

BBC Trust

Proposed service licence amendments for changes to BBC Three, BBC iPlayer, and CBBC

12 August 2015

Introduction

We propose to give effect to our conditions through amendments to the service licences¹ for BBC Three, BBC Online and Red Button, BBC One, BBC Two and CBBC, as below:

1. Closure of BBC Three as a broadcast service and its reinvention online

BBC Three online will be included as an annex to the BBC Online and Red Button service licence. The draft annex outlines the scope of the new service, its aims and objectives and its headline budget. It includes proposed conditions on the amount of factual content and current affairs and on the use of BBC One and BBC Two to broadcast BBC Three long-form programmes.

We have also updated the service licences for BBC One and BBC Two to include the requirement to broadcast BBC Three long-form programmes and to devote some of their schedule to programmes with particular appeal to younger audiences and experiment with new talent and ideas.

2. Evolution of BBC iPlayer

The draft licence has been updated to allow BBC iPlayer to premiere some broadcast television programmes and provide selected content from third parties. We have also taken this opportunity to simplify and update this section more generally. Changes that relate specifically to the proposals for BBC iPlayer are highlighted **in yellow**.

3. Extended hours for CBBC

The draft service licence for CBBC has been updated to reflect extended hours, which run until 9pm.

The proposed full text of each licence is included in this document. Key changes to the draft service licences for BBC iPlayer, BBC One, BBC Two and CBBC are highlighted **in yellow**. A new draft licence for BBC Three online is included in full as an annex to BBC Online.

¹ Every BBC UK public service has a service licence, which defines its scope, aims, objectives, headline budget and states how the Trust will assess its performance.

BBC One

This service licence describes the most important characteristics of BBC One, including how it contributes to the BBC's public purposes. Service Licences are the core of the BBC's governance system. They aim to provide certainty for audiences and stakeholders about what each BBC service should provide.

The Trust uses service licences as the basis for its performance assessment and as the basis for its consideration of any proposals for change to the UK public services from the BBC Executive. A service may not change in a way that breaches its service licence without Trust approval. The Trust presumes that any proposed change to a stated Key Characteristic of a licence will require it to undertake a Public Value Test. Should it decide not to carry out a Public Value Test before approving any such change, then it must publish its reasons in full.

Part I: Key characteristics of the service

1. Remit

BBC One's remit is to be the BBC's most popular mixed-genre television service across the UK, offering a wide range of high quality programmes. It should be the BBC's primary outlet for major UK and international events and it should reflect the whole of the UK in its output. A very high proportion of its programmes should be original productions.

2. Scope of this Licence

BBC One should be available for 24 hours every day. It should be transmitted free to air for general reception in the UK as a live broadcast on analogue and digital television and it may be simulcast on fixed and mobile internet protocol networks. It may also be simulcast as a high definition (HD) channel.

It may also offer its broadcast content on fixed and mobile internet protocol networks or via other platforms¹ for 30 days after it has been broadcast.

BBC One should offer programme-related content on bbc.co.uk.² Some programmes should have interactive television features available on digital platforms.

¹ In accordance with the Trust's Syndication Policy for BBC on-demand content.

² This includes the offer of some news and current affairs output on-demand for an unlimited time period after initial broadcast. Any expansion of this offering will require the approval of the BBC Trust.

3. Service budget

BBC One has a service budget of £1,111.2 million in 2015/16.

Any planned or actual change in annual expenditure on the service of more than 10% in real value requires approval from the BBC Trust and may entail variation of this Service Licence. This parameter of change is set to allow variations in spending which arise from regular, cyclical factors such as spending on major sports events, a reasonable level of operational flexibility (e.g. programme scheduling) and changes in accounting policy. Allowing for these factors, the Trust may judge that planned or actual change in annual expenditure of less than 10% should require its approval if the implications of this are significant for the character of the service or its market.

4. Overview of aims and objectives

BBC One programmes should exhibit some or all of the following characteristics: high quality, original, challenging, innovative and engaging, and it should nurture UK talent.

BBC One should deliver its remit through high quality programmes with wide appeal across all genres. These should be commissioned from a wide pool of suppliers, demonstrate high production values, and feature the best talent – on and off screen. BBC One should regularly broadcast programmes of large scale and ambition and should encourage innovation delivered in a way that appeals to a broad audience.

While BBC One and BBC Two aim most programmes at audiences of all ages, they should devote some of their schedule to programmes with particular appeal to younger audiences, including (for reasons of accessibility) broadcasting all long-form originated programmes from BBC Three.

BBC One and BBC Two should also deliver their remit by taking creative risks and experimenting with new talent and new ideas.

BBC One should be the BBC's main platform for television drama and, especially in peaktime, drama should be one of the biggest creators of BBC's One's impact with its audience. Comedy should feature strongly, and the channel's strengths should also include entertainment, factual entertainment and its coverage of large sporting events.

BBC One should be the BBC's most significant provider of accurate, impartial and independent television news, with comprehensive news bulletins in peaktime. Its current affairs and consumer journalism should reach wide audiences with programmes of high impact and broad interest.

BBC One should show high quality, landmark factual programmes in peak and other viewing times. These should be in genres such as natural history, history and science, and feature a range of documentary, leisure, social action and religious output. It

should bring music and arts programmes to mainstream audiences, including offering some in peaktime.

Content that comes from, and reflects, the nations, regions and communities of the UK should feature on BBC One, including during peaktime – helping to make BBC One’s schedule distinctive in comparison with other mass appeal channels. It should offer opt-out programming for audiences in the BBC’s nations and regions. It should bring the world to the UK, particularly in news, current affairs, factual, arts and music output.

BBC One should aim to bring people together with its coverage of major sporting, cultural, entertainment and other events.

From time to time BBC One should lead editorial initiatives across the BBC, including in areas such as culture, sport and social action.

Programmes that have grown an audience on other BBC channels should sometimes transfer to BBC One in order to broaden their appeal.

BBC One should enhance its output with interactive content on a variety of platforms across a wide range of genres. In order to highlight the benefits of digital to the non-digital audience, it should show some of the best output from the BBC’s digital channels and should also promote the take-up of digital platforms.

BBC One is committed to commissioning output from outside the M25 area and from independent suppliers, in accord with the BBC’s statutory commitments³ and the operation of the BBC’s In-house Guarantee and Window of Creative Competition.

³ All statutory commitments are set out in Annex II of this licence

Part II: Contribution to public value

5. Contribution to the promotion of the BBC's public purposes

5.1 Sustaining citizenship and civil society

BBC One should make a very important contribution to this purpose amongst its audience, principally through the impartiality, accuracy and independence of its journalism.

It should be a key provider of news for all UK audiences, with regular bulletins throughout the day serving UK-wide audiences. It should provide regular news bulletins for the nations that reflect their different political and cultural make-up and will aim to reflect the realities of devolution in its network news output.

It should commission and give prominence to a range of the best of the BBC's long-form journalism, featuring analysis of current events and agenda-setting investigations. Such output should go beyond observation and illustration to offer insight into, and revelation or analysis of, issues of national and international concern.

There should be regular political coverage and topical debate presenting the full range of significant opinion. BBC One should lead the BBC's election coverage on television. The channel should collaborate with BBC News Channel in regular overnight programming and in the coverage of breaking news at other times as appropriate.

BBC One should present unbiased consumer affairs and advice. Documentary output should be used to encourage understanding of contemporary issues. BBC One should frequently be at the forefront of the BBC's social action, charity fund-raising and awareness campaigns.

Statutory commitments⁴

- BBC One should broadcast at least 40 hours of current affairs in peak time each year.⁵
- BBC One has statutory commitments guaranteeing its levels of network and regional news, both in peaktime and across all hours.
- It also contributes to a shared statutory commitment to a minimum level of current affairs output with BBC Two, both in peaktime and across all hours.

⁴ All statutory commitments are set out in Annex II of this licence. The levels of each commitment is published in the BBC's Statements of Programme Policy each year

⁵ The Trust will measure delivery of this condition on a calendar year basis as this is how delivery of the statutory quotas for this genre are measured

5.2 Stimulating creativity and cultural excellence

BBC One should make a very important contribution to this purpose amongst its audience by offering a broad range of drama, entertainment and comedy programmes, by featuring major events from across the genres and by bringing arts and culture to mainstream audiences.

BBC One should commission a high proportion of UK-made original productions from a diverse range of suppliers in accord with the BBC's statutory obligations. Whilst narrative repeats and recent repeats of quality programming or to mark special events or occasions may be valued by viewers, the channel should keep repeats from the archive to a minimum, especially in peaktime.

A wide range of drama, including literary adaptations as well as strongly-authored contemporary series, should be a significant part of the BBC One schedule. BBC One should also feature UK comedy and contemporary entertainment appealing to mainstream audiences. The output should feature the best of UK writing, performing, presenting and production talent, offering them frequent opportunities to take creative risks and innovate.

It should also help to bring the richness of the UK's artistic life to mainstream audiences, including in peaktime, as well as keeping them in touch with major developments in international culture.

Its coverage of major cultural and sports events should, from time to time, aim to encourage audiences to participate in these activities.

Conditions

BBC One should:

- Broadcast at least 40 hours of music and arts programmes each year⁶

5.3 Promoting education and learning

BBC One should make an important contribution to this purpose amongst its audience. It should cover a range of subjects including specialist, more serious topics. Some should be shown in peaktime.

BBC One should strive to make subjects accessible to a wide audience. High quality, landmark factual programmes should feature prominently. These should set standards of creative excellence and innovation, frequently including new technologies and production techniques. It should cover a range of subjects including specialist, more

⁶ This output includes repeats and acquisitions. It does not include output broadcast overnight in the Sign Zone

serious topics, and it should employ a range of approaches, including landmark series and single documentary.

BBC One should cover areas such as natural history, science, history and the arts. It should use drama to enable mainstream audiences to learn about factual subjects and make use of interactive technology to allow audiences to take part in learning or to explore subjects more deeply. BBC One should work with other BBC channels to guide audiences to complementary content that extends understanding.

5.4 Reflecting the UK's nations, regions and communities

BBC One should make an important contribution to this purpose amongst its audience and it should offer opt-out programmes and news bulletins for the nations and English regions.

Other BBC One output – such as documentary, current affairs and drama - should reflect and explore the diversity of UK society. The channel should also cover religion, including some high impact religious programming in peaktime.

BBC One should lead the BBC's coverage of major events from across the genres. It should be the place where large audiences come together to share in national and international events, including sporting, cultural and musical occasions. Major national and international sporting events should continue to play a major role on BBC One, rights permitting.

BBC One contributes to a shared statutory commitment to a minimum level of regional programming, both in peaktime, the hours adjacent to peaktime and across all hours with BBC Two. BBC One supports the BBC's statutory commitment to commission a range of output from outside the M25⁷.

Conditions

BBC One should:

- With BBC Two, broadcast at least 110 hours of religious programming each year⁸

5.5 Bringing the UK to the world and the world to the UK

BBC One should play its part in contributing to this purpose amongst its audience, primarily by bringing the world to the UK, by covering international events and issues. Its news bulletins should reflect a global as well as national agenda, its factual and

⁷ All statutory commitments are set out in Annex II of this licence

⁸ This output includes repeats and acquisitions. It does not include output broadcast overnight in the Sign Zone

documentary output should include global topics, and its arts and music programmes should also feature non-UK artists.

BBC One should acquire and co-produce some high quality international content with broad audience appeal.

5.6 Emerging communications

The BBC's sixth public purpose is defined in the Charter as "in promoting its other purposes, helping to deliver to the public the benefit of emerging communications technologies and services and, in addition, taking a leading role in the switchover to digital television".

BBC One should contribute to the promotion of this purpose in a variety of ways which are described in this Service Licence.

6. Annexes to this Licence

6.1 Annex I – Performance assessment

The performance of BBC One will be assessed by the Trust using the framework described in Annex I. BBC One’s compliance with any Conditions, as described in section 5, will also be measured on an annual basis and reported in the Annual Report and Accounts.

The BBC Trust will expect BBC One to comply with the commitments described in sections 4 and 5 of the Service Licence. The BBC Trust will monitor compliance with these commitments retrospectively as part of its periodic service reviews and/or on an exceptional basis if there is evidence or allegation of non-compliance.

6.2. Annex II - Statutory commitments

Details of statutory quotas and other obligations to be fulfilled by BBC One, in conjunction with other BBC services, are set out in Annex II.

6.3. Annex III - BBC One in the nations

A separate Annex for Northern Ireland, Scotland and Wales sets out the remit, commitments and Conditions for the service as it is offered by BBC One in each of these nations.

Annex I: Performance measurement framework

Introduction

Annex I: Performance measurement framework

The BBC Trust has the function of assessing the performance of the Executive Board in delivering the BBC's services and activities and holding the Executive Board to account for its performance.⁹ It uses the framework described below as the basis for its assessment of BBC One.

The framework uses a range of metrics based around the four drivers of public value:

- Quality
- Reach
- Impact
- Value for money.

The Trust can amend this framework without this constituting formal variation to this Service Licence.

⁹ Charter, article 24 (c)

Annex II: Statutory commitments

In addition to the conditions and commitments described in this Service Licence, BBC One has, or contributes to the fulfilment of, a number of statutory commitments each calendar year.

- A minimum percentage of qualifying hours to be provided by independent producers
- A minimum percentage of all hours, and peaktime hours to be originations (first shows and repeats)
- A broad pattern of news programmes to be maintained throughout the day, with a minimum number of hours of network news programming, including a minimum number of hours of news in peak time (18.00hrs –22.30hrs)
- A minimum number of hours of regional news programmes, including a minimum number of hours in peaktime
- A minimum percentage of relevant programme production budgets, representing a percentage of hours of productions by volume, must be spent outside the M25
- To maintain the current broad range of programmes produced outside the M25, and broad range of different production centres used across the UK
- A minimum percentage of qualifying hours to have subtitling, signing and audio description television access services

BBC One shares the following commitments with BBC Two:

- BBC One and BBC Two must broadcast a minimum number of hours of regional programmes in peaktime, plus a further number of hours at times adjacent to peaktime (i.e. the hour either side of peaktime) excluding news on BBC One
- BBC One and BBC Two combined must deliver a minimum number of hours of network current affairs programming, including a minimum number of hours in peaktime
- BBC One and BBC Two must broadcast a minimum number of hours of regional programming across the range of genres, including regional news programmes for BBC One
- A minimum percentage of regional programmes must be made in the relevant area (BBC One and BBC Two commitment)

Annex III: BBC One in the nations
Annex III (i)

BBC ONE Northern Ireland

Part I: Key characteristics of the service

1. Remit

The remit of BBC One Northern Ireland (NI) is to complement the networked BBC One schedule by providing mixed-genre programmes appealing to mainstream Northern Ireland audiences which displace or replace content otherwise available on BBC One. BBC One NI should be the BBC's primary outlet for television coverage of major events in Northern Ireland.

2. Scope of this Licence

See BBC One main Licence. BBC One NI should be available to viewers in Northern Ireland.

3. Overview of aims and objectives

BBC One NI should provide accurate, impartial and independent daily news services. Its current affairs output should document civic and political life, provide context for local issues, and facilitate debate by representing the diversity of opinion in Northern Ireland. It should place special emphasis on authoritative reporting and analysis of elections in Northern Ireland.

BBC One NI should provide a platform for, and create, community initiatives and events. It should enable people to share their stories with the wider community. Programmes should find new ways to reflect a sense of place, including its local and natural history and its cultural life. Coverage of local sport should be part of the mix.

The schedule should include high quality entertainment, music and arts. BBC One NI should aim to make a significant investment in television comedy. It should nurture new talent and support Northern Ireland's creative economy.

Part II: Contribution to public value

4. Contribution to the promotion of the BBC's public purposes

BBC One NI should fulfil most of the requirements of the main BBC One Service Licence. The following Conditions relate to programming broadcast only on BBC One NI.

Conditions

BBC One NI should:

- Broadcast at least 280 hours of news and current affairs programmes each year
- Broadcast at least 80 hours of other (non-news) programming each year¹⁰

¹⁰ This output may include repeats and acquisitions

Annex III (ii)

BBC One Scotland

Part I: Key characteristics of the service

1. Remit

The remit of BBC One Scotland is to complement the networked BBC One schedule by providing mixed-genre programmes appealing to mainstream Scottish audiences which displaces or replaces content otherwise available on BBC One.

The service should provide Scottish viewers with programmes that reflect and support Scottish culture, identity and heritage and it should be the BBC's primary outlet for television coverage of major Scottish events.

2. Scope of this Licence

See BBC One main Licence. BBC One Scotland should be available to viewers in Scotland.

3. Overview of aims and objectives

BBC One Scotland should provide accurate, impartial and independent daily news services. Its current affairs output should document civic and political life, provide context for Scottish issues, and facilitate debate representing the diversity of opinion in Scotland. It should place special emphasis on authoritative reporting and analysis of elections in Scotland.

BBC One Scotland should provide a platform for special events of particular significance to mainstream Scottish audiences. In its drama, comedy, music and arts coverage it should reflect contemporary and historical Scottish life and culture. Scottish sport should be an important part of the mix.

It should foster Scottish talent, nurture new talent and support Scotland's creative economy.

Part II: Contribution to public value

4. Contribution to the promotion of the BBC's public purposes

BBC One Scotland should fulfil most of the requirements of the main BBC One Service Licence. The following Conditions relate to programming broadcast only on BBC One Scotland.

Conditions

BBC One Scotland should:

- Broadcast at least 265 hours of news and current affairs programmes each year
- Broadcast at least 140 hours of other (non-news) programming each year¹¹

¹¹ This output may include repeats and acquisitions

Annex III (iii)

BBC One Wales

Part I: Key characteristics of the service

1. Remit

The remit of BBC One in Wales is to complement the networked BBC One schedule by providing mixed-genre programmes appealing to mainstream audiences in Wales which displaces or replaces content otherwise available on BBC One.

The service should provide viewers in Wales with programmes that reflect and support local culture, identity and heritage and it should be the BBC's primary outlet for coverage of major events in Wales.

2. Scope of this Licence

See BBC One main Licence. BBC One Wales should be available to viewers in Wales.

3. Overview of aims and objectives

BBC One in Wales should provide accurate, impartial and independent daily news services. Its current affairs output should document civic and political life, provide context for Welsh issues, and facilitate debate representing the diversity of opinion in Wales. It should place special emphasis on authoritative reporting and analysis of elections in Wales.

BBC One Wales should provide a platform for special events of particular significance to mainstream audiences in Wales. In its drama, comedy, music and arts coverage it should reflect contemporary and historical life and culture in Wales. Welsh sport should be part of the programme mix.

It should foster talent in Wales, nurture new talent and support the creative economy in Wales.

Part II: Contribution to public value

4. Contribution to the promotion of the BBC's public purposes

BBC One Wales should fulfil most of the requirements of the main BBC One Service Licence. The following Conditions relate to programming broadcast only on BBC One Wales.

Conditions

BBC One Wales should:

- Broadcast at least 250 hours of news and current affairs programmes each year
- Broadcast at least 60 hours of other (non-news) programming each year¹²

¹² This output may include repeats and acquisitions

BBC Two

This service licence describes the most important characteristics of BBC Two, including how it contributes to the BBC's public purposes. Service Licences are the core of the BBC's governance system. They aim to provide certainty for audiences and stakeholders about what each BBC service should provide.

The Trust uses service licences as the basis for its performance assessment and as the basis for its consideration of any proposals for change to the UK public services from the BBC Executive. A service may not change in a way that breaches its service licence without Trust approval. The Trust presumes that any proposed change to a stated Key Characteristic of a licence will require it to undertake a Public Value Test. Should it decide not to carry out a Public Value Test before approving any such change

Part I: Key characteristics of the service

1. Remit

BBC Two's remit is to be a mixed-genre channel appealing to a broad adult audience with programmes of depth and substance. It should carry the greatest amount and range of knowledge-building programming of any BBC television channel, complemented by distinctive comedy, drama and arts programming.

2. Scope of the Licence

BBC Two should be available for 24 hours every day. It should be transmitted free to air for general reception in the UK as a live broadcast on analogue and digital television and it may be simulcast on fixed and mobile internet protocol networks. It may also be simulcast as a high definition (HD) channel.

It may also offer its broadcast content on fixed and mobile internet protocol networks or via other platforms¹ for 30 days after it has been broadcast.

BBC Two should offer programme-related content on bbc.co.uk.² Some programmes should have interactive television features available on digital platforms.

3. Service budget

BBC Two has a service budget of £425.5 million in 2015/16.

¹ In accordance with the Trust's Syndication Policy for BBC on-demand content.

² This includes the offer of some news and current affairs output on-demand for an unlimited time period after initial broadcast. Any expansion of this offering will require the approval of the BBC Trust.

Any planned or actual change in annual expenditure on the service of more than 10% in real value requires approval from the BBC Trust and may entail variation of this Service Licence.

4. Overview of aims and objectives

BBC Two programmes should exhibit some or all of the following characteristics: high quality, original, challenging, innovative and engaging, and it should nurture UK talent.

BBC Two should deliver its remit with factual programming that broadens horizons. There should be peaktime coverage of science, history, business, arts and culture, religion, passions and leisure pursuits, as well as documentaries and current affairs.

The channel should work with BBC Four in order to maximise the impact of some of its programming, in particular in factual and the arts.

BBC Two should provide regular in-depth news analysis and long-form journalism, including news analysis on weekday evenings to complement BBC One's late news bulletin.

Its comedy output should offer established talent the opportunity to experiment and its drama should be characterised by strong authorship and individual voices. It should cover major sporting events, interrupting its regular schedule at times for extended coverage.

BBC Two should reflect the UK's nations and regions by offering regular opt-outs to meet the particular needs of audiences in different parts of the UK. The channel should ensure that its factual, music and arts output reflects international themes and it should show high quality, non-UK output across a range of genres. BBC Two should enhance its output – particularly factual output - with interactive content.

While BBC One and BBC Two aim most programmes at audiences of all ages, they should devote some of their schedule to programmes with particular appeal to younger audiences, including (for reasons of accessibility) broadcasting all long-form originated programmes from BBC Three.

BBC One and BBC Two should also deliver their remit by taking creative risks and experimenting with new talent and new ideas.

In order to highlight the benefits of digital to the non-digital audience, it should show some of the best output from the BBC's digital channels and use its airtime to promote the take-up of digital platforms. It should use interactive technologies to encourage audiences to engage more deeply with its programming.

BBC Two Service Licence. Issued July 2015

BBC Two is committed to commissioning output from outside the M25 area and from independent suppliers, in accord with the BBC's statutory commitments³ and the operation of the BBC's In-house Guarantee and Window of Creative Competition.

³ All statutory commitments are set out in Annex II of this licence

Part II: Contribution to public value

5. Contribution to the promotion of the BBC's public purposes

5.1 Promoting education and learning

BBC Two should make a very important contribution to this purpose amongst its audience.

It should work closely with BBC Four, in particular in factual and arts output. For example, between the two channels there will sometimes be complementary programming during thematic seasons or alongside landmark output. They will also show a range of pre-planned cross-channel repeats designed to increase the reach and impact of its programmes with the audience.

It should often assume its audiences know something about topics being covered and take a more challenging approach than BBC One. It should employ a range of approaches to factual output to maximise its impact, from landmark series to single documentary, as well as experimenting with new formats. Its factual output should enable and encourage informal learning. The channel should extend this learning by supporting its main factual output with interactive services, and by alerting audiences to other linked BBC content. It should support pan-BBC learning and social action campaigns.

BBC Two should support the BBC's formal learning strategy.

5.2 Stimulating creativity and cultural excellence

BBC Two should make a very important contribution to this purpose amongst its audience.

Arts coverage should be scheduled regularly in peaktime. Arts output should include topical arts reportage as well as a wide range of series and special events. BBC Two's coverage of music should aim to bring classical and contemporary works to a broad audience. Its drama commissioning should stimulate high quality distinctive writing. Its comedy should encourage established talent to experiment and, from time to time, it should introduce new comedy to the mainstream. It should meet audience appetite for British film through a close association with BBC Films.

BBC Two should also stimulate creativity by the BBC's statutory commitment to original programming and to independent supply.

Conditions

BBC Two should:

- Broadcast at least 150 hours of arts and music programming each year⁴

5.3 Sustaining citizenship and civil society

BBC Two should make an important contribution to this purpose amongst its audience, through its regular output of in-depth, accurate, impartial and independent news analysis and current affairs that explore a wide range of perspectives and issues. Current affairs output should aim to cover a broad range of international issues. The channel should also offer coverage of Westminster, the devolved chambers and of the major political party conferences.

Statutory commitments⁵

- BBC Two contributes to a shared statutory commitment to a minimum level of current affairs output with BBC One in peaktime and across all hours.

5.4 Reflecting the UK's nations, regions and communities

BBC Two should make an important contribution to this purpose amongst its audience.

Its output should explore many aspects of the UK's diversity including religion, ethics, and the issues facing minority groups. Some of this output should be in peaktime. Its schedule should include regular opt-outs to allow the scheduling of programmes that meet the particular needs and interests of audiences in the nations and regions.

It should offer coverage of the UK's biggest sporting events and those which bring communities of sporting interest together. In doing so, from time to time it should aim to encourage active participation in sporting activities.

BBC Two should encourage the formation of communities of interest by, for example, enabling online debate and the exchange of knowledge on topics arising from its programming. Its sports coverage should include an important commitment to minority sports.

BBC Two contributes to a shared statutory commitment to a minimum level of regional programming, both in peaktime, the hours adjacent to peaktime and across

⁴ This output includes repeats and acquisitions

⁵ All statutory commitments are set out in Annex II of this licence. The levels of each commitment is published in the BBC's Statements of Programme Policy each year

all hours with BBC One. BBC Two should support the BBC's statutory commitment to commission a range of output from outside the M25.⁶

Conditions

BBC Two should:

- With BBC One, broadcast at least 110 hours of religious programmes each year⁷

5.5 Bringing the UK to the world and the world to the UK

BBC Two should make an important contribution to this purpose amongst its audience primarily by bringing the world to the UK. BBC Two's current affairs output should be given due prominence and follow a diverse international agenda, exploring both significant news stories and emerging international affairs as well as human interest stories that shed light on global issues. BBC Two should also regularly cover international stories in its news analysis.

BBC Two should ensure that its factual, music and arts output reflect international themes, and the channel should show high quality non-UK output across a range of genres, including feature films, sport, drama and comedy, when available at reasonable cost.

5.6 Emerging communications

The BBC's sixth public purpose is defined in the Charter as "in promoting its other purposes, helping to deliver to the public the benefit of emerging communications technologies and services and, in addition, taking a leading role in the switchover to digital television".

BBC Two should contribute to the promotion of this purpose in a variety of ways which are described in this Service Licence.

⁶ All statutory commitments are set out in Annex II of this licence

⁷ This output includes repeats and acquisitions.

6. Annexes to this Licence

6.1 Annex I - Performance assessment

The performance of BBC Two will be assessed by the Trust using the framework described in Annex I. BBC Two's compliance with any Conditions, as described in section 5, will also be measured on an annual basis and reported in the Annual Report and Accounts.

The BBC Trust will expect BBC Two to comply with the commitments described in sections 4 and 5 of the Service Licence. The BBC Trust will monitor compliance with these commitments retrospectively as part of its periodic service reviews and/or on an exceptional basis if there is evidence or allegation of non-compliance.

6.2. Annex II - Statutory commitments

Details of statutory quotas and other obligations to be fulfilled by BBC Two, in conjunction with other BBC services, are set out in Annex II.

6.3. Annex III - BBC Two in the nations

A separate Annex for Northern Ireland, Scotland and Wales sets out the remit and commitments for the service as it is offered by BBC Two in each of these nations.

Annex I: Performance measurement framework

The BBC Trust has the function of assessing the performance of the Executive Board in delivering the BBC's services and activities and holding the Executive Board to account for its performance.⁸ It uses the framework described below as the basis for its assessment of BBC Two.

The framework uses a range of metrics based around the four drivers of public value:

- Quality
- Reach
- Impact
- Value for money.

The Trust can amend this framework without this constituting formal variation to this Service Licence.

⁸ Charter, article 24 (c)

Annex II: Statutory commitments

In addition to the conditions and commitments described in this Service Licence, BBC Two has, or contributes to the fulfilment of, a number of statutory commitments each calendar year.

- A minimum percentage of qualifying hours are to be provided by independent producers
- A minimum percentage of all hours, and peaktime hours are to be originations (first shows and repeats)
- A minimum percentage of relevant programme production budgets, representing a percentage of hours of productions by volume, must be spent outside the M25
- To maintain the current broad range of programmes produced outside the M25, and broad range of different production centres used across the UK
- A minimum percentage of qualifying hours to have subtitling, signing and audio description television access services

BBC Two shares the following commitments with BBC One:

- BBC One and BBC Two must broadcast a minimum number of hours of regional programmes in peaktime, plus a further number of hours at times adjacent to peaktime (i.e. the hour either side of peaktime), excluding news on BBC One
- BBC One and BBC Two combined will deliver a minimum number of hours of network current affairs programming, including a minimum number of hours in peaktime
- BBC One and BBC Two must broadcast a minimum number of hours of regional programming across the range of genres
- A minimum percentage of regional programmes must be made in the relevant area (BBC One and BBC Two commitment)

Annex III: BBC Two in the nations
Annex III (i)

BBC Two Northern Ireland

Part I: Key characteristics of the service

1. Remit

BBC Two Northern Ireland (NI) provides specialist programming which reflects the needs and interests of audiences in Northern Ireland, and which complements the range and appeal of network programmes on BBC Two NI.

2. Scope of this Licence

See BBC Two main Licence. BBC Two NI should be available for viewers in Northern Ireland.

3. Overview of aims and objectives

BBC Two NI should provide regular coverage of political developments in Northern Ireland and the workings of Northern Ireland's political institutions. It should showcase the diversity of sporting interests in Northern Ireland and enable extended coverage of sporting events.

It should provide a platform for artists in Northern Ireland, including performance in music and by new comedy talent and reflect cultural life in Northern Ireland through arts documentaries and coverage of cultural events.

It should provide programming which reflects and explores different aspects of social and community life.

It should provide a platform for formal learning with a portfolio of programmes targeted at all age groups from reception to Key Stage 4.

It should be the key BBC channel for programming in the Irish and Ulster Scots languages and which reflects the needs and interests of these communities.

These aims and objectives are typically achieved by time-shifting the network schedule to accommodate programmes for audiences in Northern Ireland.

Part II: Contribution to public value

4. Contribution to the promotion of the BBC's public purposes

BBC Two NI should fulfil most of the requirements of the main BBC Two Service Licence. The following Conditions relate to programming broadcast only on BBC Two NI.

Conditions

BBC Two NI should:

- Broadcast at least 55 hours of non-news programming each year⁹

⁹ This output includes repeats and acquisitions

Annex III (ii)

BBC Two Scotland

Part I: Key characteristics of the service

1. Remit

BBC Two Scotland provides for the specialist needs and interests of audiences in Scotland, complementing the appeal of network programmes on BBC Two Scotland.

2. Scope of this Licence

See BBC Two main Licence. BBC Two Scotland should be available to viewers in Scotland.

3. Overview of aims and objectives

BBC Two Scotland should provide regular coverage of political developments in Scotland and the workings of Scotland's political institutions. It should showcase the diversity of sporting interests in Scotland and offer extended coverage of sporting events.

It should relate the stories of people and events that have shaped Scotland's history and reflect cultural life in Scotland through arts documentaries and coverage of cultural events. It should provide a space to reflect the unique passions of audiences in Scotland and enable themes of community interest to be addressed.

These aims and objectives are typically achieved by time-shifting the network schedule to accommodate programmes for Scottish audiences.

Part II: Contribution to public value

4. Contribution to the promotion of the BBC's public purposes

BBC Two Scotland should fulfil most of the requirements of the main BBC Two Service Licence. The following Conditions relate to programming broadcast only on BBC Two Scotland.

Conditions

BBC Two Scotland should:

- Broadcast at least 190 hours of non-news programming each year, including Gaelic language output ¹⁰

¹⁰ This output includes repeats and acquisitions

Annex III (iii)

BBC Two Wales

Part I Key characteristics of the service

1. Remit

BBC Two Wales should be a mixed-genre service for Wales, appealing to a broad audience with programmes of relevance and depth. There should be a range of knowledge-building programmes along with documentaries about the countryside and contemporary society, tailored to be of interest and relevance to audiences in Wales.

2. Scope of this Licence

See BBC Two main Licence. BBC Two Wales should be available to viewers in Wales.

3. Overview of aims and objectives

BBC Two Wales should deliver its remit with factual programming that broadens horizons. There should be peaktime coverage of history, the countryside, sport and culture along with documentaries reflecting contemporary life in Wales.

Live sports coverage and sports highlights, and programmes which explore and celebrate the Welsh landscape and history, should form the backbone of the BBC Two Wales service.

There should also be an opportunity within this service for innovation and development of Welsh talent particularly in comedy, and for creating strong content out of user-generated material.

These aims and objectives are typically achieved by time-shifting the network schedule to accommodate programmes for Welsh audiences.

Part II: Contribution to public value

4. Contribution to the promotion of the BBC's public purposes

BBC Two Wales should fulfil most of the requirements of the main BBC Two Service Licence. The following Conditions relate to programming broadcast only on BBC Two Wales.

Conditions

BBC Two Wales should:

- Broadcast at least 160 hours of non-news programming each year¹¹

¹¹ This output includes repeats and acquisitions

BBC Online and Red Button

This service licence describes the most important characteristics of BBC Online and BBC Red Button, including how it contributes to the BBC's public purposes. Service Licences are the core of the BBC's governance system. They aim to provide certainty for audiences and stakeholders about what each BBC service should provide.

The Trust uses service licences as the basis for its performance assessment and as the basis for its consideration of any proposals for change to the UK public services from the BBC Executive. A service may not change in a way that breaches its service licence without Trust approval. The Trust presumes that any proposed change to a stated Key Characteristic of a licence will require it to undertake a Public Value Test. Should it decide not to carry out a Public Value Test before approving any such change, then it must publish its reasons in full.

Part I: Key characteristics of the service

I. Remit

The remit of BBC Online and Red Button ('the Service') is to promote the BBC's public purposes, by providing innovative and distinctive online content and distinctive propositions and by supporting the BBC's broadcast output. The Service should offer UK users greater choice and control over how they consume BBC content by providing live content and a range of recent broadcast output on-demand.

The Service should enable the BBC to develop a deeper relationship with licence fee payers and strengthen the BBC's public accountability.

The Service should, at all times, balance the potential for creating public value against the risk of negative market impact.

2. Scope of the Licence

BBC Online should be continuously available and free at the point of use. It should aim to be accessible to all users of internet enabled platforms and devices.

It may comprise a wide range of propositions, including the following: text, images, graphics, clips or extracts from programmes, live and on-demand long-form audio and video content broadcast by BBC television and radio services,¹ limited broadcast archive and some non-broadcast audio and video, interactive and downloadable applications and content.

BBC Red Button should be continuous, free at the point of use, delivered for general reception on all digital television platforms. Levels of access and functionality may vary between types of digital television platform. It should seek to provide

¹ Approvals covering on-demand audio and video are included in the final conclusions document of the On Demand Public Value Test. This can be found on the BBC Trust website. The Service Licence for each BBC TV and radio service sets out how its broadcast content can be distributed online.

consistency of its offer across different digital television platforms, as far as this is possible. It should act as an entry point to the BBC's interactive and non-linear services.

3. Service budget

BBC Online and Red Button has a service budget of **£157.3** million in 2015/16.

Any planned or actual change in annual expenditure on the service of more than 10% in real value requires approval from the BBC Trust and may entail variation of this Service Licence.

The budgets stated in the **seven** annexes to this Service Licence total **£139** million for 2015/16. The remainder of the total Service Licence budget is allocated to central editorial activities (e.g. the Homepage), technologies which operate across the service and overheads.

4. Overview of aims and objectives

BBC Online and Red Button content should exhibit some or all of the following characteristics: high quality, original, challenging, innovative and engaging, and it should nurture UK talent. All parts of the Service should be distinctive, by meeting most or all of the values of creative and editorial ambition, high editorial standards, range and depth and being made for UK audiences.

The Service should inform, educate and entertain audiences while contributing to the promotion of the BBC's public purposes.

Comprehensive provision of impartial, accurate and independent news and analysis should be at the heart of the Service. It should offer news and other content for the nations and regions of the UK.

The Service should be the main platform for the BBC's formal learning provision for both children and adult learners. It should encourage internet adoption and digital media literacy through a range of offers.

The Service should enable on-demand access to some BBC television and radio programming. In addition to clips, it may provide a limited amount of long-form audio and video content from the BBC's archives for formal and informal educational use, to set journalism and current affairs in context and to give audiences access to a sample of themed highlights from a range of BBC output.² It may also offer external links to a wider range of BBC content, available on a commercial basis, and to content from other providers.

² Any significant expansion of the scope of audio and video archive availability online requires the approval of the BBC Trust. Specific exceptions are permitted for Radio 3, Radio 4 and BBC Four to develop a permanent collection of on demand content.

The Service should be easy to use and accessible to all. It should ensure that the BBC's content is easy to search and navigate and should be personalisable where appropriate, enabling users to find quickly what they are looking for and to discover other BBC content that is of value to them. In allowing users to personalise their use of the service, it should aim to ensure that their consumption is not narrowed unnecessarily. It should also encourage users to broaden the range of their media consumption by offering links to external websites and other functions which allow users to navigate beyond BBC Online.

The Service may host user-generated content, particularly material which helps contribute to the promotion of the public purposes by encouraging active audience involvement, including participation in online discussion of important issues. It should also allow licence payers to feedback their views to the BBC on programmes, services and strategy and seek to engage in open dialogue with users whenever possible. It should not sell user data, nor pass on user data to a third party without users' explicit approval, unless obliged to under UK law.

The BBC's online content may be syndicated to other providers in line with the BBC's syndication policy. Content on the Service may be reverted for specific Internet Protocol platforms and devices, such as mobile.

The Service should commission a minimum level of content and services from external suppliers. It should actively seek to form partnerships with external organisations, particularly where these can help to promote the BBC's public purposes more effectively.

Part II: Contribution to public value

5. Contribution to the promotion of the BBC's public purposes

5.1 Sustaining citizenship and civil society

The Service should make a very important contribution to this purpose amongst its users, primarily by providing comprehensive and constantly updated, accurate, impartial and independent news which aims to engage a broad audience in news and current affairs.

It should aim to encourage conversation and debate about news, current affairs and topical issues, both online and more broadly. It should offer specific resources which help to build users' understanding of the UK's political institutions and democratic processes.

The Service should offer a range of digital media literacy resources and initiatives which aim to enable audiences to access, understand and create different types of media. This may include support for new users and initiatives for specific groups of non-users and new users.

5.2 Promoting education and learning

The Service should make a very important contribution to this purpose amongst its users by offering something of educational value to people of all ages.

It should be the main platform for delivery of the BBC's formal learning output for children and adult learners and for parents and teachers. It should seek to use the on-demand and personalisable characteristics of internet-enabled platforms to offer learning tailored to users' needs.

It should also aim to stimulate informal learning across a range of subjects through distinctive propositions and by extending the BBC's broadcast output for adults and children. Clear linking and navigation should encourage users to broaden their range of consumption of knowledge-building output. It should support the BBC's learning and social action initiatives and campaigns.

5.3 Reflecting the UK's nations, regions and communities

The Service should make a very important contribution to this purpose amongst its users by providing content for licence fee payers in the different nations and local communities across the UK. The core of the offering should be news, sports, weather and travel, alongside content in other areas which reflects the particular characteristics of each nation or locality and supports broader BBC initiatives, programmes and services.

It should offer provision in Welsh, Gaelic, Irish and Ulster Scots and other languages used by licence fee payers where appropriate. The BBC may build and support non-

geographic communities of users where these clearly support the BBC's contribution to its public purposes.

5.4 Bringing the UK to the world and the world to the UK

The Service should make a very important contribution to this purpose amongst its users, by bringing the world to the UK via its broad and high quality coverage of international news and through other content which aims to enhance users' awareness and understanding of international issues, life and culture.

While BBC Online can be accessed outside the UK and so help to bring the UK to the world, it should be aimed at UK licence fee payers.

5.5 Stimulating creativity and cultural excellence

The Service should make an important contribution to this purpose amongst its users by offering a range of distinctive and innovative content and by supporting the BBC's broadcast output.

The Service should feature a range of cultural activities, including the arts and popular culture and sports, including coverage of minority sports. It should encourage participation in sporting and cultural activities, often by working in partnership with external organisations.

The Service should promote new forms of creativity and culture by innovating in the development of internet enabled and interactive propositions which exploit its unique characteristics. It should foster and nurture creative and technical talent and activity, including supporting innovation in the UK's new media sector and by commissioning content and services from external suppliers. It should lead collaborative communities of professional innovators and engaged amateurs. It should support creativity amongst its users, by encouraging them to generate and share their own content.

Conditions

The Service should:

- Commission at least 25% (by value) of eligible content and services from external suppliers
- Aim to increase the volume of click-throughs to external sites from all parts of BBC Online year-on-year

5.6 Emerging communications

The BBC's sixth public purpose is defined in the Charter as "in promoting its other purposes, helping to deliver to the public the benefit of emerging communications technologies and services and, in addition, taking a leading role in the switchover to digital television".

The Service should contribute to the promotion of this purpose in a variety of ways including making its output available across a wide range of IP-enabled platforms and devices.

It should support the growth of digital platforms, including online, digital television and DAB radio, by hosting campaigns and permanent resources, which promote their benefits to licence fee payers.

It should work in partnership with external organisations to help to build public understanding and usage of new forms of content and distribution. All elements of the Service should play some part in working to this purpose.

6. Annexes and further parts to this Licence

6.1 Part III - description of main editorial areas of BBC Online and Red Button

The third part of this licence contains a description of the scope of activities of each of the main editorial areas within the Service.

Due to linking and convergence between editorial areas, each area of the Service, as described in its annex, may draw on output from a number of different production sources. However, for clarity budgets have not been duplicated between annexes.

The description of iPlayer in the annex is designated as part of the key characteristics of BBC Online. Descriptions of other editorial areas are not designated as such and may be amended with the approval of the Trust but without automatic consideration by the Trust of the need for a Public Value Test.

6.2 Annex I – Performance assessment

The performance of the Service will be assessed by the Trust using the framework described in Annex I. The Service's compliance with any Conditions, as described in section 5, will also be measured on an annual basis and reported in the Annual Report and Accounts.

The BBC Trust will expect BBC Online and Red Button to comply with the commitments described in this Service Licence. The BBC Trust will monitor compliance with these commitments retrospectively as part of its periodic service reviews and/or on an exceptional basis if there is evidence or allegation of non-compliance.

7. Operation of this licence by the BBC Trust

For details of how the BBC Trust operates this Service Licence, please see the Trust's protocol CI on UK public services. This is available from www.bbc.co.uk/bbctrust or upon request from the BBC Trust Unit.

PART III: Scope of activities and budgets for main parts of BBC Online and Red Button

BBC Online and Red Button – radio and music

Scope of activities

The Service's radio and music offer should promote the BBC's public purposes to a wide range of audiences, through the provision of innovative and distinctive online propositions across genres, and by supporting the BBC's broadcast radio and music output (across both radio and television).

The Service should support each radio station and aggregate and complement content from across different BBC radio services, programmes and other sources, around themes such as musical genres or artists.

The Service should offer linear and on-demand radio programmes in line with the scope set out in part I of this licence and the Service Licences for each radio station. It may allow users retrospectively or prospectively via pre-booking to download multiple episodes of on-demand audio content (known as 'series stacking').

It may also offer broadcast radio content for download for an unlimited period of time after broadcast, although this must not include unabridged readings of published works nor full track commercial music nor classical music (even if recorded by the BBC).³

Radio and music online should reflect the principles underlying the BBC's overall music policy through propositions which exploit the unique characteristics of the internet and by focussing on new, UK and live music in its offer of news, reviews and other information. It should cover a broad range of musical genres, both mainstream and niche.

Budget

The budget of BBC Online and Red Button radio & music is £17.0 million in 2015/16.

³ Download of classical music, in the form of incidental music or signature tunes is permitted.

BBC Online and Red Button – knowledge and learning

Scope of activities

The Service should be the BBC's main platform for formal learning output. It should offer content that creates educational value for children, parents, teachers and adult learners across the UK.

The BBC's online formal learning resources should be developed in close collaboration with external partners, including curriculum bodies, academics and teachers.

The Service should provide formal learning resources aimed primarily at children. These may cover a broad range of subjects and skills and should include a proposition to support school children with revision and recap. There should also be resources to support parents and teachers, including those which make use of archive broadcast content. It should include formal learning output in support of each of the devolved nations' own educational curricula.

Formal learning for adults should focus primarily on essential skills, such as literacy and numeracy, languages and the encouragement of digital media and internet literacy.

The Service should provide innovative and distinctive online content in knowledge-building genres, through distinctive propositions by supporting the range of the BBC's broadcast services. It should sometimes partner with external bodies in these areas.

It should offer a broad range of knowledge-building content, with a focus on specialist factual areas such as science, natural history and the arts, as well as some leisure interests (which should be strongly linked to the BBC's public purposes). The Service should reflect contemporary life and the different interests in each of the devolved nations.

Budget

The budget of BBC Online and Red Button knowledge and learning is £19.6 million in 2015/16.

BBC Online and Red Button – iPlayer & TV

Key characteristics

1. Remit

BBC iPlayer and TV should allow viewers to catch-up with BBC broadcast television programmes, it should provide live streams of BBC broadcast television, premiere some broadcast television programmes and offer some non-broadcast content.

All content should promote the BBC's public purposes, be innovative and distinctive and aimed at UK audiences. BBC iPlayer and TV should also aim to increase the audience to niche and specialist broadcast content and help maintain the perceived relevance of the BBC to licence payers as their patterns of media consumption change

2. Scope of activities

BBC iPlayer and TV should be continuously available and free at the point of use. It should aim to be accessible to all users of internet-enabled platforms and devices.

BBC iPlayer and TV content may be syndicated to third-party platforms in line with the on-demand syndication policy. Content may also be repurposed for specific IP platforms and devices, such as mobile.

BBC iPlayer may simulcast BBC broadcast television services over the internet and offer BBC broadcast television and radio content for 30 days after it has been broadcast (both streamed and for download). It may also premiere some BBC television programmes for children and adults and offer some non-broadcast content and selected content from third parties.⁴

3. Budget

BBC iPlayer and TV has a budget of £16.3 million in 2015/16.

4. Overview of aims and objectives

BBC iPlayer should exhibit some or all of the following characteristics: high quality, original, challenging, innovative and engaging.

Its content should be distinctive, in terms of creative and editorial ambition, with high editorial standards, range and depth and being made for UK audiences.

⁴ This third-party content should be selected by reference to objective criteria.

BBC iPlayer should enable licence fee payers to access BBC programming quickly, easily and in a high quality format. It should aim to promote a range of content, including that which is of niche interest, and help the BBC increase the reach of these programmes. It should seek to achieve this in a variety of ways including search, navigation, recommendation functions, and promotional activities.

BBC iPlayer should incorporate functions that ensure children are protected from unsuitable content and it should provide adequate access for those with sensory, cognitive or physical impairments within a reasonable timescale.

BBC iPlayer should enable users to search for and access a wider range of BBC content available from other providers on a commercial basis and, via external links, content from other providers. It may also include a small selection of editorially suitable content commissioned by third parties.⁵

⁵ Not-for-profit cultural and arts organizations, which can support the delivery of the public purposes. All third-party content should be selected by reference to objective criteria.

BBC Three

Key characteristics

1. Remit

BBC Three should offer a range of innovative and distinctive content created especially for 16-34 year olds in the UK, including long and short form video⁶ and propositions that encourage engagement. BBC Three should aim to inform, educate and entertain its audience with a mix of daily news, factual content, current affairs, scripted comedy, entertainment and drama.

BBC Three online should offer long and short form video and other interactive propositions. Output should include originated BBC content and catch-up and archive. The service may acquire a small amount of long-form content but should focus on output that is created for UK audiences.

2. Scope of activities

As well as being available on BBC Online and BBC iPlayer, all long-form BBC Three content should also be broadcast on BBC One or BBC Two for reasons of accessibility. BBC Three may also promote its output and make it available on third-party platforms including video sharing and social media sites, subject to the terms of the on-demand syndication policy.

3. Budget

BBC Three has a budget of £14.1 million in 2015/16.⁷

4. Overview of aims and objectives

BBC Three output should exhibit some or all of the following characteristics: high quality, original, challenging, innovative and engaging, and it should nurture UK talent. BBC Three should deliver its remit by producing a high proportion of original UK produced content across a range of genres, and by taking creative risks and experimenting with new talent and new ideas. Output should include news, current affairs, drama, entertainment, and a range of factual, knowledge-building programmes and content.

All content should take a distinctive approach designed to engage younger audiences. Within its defined scope, the service should stimulate, support and reflect the diversity of the UK.

⁶ Long-form content refers to full-length programmes or episodes, typically filling broadcast slots of 30 minutes or more in duration.

⁷ This figure applies for the period January to March 2016.

BBC Three should encourage innovation within the BBC by experimenting with new digital technologies and interactive capabilities. It should exploit digital platforms such as the internet, mobile devices and interactive TV, making a significant investment in exploring new forms of content and in giving its audiences more control over how, when and where they access and interact with the content.

Contribution to BBC public purposes

4. Conditions

- Across all content [conditions to be imposed to reflect the fact that 80% of total content investment should be on long-form programmes] which are also broadcast on BBC One or Two

4.1 Stimulating creativity and cultural excellence

BBC Three should offer a range of content, including drama, comedy and entertainment, which supports this public purpose. Output should include scripted programmes and other forms of content. The service should also regularly support new UK talent on and off-screen.

4.2 Promoting education and learning

BBC Three should make a strong contribution to this purpose. In particular it should aim to bring younger audiences to knowledge-building factual content (both long and short form) by tackling relevant topics in ways that feel different, original and interesting.

It should play an important role in finding new ways to attract its target audience to subjects such as science, health, business, religion and ethics and should look to participate in social action campaigns that are relevant for its audience and offer comprehensive support for knowledge-building content as appropriate.

4.3 Sustaining citizenship and civil society

BBC Three should offer a daily news service aimed at its young target audience and covering a range of topics in a range of formats. While adhering to the BBC values of impartiality, accuracy and independence, news should be presented in a way that engages younger audiences. Output should reflect life in the UK, often looking to uncover hidden or less well-known aspects of contemporary society. Current affairs should cover such topics as international and UK events, investigative programmes, documentaries and discussion. BBC Three online should not shy away from causing debate and controversy, within the framework of impartiality, accuracy and independence.

Conditions

- The service should offer at least 25% of its new long-form hours as factual content (including current affairs) each year, excluding acquisitions.

4.4 Reflecting the UK's nations, regions and communities

The service should aim to reflect the needs and lives of its young audience across the nations, regions and different communities of the UK in all of its output.

4.5 Bringing the UK to the world and the world to the UK

BBC Three should play its part in supporting this purpose, primarily by bringing the world to the UK across a range of genres, particularly through its news, current affairs and factual programming.

4.6 Emerging communications

This public purpose is defined in the Charter as "promoting its other purposes, helping to deliver to the public the benefit of emerging communications technologies and services".

Within the remit and scope set out in this licence, BBC Three should be at the forefront of the BBC's use of new technologies as ways to engage and interact with its audience.

BBC Online and Red Button – Children’s

Scope of activities

The Service should reflect and extend the BBC's broadcast offer for children with an emphasis on high quality, UK-originated content that encourages informal learning, creativity and safer use of the internet. In so doing it should also seek to promote media literacy. It should seek to deliver the BBC's public purposes to children in a variety of ways including offering some propositions originated specifically for the internet.

Provision for primary school-age children should be stimulating and trusted amongst users, and make a strong contribution to the delivery of the BBC's public purposes. Where appropriate it should seek to complement and link to formal learning provision for this age group. It should reflect both entertainment and knowledge-building genres, introduce children to news, and encourage them to participate and create.

Content for pre-school children should cover a range of public purposes and genres with a focus on the English early learning goals. Material for parents and carers should enable them to learn more about childcare and early learning.

The Service should allow children aged 6 - 12 to access content on-demand in a child-friendly environment and should present on-demand content for children under 6 as a shared experience operated by parents or carers.

The Service may also offer propositions aimed specifically at older children and teenagers, including entertainment and provision of advice on topics relevant to teens and young adults.

Budget

The budget of BBC Online and Red Button Children’s is £10.6 million in 2015/16.

BBC Online and Red Button – News, Travel & Weather

Scope of activities

The Service should provide a comprehensive service of impartial, accurate and independent news and analysis covering UK and international news and news from the UK's nations and local areas. Key news events should be set in context and it should cover some specialist subject areas and provide guides to key issues of the day. Blogs and other approaches should be used to deepen users' insight into important news topics.

It should complement the BBC's broadcast news coverage across all subject areas, and reflect and extend the BBC's main news and current affairs programmes online. There should be news output aimed specifically at primary school-age children, hosted on the children's website.

News coverage in each of the devolved nations should include coverage of political institutions, and reflect the different cultural events and interests of each nation.

BBC Online may have sites for 53 local areas⁸ across the UK which in England are linked to BBC local radio services and may aggregate content from these sites to ensure greater local relevance to users. These should cover news, weather and travel and may include some local interests, such as sport, heritage and events.

Nations and local sites should aim to work effectively with other providers of local information, sourcing or sharing content and providing clear links from each BBC site to other local media and information providers.

The Service should provide travel news and weather data and forecasts, enabling users to tailor the information by locality across the UK.

The Service should encourage active involvement of the audience by encouraging online discussion of important issues and enabling users to submit news-related text and video, while ensuring that this meets the BBC's high editorial standards.

Budget

⁸ BBC Online offers local sites for: Beds, Herts & Bucks; Berkshire; Birmingham & Black Country; Bristol; Cambridgeshire; Cornwall; Coventry & Warwickshire; Cumbria; Derby; Devon; Dorset; Edinburgh & East of Scotland; Essex; Glasgow & West of Scotland; Gloucestershire; Guernsey; Hampshire & Isle of Wight; Hereford and Worcester; Highlands & Islands; Humberside; Isle of Man; Jersey; Kent; Lancashire; Leeds & Bradford; Leicester; Lincolnshire; Liverpool; London; Manchester; Mid Wales; Norfolk; North East Scotland; North East Wales; North West Wales; Northampton; Nottingham; Oxford; Sheffield & South Yorkshire; Shropshire; Somerset; South East Wales; South Scotland; South West Wales; Stoke & Staffordshire; Suffolk; Surrey; Sussex; Tayside & Central Scotland; Tees; Tyne & Wear; Wiltshire; York & North Yorkshire.

The budget of BBC Online and Red Button news, travel and weather is £45.5 million in 2015/16.

BBC Online and Red Button – Sport

Scope of activities

The Service's sports output should provide distinctive propositions and reflect and extend the breadth and depth of the BBC's broadcast sports coverage. It should offer sports journalism, event coverage, fixture results and a range of other information.

The Service should offer dedicated coverage of sport in Scotland, Wales and Northern Ireland and at local level in some areas, reflecting the different sports events and interests across the UK.

As well as its coverage of major sports and events, the BBC's online sports output should cover minority interest sports which are less likely to have broadcast coverage or be covered by other providers.

Budget

The budget of BBC Online and Red Button sport is £15.9 million in 2015/16.

Annex I: Performance measurement framework

The BBC Trust has the function of assessing the performance of the Executive Board in delivering the BBC's services and activities and holding the Executive Board to account for its performance.⁹ It uses the framework described below as the basis for its assessment of BBC Online and Red Button.

The framework uses a range of metrics based around the four drivers of public value:

- Quality
- Reach
- Impact
- Value for money.

The Trust can amend this framework without this constituting formal variation to this Service Licence.

⁹ Charter, article 24 (c)

CBBC

This service licence describes the most important characteristics of CBBC, including how it contributes to the BBC's public purposes. Service Licences are the core of the BBC's governance system. They aim to provide certainty for audiences and stakeholders about what each BBC service should provide.

The Trust uses service licences as the basis for its performance assessment and as the basis for its consideration of any proposals for change to the UK public services from the BBC Executive. A service may not change in a way that breaches its service licence without Trust approval. The Trust presumes that any proposed change to a stated Key Characteristic of a licence will require it to undertake a Public Value Test. Should it decide not to carry out a Public Value Test before approving any such change, then it must publish its reasons in full.

Part I: Key characteristics of the service

1. Remit

The remit of CBBC is to provide a wide range of high quality, distinctive content for 6-12 year olds, including drama, entertainment, comedy, animation, news and factual. The great majority of this content should be produced in the UK.

CBBC should provide a stimulating, creative and enjoyable environment that is also safe and trusted. The service should have a particular focus on informal learning, with an emphasis on encouraging participation.

2. Scope of this Licence

CBBC should be available from 07.00hrs to 21.00hrs every day. It should be transmitted free to air for general reception in the UK as a live broadcast on digital television and it may be simulcast on fixed and mobile internet protocol networks. It may also be simulcast as a high definition (HD) channel.

CBBC may offer its broadcast content on fixed and mobile internet protocol networks or via other platforms¹ for 30 days after it has been broadcast. It should also offer programme-related content on bbc.co.uk.² Some programmes should have interactive television features available on digital platforms.

3. Service budget

CBBC has a service budget of £69.9 million in 2015/16.

¹ In accordance with the Trust's Syndication Policy for BBC on-demand content.

² This includes the offer of some news and current affairs output on-demand for an unlimited time period after initial broadcast. Any expansion of this offering will require the approval of the BBC Trust.

Any planned or actual change in annual expenditure on the service of more than 10% in real value requires approval from the BBC Trust and may entail variation of this Service Licence.

4. Overview of aims and objectives

CBBC output should exhibit some or all of the following characteristics: high quality, original, challenging, innovative and engaging, and it should nurture UK talent.

CBBC should deliver its remit by providing a mixed schedule with a similar balance of originated and acquired programmes throughout the day including peak viewing hours. It should offer new and exciting drama, comedy, entertainment, news and factual programmes and the best of current CBBC output, together with items from the BBC's rich drama and factual library and the very best of world children's television.

Part of its distinctiveness should lie in its high proportion of UK-produced content and its low proportion of acquired programmes throughout the day including during peak viewing times. Live programmes and live news bulletins, should be scheduled several times daily. The channel should also maintain a low repeat level.

Through drama, factual and other programmes, CBBC should inspire children to find out more about the world around them, introducing them to new ideas and providing the necessary context to enable understanding. Children should be encouraged to participate with the channel's output through innovative programmes, online offerings and use of interactive communications technologies.

CBBC should aim to be a leader in the development of interactive content and applications for its target age group which are developed further as technology allows, subject to the necessary approvals. Interactivity should underpin the service, with continuous interactive content at its core. The online and interactive television services should offer a rich array of related in-depth content. CBBC should combine its linear programming with interactive, digital content across a wide range of genres, encouraging children to participate or to deepen their experience of a programme or topic.

CBBC is committed to commissioning output from outside the M25 area and from independent suppliers, in accord with the BBC's statutory commitments³ and the operation of the BBC's In-house Guarantee and Window of Creative Competition.

³ All statutory commitments are set out in Annex II of this licence

Part II: Contribution to public value

5. Contribution to the promotion of the BBC's public purposes

5.1 Stimulating creativity and cultural excellence

CBBC should make a very important contribution to this purpose amongst its audience. Its high level of UK-originated programming, which is underpinned by a statutory commitment to investing in European productions,⁴ should be provided by a wide range of suppliers covering the following genres: news, current affairs, drama, comedy, entertainment, factual programmes and animation.

CBBC should excel at animation and stimulate the UK animation sector, exploiting opportunities for co-production and third party investment and investigating new methods of producing UK-based original output using cutting edge technology.

Conditions

CBBC should:

- Broadcast at least 665 hours of drama each year⁵

5.2 Sustaining citizenship and civil society

CBBC should make a very important contribution to this purpose amongst its audience through its news, current affairs and factual output and through content reflecting social engagement, citizenship and life skills.

CBBC should introduce children to citizenship issues through its impartial, accurate and independent news service for children and also through nationwide events and campaigns, often linked to channel programming. Provision of live news, including regular live news bulletins each day, should be at the core of its schedule and it should offer interactive news services, including a rolling online news service and an interactive television offer. It should offer challenging, informative material presented in inclusive ways.

Conditions

CBBC should:

- Broadcast at least 85 hours of news each year

⁴ All statutory commitments are set out in Annex II of this licence

⁵ This output includes repeats and acquisitions

5.3 Promoting education and learning

CBBC should make an important contribution to this purpose amongst its audience by encouraging informal learning through its factual, drama, comedy and entertainment programming, and through CBBC online. The schedule should include engaging live programmes.

Conditions

CBBC should:

- Broadcast at least 550 hours of factual programming each year⁶

5.4 Reflecting the UK's nations, regions and communities

CBBC should contribute towards this purpose amongst its audience by broadcasting a wide range of programmes that stimulate, support and reflect the diversity of the UK. It should also connect with young children in their communities through nationwide events that enhance the schedule.

CBBC should help to create and sustain communities of interest by enabling online exchange of ideas and opinions stimulated by its output.

CBBC contributes to the BBC's statutory commitment to commission a significant proportion of all BBC television programmes outside the M25 area.

5.5 Bringing the UK to the world and the world to the UK

CBBC should play its part in supporting this purpose amongst its audience, primarily by bringing the world to the UK. Its output, including its news bulletins, should include coverage of international events and issues.

5.6 Emerging communications

The BBC's sixth public purpose is defined in the Charter as "in promoting its other purposes, helping to deliver to the public the benefit of emerging communications technologies and services and, in addition, taking a leading role in the switchover to digital television".

CBBC should contribute to the promotion of this purpose in a variety of ways which are described in this Service Licence.

⁶ This output includes repeats and acquisitions

6. Annexes to this Licence

6.1 Annex I – Performance assessment

The performance of CBBC will be assessed by the Trust using the framework described in Annex I. CBBC's compliance with any Conditions, as described in section 5, will also be measured on an annual basis and reported in the Annual Report and Accounts.

The BBC Trust will expect CBBC to comply with the commitments described in sections 4 and 5 of the Service Licence. The BBC Trust will monitor compliance with these commitments retrospectively as part of its periodic service reviews and/or on an exceptional basis if there is evidence or allegation of non-compliance.

6.2. Statutory commitments

Details of statutory quotas and other obligations to be fulfilled by CBBC, in conjunction with other BBC services, are set out in Annex II.

Annex I: Performance measurement framework

The BBC Trust has the function of assessing the performance of the Executive Board in delivering the BBC's services and activities and holding the Executive Board to account for its performance.⁷ It uses the framework described below as the basis for its assessment of CBBC.

The framework uses a range of metrics based around the four drivers of public value:

- Quality
- Reach
- Impact
- Value for money.

The Trust can amend this framework without this constituting formal variation to this Service Licence.

⁷ Charter, article 24 (c)

Annex II: Statutory commitments

In addition to its Service Licence Conditions and commitments, CBBC has, or contributes to the fulfilment of, a number of statutory commitments each calendar year.

- A minimum percentage of all hours to be originations (first shows and repeats)
- A minimum percentage of relevant programme production budgets, representing a percentage of hours of productions by volume, must be spent outside the M25
- To maintain the current broad range of programmes produced outside the M25, and broad range of different production centres used across the UK
- A minimum percentage of qualifying hours to be provided by independent producers.
- A minimum percentage of qualifying hours to have subtitling, signing and audio description television access services.