

**BBC Audience Council for Wales
Cyngor Cynulleidfa Cymru y BBC**

CONFIDENTIAL

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**MINUTES OF THE MEETING HELD AT
BBC BROADCASTING HOUSE, LLANDAFF, CARDIFF
FRIDAY 9 JANUARY 2009**

Present:

Audience Council Members

Janet Lewis Jones (Chair and National Trustee for Wales)
Jane James
Teresa Rees
Dennis Gethin
Sangeet Bhullar
Andy Carter
Alex McMillan
Nicola Branson
Arun Midha

BBC Cymru Wales staff:

Menna Richards, Controller BBC Cymru Wales
Clare Hudson, Head of Programmes, English
Keith Jones, Head of Programmes, Welsh and New Media
Cath Allen, Head of Broadcast Development
Rhodri Talfan Davies, Head of Marketing, Communications and Audiences,

Governance and Accountability Wales, BBC Trust, staff:

Karl Davies, Head of Governance and Accountability Cymru Wales
Siôn Brynach, Accountability Adviser, Cymru Wales
Clair Baguley, Departmental Assistant, Governance & Accountability Cymru
Wales
Jared Walters, Team Assistant, Governance & Accountability Cymru Wales.

BBC Trust Unit staff:

Jenny Sheahan, Performance Manager, Performance Team
(for items 6&7).
Kate Hawkins, Research Manager, Audiences Team (for items 6&7)
Gareth Barr, Policy Analyst, Finance, Economics & Strategy Team (for items
6&7)

01. APOLOGIES AND ANNOUNCEMENTS

Dafydd Whittall
Roy Grant
Carl Cooper
Mark O'Callaghan, Head of News and Current Affairs, BBC Cymru Wales

02. TRUST BUSINESS (IN PRIVATE)

The National Trustee updated members of the Audience Council on the Council's recruitment process. Interviews would be taking place shortly.

The National Trustee informed Council that further thought had led her to believe that the Council's day of planning and reflection should be at the time of the Council's April meeting. She invited further views from Council members. Council emphasised that the day should not be held at BBC Broadcasting House.

ACTION: HoG&AW

The National Trustee informed Council that she had recently met Paul Murphy the Secretary of State for Wales and Minister for Digital Inclusion and that it had been a positive encounter.

She reported that the recent Trust meeting had included an overview of the BBC's coverage of the economic recession to ensure that it provided an UK-wide perspective – rather than concentrating too heavily on the City of London.

She also reported that discussion were continuing on the future of 2|entertain following the collapse of Woolworths.

Quarterly Audience Insight Report – Council noted that it would welcome a greater sense of scale in the complaints section of this report.

ACTION: HoG&AW

The Council's response to the Local Video PVT provisional conclusions had been submitted as had its submission to the Trust's Review of Services for Younger Audiences. Council emphasised that its strong views on the BBC Local Video decision should have a higher profile in the public domain. HoG&AW agreed to consider this point as part of the overall strategy to raise the Council's profile.

ACTION: HoG&AW

HoGA&W invited Council members to send any comments on the BBC Partnership Proposals to him or the Accountability Adviser – but also said that this would be on the Council's agenda at its February meeting.

HoGA&W said that work was beginning on 2009's programme of the Council's outreach events. Three members of Council agreed to serve on a sub-group to draw up this programme of events.

He also asked Council members to respond promptly following their week of assessing Network News for coverage of the whole UK so that this information could be fed into the Trust's Editorial Standards Committee in a timely manner thus informing the work of assessing the success or otherwise of the BBC in responding to the Trust's 2008 Impartiality Review.

Council were informed that three members of Council would be representing them at the Trust's Audience Council Day later in January.

management joined the meeting

03. MINUTES OF PREVIOUS MEETING AND MATTERS ARISING

The minutes were accepted as a true and accurate record of that meeting.

Under matters arising, Controller Wales informed Council that discussions were progressing on the future of DAB but no conclusive recommendations had yet been reached. She suggested that Tim Davie, who would be present at the Council's February meeting, should be quizzed about this issue at that meeting and said that it was encouraging that there had been some movement. A paper was also circulated regarding the latest situation with DAB coverage of Radio Wales and Radio Cymru across Wales.

04. REPORTS

National Trustee

She informed management that the Council had responded to the consultation on the BBC Local Video PVT Provisional Conclusions and the BBC Trust Review of Services for Younger audiences.

Controller Wales

She informed the Council that the BBC was preparing a detailed paper in response to the BBC Local video Provisional Conclusions with a focus on filling the Purpose Gap which had been very clearly identified. A key issue remained the amount of funding which would be available.

The Council observed that while there was a clear commitment at BBC Cymru Wales to close the gap in the delivery of the Public Purpose of representing the UK, its nations, regions and communities more effectively, there was a perception amongst Council that there was a lack of a similar commitment at the BBC's UK level, which was a matter of concern.

Controller Wales said that BBC Cymru Wales was well aware of the concerns of audiences that its coverage was perceived as being too Cardiff-centric and this was the focus of BBC Wales management's response. It was hoped that the proposals would be strong enough to convince the BBC centrally that they should be funded. She also informed Council that the BBC Cymru Wales proposals would include a reference to the Council's response to the BBC Local Video provisional conclusions consultation.

Making reference to property, Controller Wales said that there had been some progress on this matter. BBC Cymru Wales was looking at a HQ building with a drama village on one location if possible. Discussions were on-going with the Welsh Assembly Government's Economic Development Department which was supportive of such an idea. Several independent production companies had approached the BBC with a view to co-locating should the idea progress. Discussion had also taken place with ITV on co-locating. She informed Council that while the present economic climate did not appear to be a good time for such development, she remained confident that plans for such developments remained positive.

She informed Council that the National Assembly's Communities and Culture committee was conducting a review of Welsh culture on the world stage, and the BBC was contributing to this with both written and oral evidence.

Hoddinott Hall was being officially opened on the 23rd January by the BBC Trust Chairman. The finishing touches were currently being made.

Council was also reminded that the new actor to play the part of Doctor Who had recently been named and that Matt Smith would be playing the role from 2010 onwards.

Board Report

Head of Broadcast Development informed Council that preparations were in hand for the Six Nations Rugby Championship. She also informed Council that events for this year were currently being planned with the opening of Hoddinott Hall being the focus for the coming month. The next roadshow would be held at Cwmbran Stadium in early March.

The Council asked whether any reviews of the BBC large screens in city centres had taken place and were told that a review was currently underway to assess this.

Head of Programmes (Welsh) made reference to the substantial number of successful programmes that BBC Cymru had provided for transmission by S4C over the Christmas and New Year period. The BBC provided coverage of rugby matches broadcast by S4C during the same period had provided very substantial audiences for the channel.

Head of Programmes (English) said that the announcement regarding the new Doctor Who had been made during a special episode of *Doctor Who Confidential* and had gained a huge audience. She said that Piers Wenger was now the Head of the Drama Department at BBC Cymru Wales with Julie Gardner now concentrating on *Doctor Who* specials prior to her departure.

Head of MC&A said that the *Gavin and Stacey* Christmas special had been particularly well received in Wales, with higher audience figures than the rest of the UK.

05. PRESENTATION ON ENGLISH LANGUAGE TELEVISION STRATEGY

Head of Programmes English

The Council was informed that the BBC Trust and Ofcom had now agreed to a reduction in BBC Cymru Wales' Tier 2 quotas and that the BBC 2W and BBC 2 Wales services were being merged. This would allow BBC Wales to offer a better service to audiences as well as to live within its means.

Making reference to successes, she informed Council that the average share lead for BBC Wales on non-news programmes in last quarter of 2008 had been +3.8% above Network – the highest for 5 years. *Coal House at War* had contributed to this, achieving +4 points above Network and an average audience of 210,000. Domestic rugby coverage had also had a significant impact on performance e.g. Blues v Ospreys rugby match had contributed +7% share above Network, 160,000 viewers and a high appreciation index.

Making reference to future pressures, she informed Council that these included reduced financial resources – £23.1m had been available to her in 2003/04 but only £20.3m in 2008/09. Council was told that this was at a time when audiences were fragmenting across channels and that consequently BBC Cymru Wales had to continue to make a significant impact, but there was less money available with which to do so. Another significant challenge was that BBC Cymru Wales TV audiences (along with the audiences for all BBC television in general) still did not reflect the overall age profile of the population.

In addressing the question 'what are we here for?', Head of Programmes (English) said that a key goal was to connect with every household in Wales somehow, at some time each week and to provide them with content which they loved. It was also to explore what it meant to live in Wales and understand our past. News was also a key connector with audiences and it

was at the core of what was on offer by BBC Cymru Wales. All these contributed to the fundamental goal of delivering the BBC's Public Purposes.

Highlighting her objectives for the short to medium term she highlighted the need to extend reach, especially among those under 55 years old as well as continuing to add to Network share – so that what BBC Cymru Wales provided brought more viewers to the BBC's channels. She also highlighted the need to increase impact thus providing long term appreciation of both the output itself and of the BBC.

In this context, she provided Council with some of the fundamental elements of her commissioning and scheduling strategy. The first was to reduce the numbers of (non news) programmes broadcast on BBC 2 during the early evening – from 18 hours in 2008/09 to 11 hours in 2009/10. The second was to increase number of hours of programmes broadcast on BBC One during peak time: 34 hours to 38 hours. To produce programmes for broadcast during the BBC One peak time required higher cost per hour, and the risk of failure was also greater, but the rewards were also higher. A goal was to create a sense of event around multi platform projects, by being bold with the schedule and as examples she mentioned the forthcoming *Hospital 24/7* which would be broadcast across 4 days in the 22:35 slot on BBC One, and *Life Swap* which would be broadcast twice a week during peak broadcasting hours.

Output would be cut to deliver the overall strategy within the budget. Consequently, drama series *High Hopes* and *Belonging* would not return during the 2009/10 financial year since the cost per hour for producing these series was relatively high for the 22.35pm slot and in the present financial circumstances the required spend could only be justified for programmes to be broadcast during peak time. She also informed Council that while new dramas would be launched for broadcast during the peak viewing hours, there was no money in the budget for comedy, and that high quality history programmes were also being cut for the coming financial year. She said that the new dramas to be broadcast over the next two years involved Tony Jordan and Russell T Davies.

Life Swap involved a documentary format which aimed to get the nation talking and lead to an inclusive and provocative national debate about what was happening to Wales' children. The Council was also informed that a multi platform project for the autumn on a major contemporary issue was also being planned and that another living history experiment was also being considered (though not involving coal).

In addition Sport, News and Popular Factual programmes all remained key genres for BBC Cymru Wales in delivering the BBC's Public Purposes. Making reference to these in turn she said that Sustaining Citizenship and Civil Society was delivered by News and Current Affairs programmes including political coverage but also by looking at new approaches to contemporary political issues – such as those highlighted by the Head of Education and Learning at BBC Wales during her presentation at the ACW's December meeting. The young politics project on TV and online would also contribute to this purpose.

She informed Council that the Purpose of Promoting Education and Learning was also promoted through knowledge building projects such as *Coal House at War*, *Hidden Histories*, *When Wales shook the world*, and arts documentaries.

Stimulating Creativity and Cultural Excellence was nurtured by cultural output such as the BBC Cardiff Singer of the World competition and new drama projects. This was also done through nurturing major programme-making talent

Representing the UK its Nations, Regions and Communities was fulfilled by the majority of what was done by BBC Cymru Wales and she said that work was being implemented on the co-commissioning of programmes with Network channels which would deliver representation across the UK.

In closing her presentation she highlighted some of the risks and opportunities and said that the greatest risk was that BBC Cymru Wales failed to take risks – and stayed in the comfort zone of what they knew worked rather than innovating and experimenting. She said that new high cost dramas were always risky but that the rewards could also be huge. She also emphasised the importance of retaining and winning the rights to broadcast sports. However, she said that both the BBC's in-house department and independent suppliers were struggling to maintain quality with the present pressure on budgets and that content producers were still on a learning curve in developing multi-platform projects.

Council asked to what extent the disappearance of 2W would impact on the ability of BBC Wales to experiment? Head of Programmes English said that what it meant above all was that risks would now have to be calculated risks.

Council asked how audiences who used a recording facility to subsequently watch a programme were recorded in viewing figures. Head of MC&A responded by saying that reports were received from companies such as Virgin on viewers who had accessed the iPlayer via the Virgin media service and that viewers who watched a recorded programme within 24 hours of first transmission were included in the report provided by BARB.

Council also asked how BBC Cymru Wales was promoting cross-generational TV viewing. Head of Programmes English said that she agreed that it was important to appeal to viewers of various ages and that high investment programmes such as *Coal House / Coal House at War* had to appeal across generations and that this responsibility was to the fore when commissioning programmes.

06. PRESENTATION ON RESEARCH COMMISSIONED FOR THE TRUST INTO THE AUDIENCE'S PERCEPTIONS OF PUBLIC SERVICE BROADCASTING

Research Manager BBC Trust Audiences Team and Policy Analyst BBC Trust Finance, Economics and Strategy team,

Council was reminded that the Ofcom second PSB review had begun in September 2007 with the first phase conclusions published in April 2008. The Ofcom final recommendations were expected to be published in January 2009.

The BBC Trust's response had emphasised the scale of the problem, the importance of an ongoing role for ITV, Channel 4 and Five and issues relating to funding. As part of the debate on the issues surrounding Public Service Broadcasting, the BBC Executive had produced partnership proposals which included a shared *public service* iPlayer to be used by all public service broadcasters; opening up access to regional audio visual content and broadcasting facilities; the development of internet based services through television; potential areas of commercial cooperation between BBC World Wide and Channel 4; sharing research and innovation, training and audience research with the rest of the industry; and harnessing the strength and popularity of *bbc.co.uk* to drive the reach and usage of other public service broadcasters' web provision.

The BBC had also said that it wanted to explore whether it could do more to support the newspaper industry and proposals included the BBC waiving charges for television listings thus benefitting the newspaper and magazine sector, and piloting the sharing of content with newspapers.

On-going issues included the possibility of a merger between Channel 4 and Five and suggestions had also been mooted suggesting a deal between Channel 4 and BBC World Wide. The BBC had also suggested partnerships with other Public Service Broadcasters.

As part of its preparations for responding to Phase 2 of the Ofcom PSB Review, the BBC Trust had jointly commissioned a programme of qualitative and quantitative audience research with BBC management. The aim had been to build on work the BBC and Trust had done for Phase 1. The latest work also covered two areas missing from previous research – the connection between the audience, the BBC and the licence fee; and priorities attributed by audiences to provision and willingness to pay to maintain the at-risk genres. Key findings were included in the submission to Ofcom to provide evidence that the licence fee should not be top sliced; Ofcom's estimate of willingness to pay for PSB was too high; and audience priorities should be the focus of any solutions in the sector.

There were two quantitative pieces of work on the licence fee and willingness to pay, undertaken with 6 focus groups across the UK to better understand the licence fee link.

The research had concluded that the link between the licence fee and the BBC was a complex one. In the focus groups most people understood the licence fee as being something to pay so that they could watch all TV channels, AND something that funded a range of BBC services across different platforms. Ofcom's research suggested that awareness at present of what was paid for by the licence fee was low, with the conclusion then drawn that people could not therefore object to it being used to fund other broadcasters. In contrast the BBC /BBC Trust quantitative survey suggested that awareness was much higher – 70% unprompted and 86% on prompting.

The research demonstrated that people felt differently about the BBC because of the way it was funded and that they believed the licence fee brought important benefits for the public – quality services, something for everyone, advert free BBC. However, the research also demonstrated that the link brought clear expectations of the BBC. Respondents felt it gave them the right to be critical of the BBC and expectations of accountability were also much higher. Those people who knew more about what the licence fee paid for were even more likely to feel the BBC should be accountable.

The research asked people how important it was for their household to retain provision beyond the BBC in the at-risk genres (these genres having been identified by Cap Gemini economic modelling) and the responses varied by genre. Around half (51%) thought it was essential to their household that ITV 1, Channel 4 or Five continue to show national or international news in future. 47% thought the same in the context of news from their part of the UK. Other at risk genres such as arts, classical music or religion were given a lower priority, e.g. only 9% said it was essential for religious programming to be provided by companies other than the BBC.

The research also evaluated the public's willingness to pay to retain provision in different genres. This was established by asking respondents what the total amount their household would pay to subscribe to ITV1, C4 and Five; asking them to allocate 100 points between all genres currently available on each channel. The research established that on average

respondents would be willing to pay around £1.28 per household per month, for all the at-risk genres (a lower figures than Ofcom found), but it was the case that there was considerable variation by genre with national and international news ranking highest amongst all genres. There was a lower willingness to pay for regional news but overall, people would pay least for UK-made children's programming, although the results for households with young children had an understandably different result.

The Council asked for which genres respondents would be most willing to pay? 10 of the top 12 genres mentioned were non at-risk genres, including films, US imports, Sport, Drama and so on.

Council also asked whether the research sample from Wales was large enough to enable differences in opinion in Wales to be identified compared to the rest of the UK? The research manager said that this might be possible and that further work on the data was planned. However, this hadn't been carried out as yet.

07. PRESENTATION ON THE PERFORMANCE PACK CREATED BY THE TRUST UNIT PERFORMANCE TEAM FOR AUDIENCE COUNCILS
Performance manager, Performance team, BBC Trust.

She informed the Council that the Performance Pack was based on information received from BBC management on a quarterly basis. The Council was informed that the newest element was the 'dashboard' chart at the beginning of the report which had been devised by the Trust. The key matrix was based on the Trust's Reach Quality Impact and Value for Money (RQIV) measurements. The pack was intended to provide information to Council and as a stimulus for outreach.

Summarising the report's key conclusions, the performance manager said that overall, radio consumption was falling, but the number of hours of TV viewed was increasing and that on-line usage was also growing. Audiences in Wales watched more hours of TV than the UK average and overall approval of the BBC in Wales was also higher than the average across the UK.

Making reference to the means by which measurements were made, she said that viewing was measured by BARB. Recent figures demonstrated that TV viewing across the UK had increased to around 3 hours of TV per day, 28.8 hours per week but that the level in Wales was slightly higher.

Radio listening was measured by means of a self-recording diary (which could be somewhat hit or miss) but was useful for illuminating historical trends. Radio listening was decreasing and at present was at around 22.5 hours per week. The level of listening was falling particularly amongst younger adults and had dropped 2.5 hours per week in the past 5 years amongst 15-24 year olds. In Wales there was 72% reach for radio – around 18 hours of listening per week. Levels of listening were higher in Wales than the average for the UK

The Council was informed that work was presently underway to change the means by which website hits were measured, but using present measures showed that around 25% of adults accessed *bbc.co.uk*. Broadband was a determining factor in encouraging access and use of on-line services. Further work was also underway to measure usage levels of online services such as the iPlayer and on-demand services.

Making reference to approval rates of the BBC she said that approval was at 6.6 /10 across the UK, with the equivalent rate in Wales being at 6.7 and the highest proportion of high approvers of the BBC were located in Wales (i.e. those giving an approval rating of 8 or more to the BBC). 75% of adults in Wales watched BBC One but the rate for BBC Two was lower at 55.5% but had recently recovered its position through programmes such as *Dragon's Den* and *Top Gear*.

The Council observed that it was very important that the raw data presented in the performance report was contextualised so that the information could be properly understood.

08. PRIORITY ISSUES FOR BBC TRUST

1. The Council considered that the Trust needed to raise the profile of the role of the Audience Councils in reflecting the views of the BBC's audiences, and the impact they made on the thinking of the Trust, as part of the work to raise the profile of the Trust itself.
2. That the Trust, in the light of its provisional conclusions on the BBC Local PVT, should ensure that the BBC fulfils the Public Purpose of representing the UK, its nations, regions and communities more effectively by bringing proposals for news services to the Trust that better reflect local communities.

09. CONFIRMATION OF DATE OF NEXT MEETING

The Council was reminded that its next meeting would be on 6th February 2009 at BBC Broadcasting House, Cardiff and a private dinner for the Council would be held on the evening of 5th February.