This service licence describes the most important characteristics of BBC Three, 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 BBC Three is to bring younger audiences to high quality public service broadcasting through a mixed-genre schedule of innovative UK content featuring new UK talent. The channel should use the full range of digital platforms to deliver its content and to build an interactive relationship with its audience. The channel’s target audience is 16-34 year olds.

2. Scope of this Licence
BBC Three should be available from 19.00hrs-04.00hrs 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 offer its broadcast content on fixed and mobile internet protocol networks or via other platforms for seven days after it has been broadcast. On the same platforms, it may allow users retrospectively or prospectively via pre-booking to download multiple episodes of first-run series (known as ‘series stacking’) until a date

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1 In accordance with the Trust’s Syndication Policy for BBC on-demand content.
2 Programmes may be series stacked if the series has a distinct run with a beginning and end and a clear ‘narrative arc’ or if it has exceptionally high impact.
no later than seven days after the last episode in the relevant series. The aggregate volume of such "series stacked" content must represent no more than 15% of all television content offered on demand. On the internet, it may give users 30 days after downloading the content to access it for the first time and may allow users to repeatedly consume downloaded content for up to seven days after first access.

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

3. Service budget

BBC Three has a service budget of £85 million in 2013/14.

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 Three programmes 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 broadcasting 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, in particular in the area of UK comedy. The channel should feature a mixed-genre schedule throughout the year, including peak viewing hours.

The regular schedule should be mixed and include hourly news bulletins until midnight, current affairs, drama, entertainment, music, the arts, animation and a range of factual, knowledge-building programmes including science, business, religion and ethics, and coverage of international issues. All programming should take a distinctive approach designed to engage younger audiences. Acquired programmes should concentrate on bringing new material and talent to the screen and not on competing for well established programmes. Within its defined scope, the service should stimulate, support and reflect the diversity of the UK.

BBC Three should premiere, or offer another chance to view, programmes from BBC One and BBC Two and extend the depth and impact of some BBC One and BBC Two output with complementary content.

It should encourage innovation within the BBC by experimenting with new digital technologies and a significant proportion of the channel’s output should have interactive support. It should exploit digital platforms such as the internet, mobile devices and interactive TV, making a significant investment in exploring new forms of

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3 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.
content and in giving its audiences more control over how, when and where they access and interact with the content.

BBC Three should not meet its commitments at the expense of programmes on BBC One and BBC Two catering for younger audiences. New programmes made for BBC Three should also be made available to enhance the appeal of BBC One and BBC Two to young adults.

BBC Three is committed to commissioning a high proportion of original programming, including a significant proportion from outside the M25 area and from independent suppliers, in accord with the BBC’s statutory commitments4 and the operation of the BBC’s In-house Guarantee and Window of Creative Competition.

4 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

BBC Three should make a very important contribution to this purpose amongst its audience. It should encourage creative risk-taking to develop innovative UK content, often using talent – on and off screen - new to television. Its output should contain a high proportion of UK-made original productions from a diverse range of suppliers in accord with the BBC’s statutory obligations.  

A significant proportion of output should be supported interactively. The channel should offer a substantial online service, premiering some new shows and providing informative back-up to linear programming.

It should be a major driver of the BBC’s reputation for creative innovation and investment in new talent, contributing significantly to the UK’s creative industries, particularly in the areas of comedy, drama and entertainment and animation. Drama on social issues should aim to inform as well as entertain.

It should aim to cover major cultural events that affect a younger audience, particularly multicultural events and festivals. It may cover sports events that are relevant to its young target audience. Where possible, the service should encourage the audience to participate in cultural activities. In its music and arts coverage, and in other output, there should be an emphasis on live performance, often using new approaches and featuring new musicians.

Conditions

BBC Three should:

- Broadcast at least 30 hours of new music and arts programmes each year

5.2 Promoting education and learning

BBC Three should make a strong contribution to this purpose amongst its audience. In particular it should aim to bring younger audiences to knowledge-building factual content by tackling relevant topics in ways that feel different, original and interesting to them, including through entertainment, factual and drama programming.

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5 When Purpose Remits have been adopted by the BBC Trust in 2007, this Service Licence will set out how this service will contribute to the promotion of relevant priorities set out in Purpose Remits.

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

7 This output includes acquisitions
It should play an important role in finding new ways to attract its target audience to subjects such as science, business, religion and ethics, where mainstream channels find it increasingly difficult to engage younger viewers. It should look to participate in social action campaigns that are relevant for its audience and offer comprehensive support for knowledge-building content as appropriate.

Conditions

BBC Three should:

- Broadcast at least 100 hours of new factual programmes each year

5.3 Sustaining citizenship and civil society

BBC Three should contribute to this purpose amongst its audience through its news, current affairs and some factual output.

News, while adhering to the BBC values of impartiality, accuracy and independence, should be presented in a way that engages younger audiences. There should be hourly news updates until midnight and it should offer information support to breaking news stories. The channel should aim to find new presenters who reflect the UK’s multicultural society. It should offer access to BBC Red Button’s news from the red button and links to BBC news from the BBC Three website.

The service’s current affairs and documentary output should reflect life in the UK in a way that engages younger audiences, often looking to uncover hidden or less well known aspects of contemporary society. Current affairs should cover international and UK events and topics, investigative programmes, documentaries, topical debate and discussion. BBC Three should not shy away from causing debate and controversy, within the framework of impartiality, accuracy and independence.

Conditions

BBC Three should:

- Broadcast at least 15 hours of new current affairs programmes each year

5.4 Reflecting the UK’s nations, regions and communities

BBC Three should play its part in supporting this purpose amongst its audience, in particular by stimulating, supporting and reflecting, in all of its output, the diversity of UK society in ways that reflect the everyday lives of its target audience. This should

8 This output includes acquisitions
9 With occasional exceptions during some live sports events or long films
10 This output includes acquisitions
be achieved through, for example, setting drama outside London, using voices and faces from a range of regional and ethnic communities and featuring religion and ethics as part of its genre mix.

BBC Three contributes to the BBC’s statutory commitment to spend a significant proportion of its programme budget outside the M25.

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

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 Three 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 Three will be assessed by the Trust using the framework described in Annex I. BBC Three’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 Three 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 Three, 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.11 It uses the framework described below as the basis for its assessment of BBC Three.

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.

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11 Charter, article 24 (c)
Annex II: Statutory commitments

In addition to the conditions and commitments described in this Service Licence, BBC Three has, or contributes to the fulfilment of, a number of statutory commitments each calendar year. The exact level of each annual commitment is published by the BBC in its Statement of Programme Policy each year.

- A minimum percentage of qualifying hours must be provided by independent producers
- A minimum percentage of all hours, and peaktime hours must be originations (original productions include all BBC-commissioned programming, excluding repeats of programming first shown on another BBC public service channel).
- 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.