the adult population listening to English Local Radio.

Table 1: Performance of services specifically for audiences in the English Regions, 2011

	Average weekly reach (%)	Average time spent per viewer/ listener per week (hh:mm)
BBC TV Combined Regional News bulletins, 16+ 3mins+	50.6%	00:40
BBC Local Radio	17.5%	09:30

Television news

The BBC's news programming performs well at all times of the day. In particular, the 18:30 regional news bulletin delivers the highest average audience for all news programmes in the UK and helps drive BBC One audience numbers after 7pm. The reach of the programme among adults is now 28.3% on average per week, almost double that of ITV1's 18:00 regional news.⁵

⁴ Unless otherwise stated, the sources of data in this section are as follows:

TV: BARB, 4+, 2011 calendar year. Channel reach (15 mins consecutive); news reach 3 mins consecutive all BBC news for England, 15 mins reach consecutive for regional news bulletins

Radio: RAJAR, 15+, Q4 2011 12-month weight

All BBC figures: Cross-Media Insight Survey by GfK NOP for the BBC, 16+, UK c37,070 responses, England c28,184 responses, 2011

Quality: Appreciation Index (AI): average out of 100 based on scores respondents give to programmes they watched / listened to on the previous day (respondents give the programme a score out of 10 and the average of all the marks is multiplied by 10 to give an AI out of 100). Pulse panel by GfK NOP for the BBC, 16+, 2011

General impression of the BBC: Kantar Media for the BBC, adults 16+ in England (9,597), 2011 (respondents give a score out of 10 based on their general impression of the BBC: 1 = extremely unfavourable; 10 = extremely favourable)

⁵ BARB, 3 minutes consecutive, 16+, 2011

Television Current Affairs

Broadcast at 19:30 on BBC One, *Inside Out* faces strong competition from *Coronation Street*, but still achieves the second highest audience share in its slot. The last 2011 series of *Inside Out* (October-December 2011) attracted an average audience of 3.1 million, with stories covered including a region-by-region study of the effects of increased university tuition fees, an investigation which shed new light on the causes of the M5 crash during a fireworks display and analysis of plans to reorganise hospital services in various parts of England.

Again, the relative performance varies across England, with the highest reach delivered in the Southwest and Southeast regions of England, and the lowest reach in the North West of England.

Radio

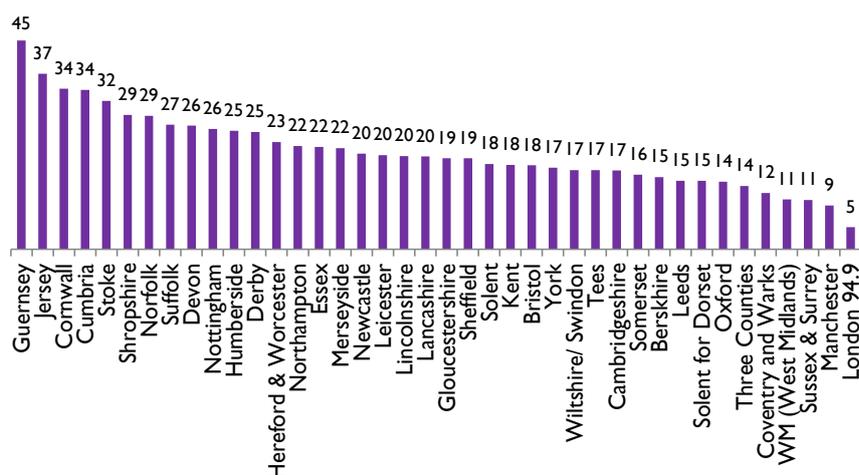
The 39 Local Radio stations in England have a special place in the BBC's portfolio of services. Local speech radio is an area of much market failure and brings something unique and intimate to its audience, some of whom tend not to use many other BBC services beyond mainstream TV. To some, particularly away from the south-east, BBC local radio is seen to provide balance against perceptions of a metropolitan BBC.

Quality is consistently high for Local Radio, with AI scores currently at 82. Local Radio scores on a par with the BBC radio average for the extent to which it produces original and different content. Reach is 17.5% – 7.4m people, of whom around a third only ever listen to the BBC through Local Radio⁶. This has grown recently after a number of years of decline. In fact, 17% of BBC Local Radio listeners listen to no other radio service (BBC or commercial), reinforcing its role as a deliverer of unique value to a particular audience.

Like dedicated Regional TV output, performance varies between stations. We believe most of this is to do with the competitive position of each station: lower share and reach is explained by the level of competition in the area. However, some stations perform materially better than expected, given the level of local competition. For example in Merseyside, the BBC has a long-standing strong local offer and plays a major role in the local community.

⁶RAJAR, Adults 15+, England TSA (12 month weight)

Figure 1: BBC Local Radio average weekly reach (%), Q4 2011⁷



Online

The BBC's English Regions online sites reached approximately 7.5 million weekly unique browsers in England in Q4 2011⁸. This includes 42 websites at a local level, as well as websites to complement the BBC's regional TV news services. The BBC also provides a number of pan-BBC websites which also provide regional information (e.g. travel news).

Pan-UK BBC services

The BBC's UK-wide network services provide significant value to audiences in England and contribute the overwhelming majority of their consumption of the BBC. These services are highly valued by the audience and perform well in England. The overall impression of the BBC in England is at its highest since records began (7.0 in 2011) and is second only to Wales. Inevitably, performance is broadly in line with the average for the UK.

Table 2: Pan-BBC performance in England, 2011

	Average weekly reach (%)		Quality ⁹		Average time spent per viewer/listener per week (hh:mm)	
	UK	ENG	UK	ENG	UK	ENG
All BBC ¹⁰	96	96	7.0	7.0 (GI)	19:00	19:00
All BBC TV	87	87	82.4	82.4 (AI)	10:45	10:45
All BBC Radio	68	68	80.3	80.2 (AI)	16:30	16:45

⁷ Source: RAJAR, adults 15+, Q4 2011 12month weight

⁸ One individual may well use several browsers (for example on a work PC, a personal smartphone and a home laptop), so this may not equate to unique individuals. Source: iStats Digital Analytix, Q4 2011

⁹ Appreciation Index (AI) average out of 100: based on scores respondents give to programmes they watched / listened to on the previous day

General impression (GI) mean score out of 10: respondents give a score out of 10 based on their general impression of the BBC: 1 = extremely unfavourable; 10 = extremely favourable

¹⁰ All BBC time spent per user is rounded up or down to the nearest quarter hour

All BBC television in England reaches 87% of the audience and performance is on a par with the UK. Audiences spend approximately 11 hours per week watching the BBC's TV programming.

BBC radio reaches slightly more people in England than in the UK overall, and these people listen for slightly longer than the average.

Further context on audience performance is provided in the Appendix.

4. DELIVERING QUALITY FIRST IN ENGLAND

The BBC Executive's original *Delivering Quality First* proposals were published in October 2011 and were then subject to a consultation by the BBC Trust. As a result of this process, proposals for local radio and *Inside Out* have been changed and dedicated English Regions services will be much less affected by savings than the BBC average.

4.1 Supporting quality and distinctiveness

Output for England is more limited than the corresponding output for Scotland, Wales and Northern Ireland. Although the English Regional output comprises 39 local radio stations¹¹ and 15 separate versions of BBC One, for any individual audience member the variation of output on BBC One is smaller than the devolved nations output, focusing almost exclusively on News, while BBC Two contains no specifically 'English' output.

Accordingly, the BBC's output specifically targeted for England audiences seeks to meet the first of the editorial priorities – that of Journalism – and to deliver some others: music and culture, and events that bring communities and the nation together. The heart of the Regional and Local schedule is News – 18:30 on BBC One, Breakfast on Local Radio and the Local websites. DQF protects these outputs from reductions.

The BBC's local and regional output will therefore focus on the key elements of value to audiences. This manifests in different ways across the different platforms, but in general will mean that the current level of granularity (i.e. number of regions / localities) will be preserved. In order to maintain the overall quality and distinctiveness of the services at this level of granularity, reductions will be made when fewer people on average consume our programming.

We have therefore prioritised the most important parts of the portfolio. In parts of the Local Radio schedule, the BBC will focus on high-quality output at times when audiences most listen, though this will sometimes be less local than today. Although audiences may notice the varying levels of regional granularity, we expect the audience impact to be minimal given the time of day and the quality programming that will be in place. We will create a single programme on Local Radio across all of England in the evening, which will reflect the diversity of output across the English Regions. Stations will still opt out for sports commentaries and at times of local need such as severe weather.

The priorities for England will be as follows:

- Regional television will focus on news and current affairs output, with special focus on the main 18:30 bulletin and the opts at 22:25
- BBC Local Radio will be a speech-led service delivering high-quality, distinctive journalism that complements what local commercial radio provides. Efforts will be focused on Breakfast, mid-morning and drive-time, as well as locally distinctive output such as sport and relevant minority programming
- Online, the BBC will only produce material in its core editorial areas of news, sport, travel, weather and local knowledge. It will not provide listings or local guides

¹¹ As well as the BBC's Radio Solent for Dorset service

- Regional voices and production will be represented across network output both as a direct result of network supply from the regions of England, but also from a genuine desire to represent the regions of England from central commissions
- The BBC's regional and local services will not be any more local in England than they are today on any platform, though editorial and financial changes may mean that we adjust the mix of output in particular areas.

4.2 TV

BBC One remains the vehicle to deliver the highest audiences for regional news, with the main bulletins being the core of the regional offer. The 18:30 regional news programme, along with the 22:25 opt, will continue to have fifteen variants across England and the Channel Islands.

Inside Out will maintain its eleven regional versions, with 20% cuts across its output managed by closer collaboration between regions. Each region will continue to have a separate team of current affairs specialists, allowing a continuing investment in investigations and in-depth coverage of the big stories and issues. *Sunday Politics* opts will continue to be broadcast as currently.

Other non-news programming will continue to be broadcast for one-off significant events, albeit with fewer programmes throughout the year to emphasise quality rather than volume of programming.

Other parts of Regional TV will be aggregated into larger regions to drive efficiencies: for example weather forecasts will be delivered from four regional hubs in the mornings and at weekends, although bulletins will still be tailored to each region.

4.3 Local Radio

Savings to BBC Local Radio services at 6.5% will be much less than the BBC average and are reduced (as a result of the BBC Trust consultation) from the initial proposal of 12%. To minimise the overall impact of savings, the bulk of reductions in Local Radio will be through efficiencies, including management, administration and station sound. We will reduce the number of layers of management across the operation and make savings in central functions.

However, Local Radio will also make a small number of reductions to its output:

- During weekdays there will be an all-England programme between 7 and 10pm. This programme will aim to replicate the feel and tone of Local Radio programmes, both through the style of presentation and format, but also through topics covered. As a result, the programme will sound and feel like many of the shows it replaces. The exact format has yet to be determined, and may change over time, but we would expect it to be heavily speech-led, with plentiful audience interaction, engaging on the issues of the day and giving weight to disparate voices across the UK. On some evenings, some stations will opt out of the All-England programme to broadcast local football commentaries. Some stations with a large number of local teams will find this affects their output as much as 60-70 evenings a year, but this will be rare
- Most Local Radio will start at 06:00, not 05:00 in the morning
- We will end the four breakfast splits we still provide in Devon, Wiltshire, Three Counties and Cambridgeshire

- BBC London will make a number of changes to its programming to bring it in line with other large city radio stations
- Whilst the BBC will not be changing the level of granularity of services provided for audiences in Dorset, the BBC will expand on the current Saturday-only show to additionally broadcast a weekday breakfast show as an opt from Radio Solent.

We will retain specialist programmes for minority communities, but there will be fewer of them. We will also look to concentrate on the journalism these programmes provide. We will reduce the number of specialist music programmes, but retain the most distinctive and the most loved. English Local Radio does not have a wide remit for music, but it has a key role in new music, for example through *BBC Introducing...*, and will continue to reach minority audiences with other specialist programming.

4.4 Interactive

As part of the recommendations of *Putting Quality First*, local websites have been refocused and aligned with Local Radio and News Online. Online and Local Radio now share the same identities and local news sites are much more closely integrated with BBC News Online. As a result, output has also been focused on the core editorial priorities for English Regions – News, Sport, Travel and Weather. Implementing this approach will drive up the quality of those sites and will ensure that local output is available across the BBC’s products on multiple devices. Local sites will also be subject to efficiencies in line with the rest of BBC Online.

4.5 Newsgathering

As part of *Delivering Quality First*, the BBC will integrate further its newsgathering activities across England to deliver efficiency savings by reporters and crews more regularly serving both Regional TV and network outputs. This will also mean the best use is made of talent in the English Regions, building on their long-standing relationship with audiences and ensuring the presence of a diversity of voices on network output.

Operationally, this will mean that all deployments of comment interest across England will be co-ordinated between Network and English Regions. Audiences will see English Regions journalists on air more often on network outlets, particular when major breaking news events happen in their respective regions. On occasion, we will have to prioritise between network and regional outlets.

To increase efficiency, all satellite trucks across England, whether currently operated by Network or English Regions, will be deployed through the network bureaux, but with adequate systems to ensure regional programmes and audiences are properly considered when decisions are made. The importance of regional output at 18:30 and 22:25 will be reinforced as part of this process.

As part of the pan-BBC reinvestment fund, new investment will be made in regional correspondents, including local political reporters and new chief reporters in each region, as well as specialists in business and economics in some of the larger regions.

These changes will have an impact across all services. TV News on BBC One and the News Channel is likely to be most affected: regional reporters will appear more often on network bulletins and more regional output is expected to be used on the News Channel.

4.6 Universal access to services

Distributing the BBC's English Regions services is expensive due to the costs of replicating services in different parts of the country. The transition to digital increases this cost in radio; so does the move from standard definition television to high definition. Through DQF, we have prioritised the main routes to audiences for each service.

Subject to further work and Trust approval, we expect local radio to be almost exclusively broadcast on FM and DAB. Only in areas where there are material communities reliant on MW for primary coverage will it be kept, with all stations elsewhere being taken off MW.

The BBC currently operates fifteen regional programmes on digital terrestrial television, digital cable and digital satellite in England. The longer term trajectory for broadcasting is towards high-definition transmissions. However, broadcasting English regional opts in HD would be very expensive on digital satellite – paying for fifteen HD streams is prohibitive compared to the audience benefit. Therefore, BBC regional news will not be moved to HD in the immediate term due to this high cost. We will investigate different options for broadcasting regional services in HD on other platforms to mitigate the impact. As part of the BBC's *Delivering Quality First* savings, we will also review the number of regional versions of BBC One that we carry on digital satellite.

5. BBC NETWORK PRODUCTION IN ENGLAND

The BBC should be a BBC for the whole of the UK, including the whole of England. This means fundamental change for the way the BBC invests, finds its talent, what it makes and broadcasts. This is a unique creative and competitive opportunity, a chance to enrich and broaden the content and the appeal of BBC – shifting the whole centre of gravity of the organisation and distributing it much more equitably around the UK. By investing in creative hubs across the UK, we will discover and train a richer talent pool, better reflecting the UK population. Making programmes across the country for the UK's TV and radio networks will better reflect the diversity of the modern United Kingdom back to itself.

The BBC's major production centres across England are in London, Bristol, Birmingham and now Salford. Currently, around a quarter of BBC investment in UK-wide programming is outside of London. The BBC has committed to growing regional production outside of London, the bulk of which comes from England. Specifically, we committed that 50% of network spend would be made outside London by 2016 (including 17% from the Nations). The primary focus of investment in England is in Salford with BBC North.

The move to Salford is a structural, geographic and cultural change on an unprecedented scale in UK media. Currently around 25 percent of licence fee payers live in the North of England, but this region only accounts for eight percent of BBC network output. As part of the moves to BBC North, all the existing BBC divisions will migrate staff. Dedicated services are moving to BBC North (including Five Live and both Children's channels) and two departments (Sport and Learning). Parts of the other elements of the BBC will also move, including 400 journalists and the Breakfast News team. Though based in Salford, these teams will serve the entire region, from Lincoln to Liverpool and Crewe to Carlisle.

Staff directly involved in producing the BBC's output began to move on site from mid-2011 and most should be in place by 2013. We expect BBC North to drive the following main benefits:

- **Better serving audiences in Northern England**, in order to close the gap in perceptions and usage of the BBC between Northern England and the rest of the UK
- **Creative dividend**, increasing the quality of our content, for all audiences
- **Benefits to the region**, creating a world class media talent pool strengthening independent production for BBC North; increasing the region's contribution to the national economy
- **Financial benefit**, making BBC North one of the most efficient BBC centres; generating direct financial benefits to the BBC.

Our strategy is not just to invest in Salford. Elsewhere, production will be consolidated into a smaller number of hubs, with Bristol and Salford the main English centres outside of London. Production will remain in Birmingham, albeit with some production moving from Birmingham to Bristol throughout the remainder of 2012. Focusing in-house production in a small number of creative hubs allows for greater range and volume in each location. Over the longer term this will create vibrant clusters of talent and lead to a more sustainable broadcasting ecology, benefitting both in-house and independent production communities in those areas. Our strong partnership with UK independent producers will help to strengthen the other parts of England where we do not have a hub, but where these producers are based.

6. CONCLUSION

The BBC performance in England broadly mirrors the BBC's performance across the UK overall. Overall impression of the BBC is at its highest since records began. The BBC reaches approximately 96% of audiences in England every week and on average they spend 19 hours per week watching, listening and interacting with BBC services.

Audiences highly value local and regional content and *Delivering Quality First* seeks to protect the level of service for the BBC's most popular and important programming (including regional news bulletins), as well as reinvesting in newsgathering. Savings will be made by reducing the level of localness in less popular dayparts and through efficiency. Overall, the level of savings planned for the English Regions is less than the BBC average.

The BBC's move to Salford will help to increase the diversity of production voices, stimulating creative talent and investing in the UK creative community. Alongside our commitment to working with independent producers, this strategy will help to support the production of the highest quality programming that reflects audiences from across England to the whole of the UK.

APPENDIX – THE PERFORMANCE OF THE BBC IN ENGLAND¹²

A. Overall BBC performance in England

Table 3: Pan-BBC performance in England, 2011

	Average weekly reach (%)		Quality ¹³		Average time spent per viewer/listener (hh:mm)	
	UK	ENG	UK	ENG	UK	ENG
All BBC	96	96	7.0	7.0 (GI)	19:00	19:00
All BBC TV	87	87	82.4	82.4 (AI)	10:45	10:45
All BBC Radio	68	68	80.3	80.2 (AI)	16:30	16:45

AI. Reach

Reach of the BBC's TV and radio services broadly mirrors the performance of the BBC in the UK overall.

Television reach has remained stable at 87%.

¹² Unless otherwise stated, the sources of data in this section are as follows:

TV: BARB, 4+, 2011 calendar year. Channel reach (15 mins consecutive); news reach 3 mins consecutive all BBC news for England, 15 mins reach consecutive for regional news bulletins

Radio: RAJAR, 15+, Q4 2011 12-month weight, England data based on England TSA

All BBC figures: Cross-Media Insight Survey by GfK NOP for the BBC, 16+, UK c37,070 responses, England c28,184 responses, 2011

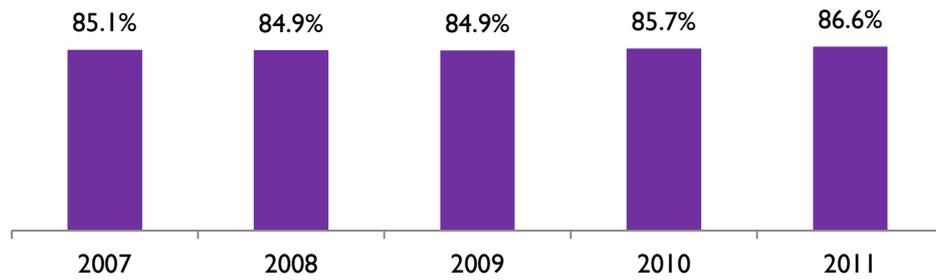
Quality: Appreciation Index (AI): average out of 100 based on scores respondents give to programmes they watched / listened to on the previous day (respondents give the programme a score out of 10 and the average of all the marks is multiplied by 10 to give an AI out of 100). Pulse panel by GfK NOP for the BBC, 16+, 2011

General impression of the BBC: Kantar Media for the BBC, adults 16+ in England (9,597), 2011 (respondents give a score out of 10 based on their general impression of the BBC: 1 = extremely unfavourable; 10 = extremely favourable)

¹³ Appreciation Index (AI) average out of 100: based on scores respondents give to programmes they watched / listened to on the previous day

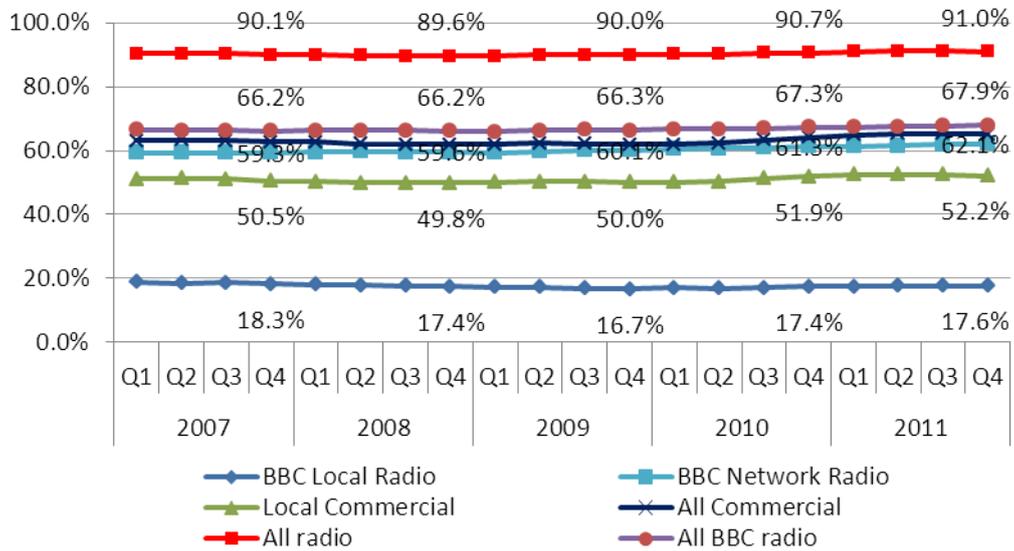
General impression (GI) mean score out of 10: respondents give a score out of 10 based on their general impression of the BBC: 1 = extremely unfavourable; 10 = extremely favourable

Figure 2: All BBC TV average weekly reach in England % (15 min consecutive)¹⁴



Listening to the BBC’s radio services is in line with the UK average at approximately 68%. The BBC’s network radio stations reach 62% of the England population.

Figure 3: Average Weekly Reach of Radio in England¹⁵



A2. Quality

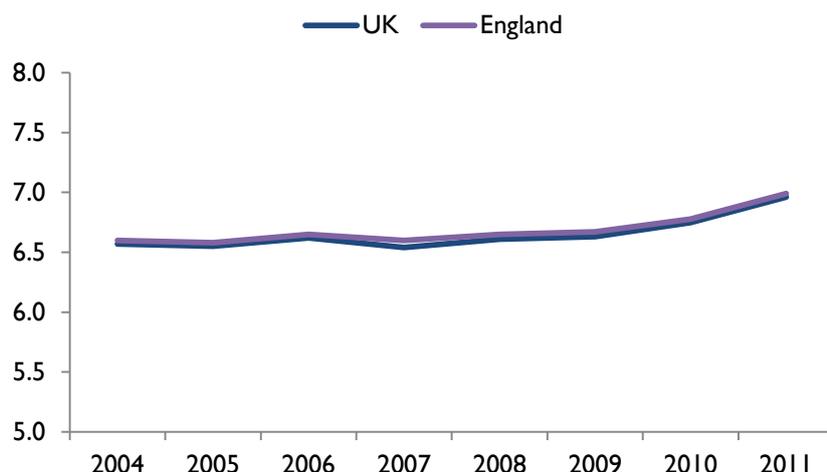
TV AIs in England have increased over time (from 80 out of 100 in 2008 to 82 in 2011), with radio AI remaining stable at around 80.

General impression of the BBC in England reached record levels in 2011. However, general impression varies across the UK, with scores higher in the south of England.

¹⁴ Source: BARB, 4+, 15 mins consecutive

¹⁵ Source: Rajar, adults 15+, based on 3 month weight, based on BBC Local Radio in England TSA

Figure 4: General Impression of the BBC in the UK and in England (mean score out of 10)¹⁶



B. Performance of BBC programming and services for audiences in England

BBC TV news

The performance of the BBC's regional news bulletin has been strong, with the 18:30 regional news bulletin being the most popular news programme (network or local) in England, reaching 28.3% of the England adult population in 2011 on average per week.

The performance of the BBC's TV news for audiences in England varies by region – in London and the northwest the reach of the BBC news bulletins is lower than the England average, whereas all other regions are on a par with or are higher than the England average.

Figure 5: Average weekly reach (%) (3 minutes consecutive) - BBC Combined Regional News Bulletins (incl. Breakfast & Weekend)¹⁷



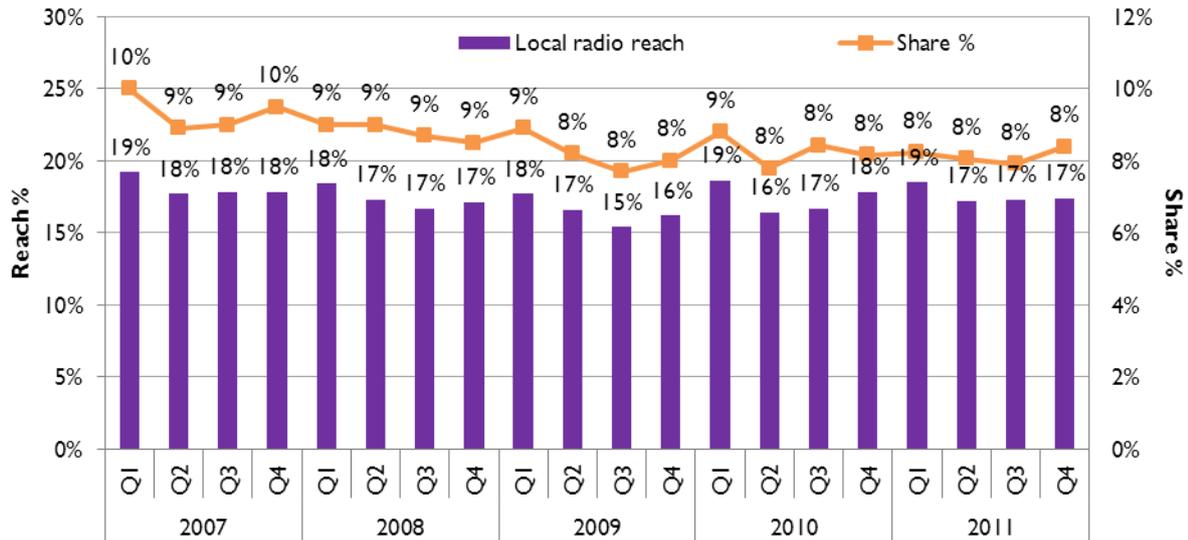
¹⁶ Source: Kantar Media for the BBC, adults 16+ UK 11,560, England 9,597, (respondents give a score out of 10 based on their general impression of the BBC overall: 1 = extremely unfavourable; 10 = extremely favourable)

¹⁷ BARB, adults 16+, 2011

BBC Local Radio

The BBC's local radio services reach 7.3 million people in England on average per week (17.7%).

Figure 6: Average weekly reach (%) and share (%), English Local Radio¹⁸



Reach has recovered somewhat after two to three years of decline from 2007. Up to one third of listeners only ever listen to BBC radio through BBC Local Radio, and approximately 17% of listeners listen to no other radio station.

The performance of local radio services varies by location, with the lowest reach in London due to the high level of competition.

Online

The BBC's English Regions online sites include 42 websites at a local level, as well as websites to complement the BBC's regional TV news services. Pan-BBC websites also provide regional information (e.g. travel news).

In Q4 2011 there were 7.5 million UK unique browsers on average each week to BBC England's online offer.¹⁹

¹⁸ Source: RAJAR, adults 15+, England TSA, 3 month weight

¹⁹ One individual may well use several browsers (for example on a work PC, a personal smartphone and a home laptop), so this may not equate to unique individuals. Source: iStats Digital Analytix, Q4 2011