

Impact case study (REF3)

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| Institution: St Mary's University | | |
| Unit of Assessment: 20, Social Work and Social Policy | | |
| Title of case study: The funding and future ownership of the BBC | | |
| Period when the underpinning research was undertaken: 2015-2020 | | |
| Details of staff conducting the underpinning research from the submitting unit: | | |
| Name(s): Philip Booth | Role(s) (e.g. job title): Professor of Finance, Public Policy and Ethics | Period(s) employed by submitting HEI: May 2015 to present |
| Period when the claimed impact occurred: 2019-2020 | | |
| Is this case study continued from a case study submitted in 2014? No | | |
| 1. Summary of the impact (indicative maximum 100 words) | | |
| <p>The research has led to a significant change in attitude, awareness, and understanding of the public policy framework surrounding the financing and ownership of the BBC in a rapidly changing marketplace and in the context of changing technology. The specific impacts are:</p> <ol style="list-style-type: none"> As a result of this work and its dissemination, the concept of a subscription model of funding the BBC is more widely understood amongst policy makers and thought leaders. The research has influenced the text of a House of Lords Select Committee Report. The research has influenced discourse and the views regarding the adoption of a subscription model of funding amongst Conservative Members of both Houses of Parliament (including the now Chair of the Digital, Culture, Media, and Sport Commons Select Committee). The research has affected policy formation in respect of this subject at 10 Downing Street. The impact has been such that policy change is now actively being considered in the run-up to the mid-term charter review. A full review of public service broadcasting was announced on 10th November 2020. The Minister of State for Media and Data, Rt. Hon. John Whittingdale MP has stated his support for setting out a roadmap to end the licence fee. | | |
| 2. Underpinning research (indicative maximum 500 words) | | |
| <p>Booth collaborated with Professor Sir Alan Peacock, chairman of the Committee on Financing the BBC (1986), on publications and events before the 2005 BBC Charter Review. That collaboration resulted in a short, edited policy monograph in 2004 entitled <i>Public Service Broadcasting without the BBC?</i></p> <p>In many ways, the public policy debate on public service broadcasting died down after the 2005 BBC Charter Review. However, changes in technology and changes in how media are used were so profound over the following ten years that the importance of the issue and further discussion of the policy environment had become vital. Given this, Booth resumed his research in this area after he joined St. Mary's University in 2015. He commissioned and edited a book, <i>In Focus – The Case for Privatising the BBC</i> (3.1), of which he co-authored one chapter (3.2). This book analysed several features of broadcasting policy in relation to the BBC.</p> <p>The research was subsequently developed and deepened by Booth. He produced a submission to the House of Lords Communications Select Committee Inquiry into <i>Public Service Broadcasting and Video on Demand</i> (2019) (3.3). Booth then took a particular aspect</p> | | |

of this work relating to the funding of public service broadcasting and its relationship to the structure and ownership of the BBC and developed a discussion paper, published in late 2019 (re-edited and re-released in early 2020 because of interest in the paper) (3.4). The research was developed further, and an in-depth research paper was published in October 2020 in the journal *Economic Affairs* (3.5). A submission was then made to the House of Commons Digital, Culture, Media, and Sport Inquiry on 'The Future of Public Service Broadcasting' (3.6). That inquiry is still ongoing.

The research examines the development of the public policy framework in which broadcasting has operated, including the political interests that have shaped policy. Taking the Peacock Report of 1986 as a pivotal moment in that history, it examines the development of technology, social trends, and market patterns and considers how these developments relate to Peacock's reasoning and conclusions about the future of public service broadcasting. The research examines the economic and other arguments surrounding the public and social policy framework for public service broadcasting and how that links with the structure, ownership, financing, and regulation of the BBC.

Using arguments drawn from economics, social policy, and political economy, together with the technological and social developments in the field, the research concludes the following:

- Whilst broadcasting and other forms of content provision are legitimate instruments to achieve a variety of different public and social policy targets (for example in the field of education or culture), the provision of public service broadcasting in and of itself is anachronistic as a policy target. Broadcast and digital content provision could therefore still be publicly financed, but they should be so indirectly in the pursuit of other public policy targets. Current policy, in the technical language, confuses instruments with targets or objectives.
- There are strong analogies between the evolution of broadcasting and the development of publishing over several centuries and this context should be reflected in the development of the policy framework for broadcasting.
- These developments lead to the conclusion that the financing of the BBC should be on a subscription basis as Peacock proposed in 1986.
- There are good arguments from the discipline of the economics of corporate governance, and in terms of promoting media plurality and diversity, to not privatise the BBC on a fully commercial basis, but to mutualise it so that it is owned by its subscribers.

3. References to the research (indicative maximum of six references)

1. Booth, P. M. ed (2016), *In Focus – the Case for Privatising the BBC*, Hobart Paperback 182, Institute of Economic Affairs, London, UK.
2. Booth P. M. and Davies S. (2016), 'Introduction: Broadcasting in the 21st Century', in *In Focus – the Case for Privatising the BBC*, Hobart Paperback 182, Institute of Economic Affairs, London, UK.
3. Booth P. M. (2019), written submission to the House of Lords Communications Select Committee inquiry into "Public Service Broadcasting in the Age of Video on Demand".
4. Booth P. M. *New Vision*, *Institute of Economic Affairs Current Controversy* 71, October 2019 (also a 2020 version).
5. Booth P. M. 'The Future of Public Service Broadcasting and the Funding and Ownership of the BBC', *Economic Affairs*, 40(3), 324-343.
6. Booth P. M. (2020), written submission to the House of Commons Digital, Culture, Media, and Sport Select Committee inquiry into "The Future of Public Service Broadcasting".

4. Details of the impact (indicative maximum 750 words)

The concept of a subscription model of funding the BBC is now more clearly understood amongst policy makers and thought leaders

The research has facilitated greater awareness about, and understanding of, the idea of a subscription model for the BBC. The think tank, the Institute of Economic Affairs (IEA), has published two of the reports based on Booth's research (3.1 and 3.4). The IEA has then disseminated these reports widely to policy makers, for example, to Members of Parliament (355 copies being sent to parliamentarians), to the press, and to opinion leaders. The IEA has also produced videos based on aspects of the research. An indication of the reach of this dissemination is given by the fact that two videos and one podcast have been produced based on the papers. One of those, based on *In Focus*, has had over 40,000 views (5.1a). This dissemination was enhanced by coverage of the ideas about the subscription model carried in the news media, for example in *The Independent*, *The Daily Telegraph*, *The Spectator*, and *Daily Express* (10 October 2019). Booth was, subsequently, invited onto various programmes as an expert commentator in this area, such as the BBC programme *The Moral Maze* and invited to write commentary pieces for *The Sunday Telegraph* and *The Daily Telegraph* (5.1b and 5.1c). This process of dissemination caused more detailed interest in the work in news outlook, indicative of a degree of impact on the ideas of those engaged in discussing the ideas in the public square. As Tom Welsh of the *Daily Telegraph* has commented: "The research and its dissemination has played a key role in changing the debate in this area, both among the many politicians who read the *Daily Telegraph* and the general public." (5.2).

Booth's research was also used for work on producing the Radio 4 *Today Programme* items on BBC bias and public perception of funding models for the BBC on 28 December 2019. The work was used by former Labour MP Natascha Engel who worked with the editor of that edition of the programmes in her capacity as a partner of the consultancy *Public First*. Engel commented that Booth's research on the BBC and public service broadcasting "was essential for informing my own research for the editor of the Radio 4 Today Programme on 28 December 2019 and for shaping items on that programme on BBC, bias and public perceptions of funding models for the BBC. Specifically, the research that I used was *In Focus* (2016), *New Visions* (2019) as well as the draft of a not-yet-published paper." (5.3). The not-yet-published paper was the one subsequently published in *Economic Affairs*.

Booth has also been invited to take part in various panel discussions including with, as co-participants, Julian Knight MP (Chair of the Digital, Culture, Media, and Sport Select Committee), Sir Robbie Gibb (former Director of Communications at 10 Downing Street, Mark Damazer (former controller of Radio 4) and John Whittingdale MP (Minister of State for Media and Data). Booth was also asked to meet Tim Davie, the recently appointed Director General of the BBC, together with other BBC executives, including Andrew Scadding, Head of Public Affairs, to discuss government policy in relation to the BBC and public service broadcasting. This meeting was a private meeting with two other non-BBC guests requested by Tim Davie soon after he took on the role of Chief Executive (5.4).

Influencing discourse and views within Parliament and amongst Parliamentarians

Booth's written submission to the House of Lords Communications Select Committee inquiry into "Public Service Broadcasting in the Age of Video on Demand" (3.6) provided a further step into influencing the discussion of this issue amongst parliamentarians. His evidence was quoted in Chapter 2 of the report on Public Service Broadcasting (paragraph 25, published as PSB0001) (5.5). The publication of his evidence then led to a request for Booth to meet a group of eight MPs and Peers on 20 May 2020 to lead a discussion on the conclusions in his submission (5.6). This discussion led Booth to develop a further brief paper *New Vision*, Institute of Economic Affairs Current Controversy 71 in October 2019 (updated and republished in January 2020) (3.4). This paper was disseminated through the *Telegraph* and sent to Members of Parliament.

This paper was commended by Julian Knight MP, member of the House of Commons DCMS Select Committee in a report in the *Telegraph* on 9 October 2019 and he has described the research as being important in forming his own views on the issue (5.7a). Shortly after, at a hearing of the House of Commons Digital, Culture, Media, and Sport Select Committee (16 October 2020), Julian Knight asked Nicola Morgan (Secretary of State for Culture, Media, and Sport) about the proposals in the paper. Knight's question was directly informed by the research in the paper in relation to subscription funding for the BBC (5.7a). Nicola Morgan responded by saying that she was open minded about the BBC being funded by subscription (5.7a). This was widely reported in the media. *The Guardian* report of 16 October 2020 by Rowena Mason linked the paper's influence on Julian Knight to the exchange at the Select Committee (5.7b).

The influence of this research set off a chain of events that has led to a significant change in attitude, awareness and understanding of the public policy framework surrounding the financing and ownership of the BBC in a rapidly changing marketplace and in the context of changing technology. The interchange at the House of Commons Select Committee meeting has been referred to widely throughout the media and in political circles. Sir David Clementi, Chairman of the BBC, made a speech critiquing the implicit support of Morgan for a change in the funding arrangements for the BBC (5.8a). The BBC website itself describes Morgan's view on the licence fee expressed at the Select Committee hearing as one of "three reasons why, among those who understand British politics and the structural trends re-shaping global media, anxiety for the future of the BBC has risen sharply of late" (5.8b). On 15 July 2019, in an adjournment debate on the BBC in the House of Commons, Jack Brereton MP specifically mentioned the Institute of Economic Affairs, citing one of the conclusions from the chapter co-authored by Philip Booth that suggested that the TV licence created incentives not to create multifunctional televisions (*In Focus*, pages 4 and 5) (5.8c).

Impact on Downing Street Policy

The research, followed by the Select Committee exchange, has contributed significantly to a complete change in discourse in this area. This change in discourse has influenced thinking within 10 Downing Street itself. The BBC website article references the attitude of 10 Downing Street towards the future of broadcasting and the importance of Downing Street's view in this debate when it comes to future policy (5.8b). Prof. Syed Kamall of St. Mary's University and the Institute of Economic Affairs was asked to present Booth's research to 10 Downing Street before the Queen's Speech and then, again, before the preparation of the Conservative Party manifesto (5.9). Although specific proposals were not included in the Conservative manifesto because the BBC Charter will not be reviewed until 2027, the then Political Secretary to the Prime Minister (Danny Kruger, now Member of Parliament for Devizes) has confirmed that the presentations "informed thinking and discourse in political circles" (5.9).

Impact on the Policy Agenda

Political discussion of the future of public service broadcasting took a back seat during the height of the Covid-19 crisis of Spring, Summer, and early autumn. However, there has been some significant movement since that time. On 21 July 2020, Julian Knight MP asked the relevant Minister of State John Whittingdale in the House of Commons whether he would take the opportunity of the review at the mid-point of the BBC charter for a root and branch review of the funding of the BBC and the role of public service broadcasting. Whittingdale responded by offering his assurance that such a review would take place. Booth then took part in a panel discussion with guests including Ben Bradley MP and John Whittingdale. In concluding the discussion, Whittingdale, the relevant DCMS Minister, said: "I completely agree (with Booth that a road map should be set out for completely reforming the way public service broadcasting is funded by 2027) (...) I have always said that the licence fee cannot survive in the longer term. And yes, we need to start thinking about the future. And one of the things we are doing

now is to consider the whole way in which our public service broadcaster function (...) So I am completely with Philip” (5.10).

Effect of Covid-19

The Covid-19 crisis has, to some degree, suspended political discussion about several issues, including the BBC. There is an ongoing Select Committee inquiry, to which Booth has submitted evidence and in relation to which the hearings have been held. However, there is no doubt that the work done by Booth has informed thinking and discourse in important ways as the Government reviews the position of the BBC in the mid-term charter review in 2022 before the full charter review in 2027.

5. Sources to corroborate the impact (indicative maximum of 10 references)

1. Media: a. In Focus; b. *Daily Telegraph*; c. Moral Maze correspondence and webpage.
2. Email from comment editor of the Daily Telegraph.
3. Radio 4 'Today' programme: email from Natascha Engel.
4. Meeting with Tim Davie, CEO of BBC: email from BBC via Claire Talbot.
5. House of Lords report (mention on page 15).
6. Email from Rt Hon Owen Paterson MP regarding meeting with MPs.
7. Emails and media: a. Rt Hon Julian Knight MP, confirmation that the research influenced him and led to the asking of the Select Committee question; b. *Guardian*, response from Nicola Ann Morgan, Baroness Morgan of Cotes.
8. Media: a. Clementi Speech; b. BBC website commentary; c. Intervention in Parliament by Rt Hon Jack Brereton MP (Hansard).
9. Invitation to Downing Street and invitation to Conservative Party manifesto meeting
10. a. Webcapture of Opening Frame of YouTube video showing participants; b. Webcapture of statement by John Whittingdale using subtitles. The debate is available at *YouTube* video (footage at 55 mins 14 seconds).

<https://www.youtube.com/watch?v=8yL4VzKXYgk&app=desktop>