

Local Video Public Value Test

Description of Service

BBC | **Trust**

Ofcom
OFFICE OF COMMUNICATIONS

Glossary of Terms

Broadband	Always on, high-speed connection to the internet, capable of supporting high bandwidth services, such as video.
DTT	Digital terrestrial television (also known as Freeview).
Embedded content	Content, usually media, from another website or source that is included seamlessly within the body of a website. In many cases users can take embedded content and add it to the body of their pages / social sites instead of linking back to the original source.
GPS	Global Positioning System, a satellite-based navigation system, commonly used in mobile phones, which can be used to pinpoint location.
IP	Internet protocol, a method by which data (e.g. email, video) is sent from one computer to another on the internet.
IP-enabled	A device capable of connecting to the internet, whether through a fixed connection (e.g. broadband or cable TV), or wirelessly (e.g. over mobile networks or WiFi).
iPlayer	Online, on-demand catch-up BBC service, which allows users to watch BBC programmes from the previous seven days.
Linear content	Refers to scheduled broadcast television content.
MIA	Market impact assessment, undertaken by Ofcom to assess the market impact of new BBC proposals. This forms part of the public value test, below.
On-demand	Allows users to select, stream or download, store and view film and television programmes, usually within a certain timeframe, using a digital cable box or online service.
PVA	Public value assessment, undertaken by the BBC Trust to assess the value of BBC proposals, including value to licence fee payers, value for money and wider societal value, this forms part of the public value test, below.
PVT	Public value test; any significant proposals for change from BBC management must be subject to full and public scrutiny. The means by which this scrutiny takes place is the public value

test. A PVT is a thorough evidence-based process which considers both the public value and market impact of proposals. During PVTs, the BBC Trust will consult the public to ensure its decisions are properly informed by those who pay for the BBC.

Service licence

The Trust aims to ensure that the BBC offers high quality and original services for all licence fee payers. To help deliver this, it sets out the remit and expectations for each BBC service – and how that service will create public value by delivering the BBC's public purposes – in a published licence.

UGC

User generated content (text, video etc) produced by end-users as opposed to traditional media producers, broadcasters, publishers etc.

Local Video Description of Proposal

1. Purpose of this Document

- 1.1. This document has been drafted by the BBC Trust and Ofcom. It is intended to outline our joint understanding of the BBC's proposals for an on-demand local video service and to provide clarity on the terms and scope of the proposal that will be assessed by the Trust during the Public Value Test (PVT).
- 1.2. The PVT comprises two elements – a Public Value Assessment (PVA), carried out by the BBC Trust, and a Market Impact Assessment (MIA), undertaken by Ofcom.
- 1.3. The details provided here are intended as a guide to the nature of the proposed service, for the purposes of the PVT. They should not prejudice whether any new service licence is required for the BBC's proposals.
- 1.4. We have clarified certain details contained in the BBC Executive's PVT application. For the avoidance of doubt, we have agreed with the Executive that the description contained here supersedes the description of the proposed local video offer provided in section two of the Executive's application.

2. Proposition

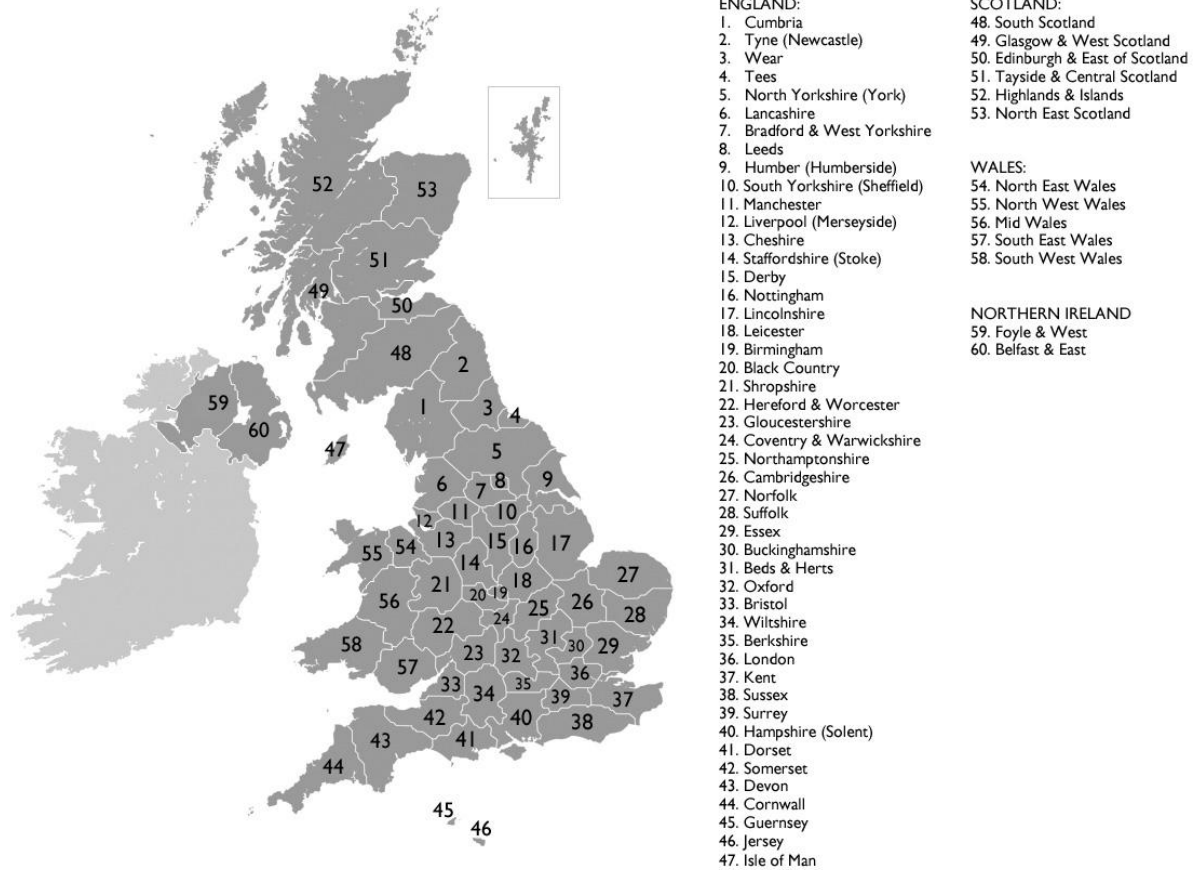
- 2.1. The BBC Executive has applied for permission to provide an on-demand, local video service, delivered via fixed and mobile broadband internet connections. At launch, the service would not be available on any other platform (refer to section 5, distribution).
- 2.2. Local video would expand upon the BBC's existing network of local websites.¹
- 2.3. It would be available in 60 areas across the UK, most of which cover an area of more than 250,000 people (and on average, one million);² equivalent to the coverage of the BBC's existing network of local websites and radio services (figure 2.1).
- 2.4. In Wales, local sites would be available in both English and Welsh, bringing the total number of local services to 65.

¹ BBC Local, formerly known as 'Where I Live'.

² In 11 of the proposed local video areas, the population is below 250,000, these are: Highlands and Islands, South West Wales – Welsh, North West Wales – Welsh, Mid Wales – English, Cardiff and South East Wales – Welsh, North East Wales – Welsh, North West Wales – English, Jersey, Isle of Man, Mid Wales – Welsh, and Guernsey.

- 2.5. The service would offer bespoke video, focused chiefly on news and sport, but also including weather, user generated content³ and knowledge-building genre (for example, science, nature, heritage, history, arts, culture and faith).

Figure 2.1: BBC local map⁴



- 2.6. The service would add a new tier of local video newsgathering to local news provision on bbc.co.uk.
- 2.7. Content would be produced locally, in and for each of the 60 areas.
- 2.8. Content would be free at the point of use, without advertising, and available across the whole of the UK for broadband users.
- 2.9. Non-UK broadband users would also be able to access the service.
- 2.10. Local video would have an annual operating budget of £23 million by 2012/13.

³ Produced in collaboration with the BBC, further detail can be found in section 4.

⁴ A full list of local video areas can be found in section 6.

3. Context

- 3.1. As noted, local video would expand upon existing local provision on bbc.co.uk.
- 3.2. bbc.co.uk offers news, information and content on a range of subjects, from business news and sporting fixtures to parenting and religion. It has grown as an on-demand platform for BBC radio and television, offering streamed and downloadable audio and video content, alongside opportunities for interaction and user generated content.
- 3.3. The site is one of the UK's leading online destinations, with an average of 16.6 million users a month, out of a total UK internet population of 33 million. It has an annual operating budget of £114 million.
- 3.4. The site offers news coverage at an international, national, regional and local level.
- 3.5. Existing BBC Local sites serve audiences under the terms of the bbc.co.uk service licence and include:
 - Audio and text news and related material
 - Broadcast news bulletins and video stories linked to linear news and other television output
 - Travel
 - Weather
 - User generated content
 - Live streams
 - Mobile content
 - Podcasts and audio on-demand content

Local video would expand upon and sit within this context of existing local provision.

A full breakdown of existing local online provision can be found in **annex I**. An example of a current BBC Local site can be seen below.

Figure 3.1: existing BBC Local site for Birmingham



- 3.6. BBC local content is available in different ways on different BBC sites. These include BBC News, BBC Local, BBC genres sites and possibly, in future, BBC iPlayer. Local online content can also be found using external search engines and the search facility on bbc.co.uk.

Figure 3.2: accessing current BBC local content via BBC News England



Figure 3.3: accessing current BBC local content via BBC News regional site



Figure 3.4: accessing existing BBC local content via BBC local homepage



3.7. Further enhancements to local provision on bbc.co.uk are planned in 2008. This ongoing modernisation of BBC local provision falls outside the scope of this assessment and is not reliant on the approval of the local video proposal. It includes:

- Further opportunities for user participation on BBC Local sites, developing the range and quality of existing options.⁵
- Bringing BBC Local sites in Scotland and Northern Ireland into line with current provision in England and Wales.

⁵ Existing options include online discussion forums, auto-comments on stories and picture galleries.

- Improved search, navigation and site architecture, including a greater use of map-based technology (described further in section 7).

New investment exceeding the baseline budget for bbc.co.uk in 2008/09 will be subject to a separate BBC Trust approval.⁶

- 3.8. This Public Value Test will take account of planned evolutionary changes, as described above, as the context in which local video would operate.

4. Content

- 4.1. Local video is a web-based proposition using broadband technology to deliver video journalism.
- 4.2. The proposed service is focused predominantly on local news and sport, but also includes weather, user generated content⁷ and knowledge-building genre (for example, science, nature, heritage, history, culture, arts and faith).
- 4.3. A summary of local video content can be found in table 4.1, below.

Table 4.1: Summary of local video content

Content type	Definition	Frequency	Limit
Video Stories	<ul style="list-style-type: none"> • <u>News and related items</u>: politics, social issues, education, health, crime etc • <u>Sports news</u>: coverage of minority sports and local treatment of major events (football, rugby etc)⁸ • <u>Community and local life</u>: a limited amount of content linked to or deriving from linear BBC content on science, nature, outdoors, heritage, history, arts, culture, faith etc, and a limited amount of video user generated content, produced in collaboration with the BBC 	Up to 10 new stories each day, available for on-demand viewing throughout the day	Up to 20 minutes per day in total, across all stories
Video Bulletins	<ul style="list-style-type: none"> • News summary • Sports summary • Weather summary 	Up to 3 daily bulletins of each genre for each area	Normally 45-90 seconds per bulletin
Live Streams	<ul style="list-style-type: none"> • Occasional live streams of key local events to each of the 60 areas 	Maximum of 10 per year per area	Not applicable

⁶ BBC Trust, Service Review of bbc.co.uk, May 2008.

⁷ Produced in collaboration with the BBC.

⁸ The provision by BBC Sport of live and on-demand sports coverage on bbc.co.uk in line with the service licence (e.g. Wimbledon, Six Nations Rugby or Football League) is outside the scope of this assessment.

- 4.4. The sum of the video stories and bulletins described above will not exceed 26 minutes of content, per area per day.
- 4.5. Text will accompany or introduce video stories.
- 4.6. A ‘story’ is a piece of content which can be updated a number of times in any 24-hour period.
- 4.7. Upper limits on video stories do not extend to live streams.
- 4.8. Only user generated content produced in collaboration with the BBC will be included in the upper limit on video stories.⁹
- 4.9. Video clips submitted by users and produced without the assistance of the BBC are not subject to the upper limit. They fall under existing editorial controls governing online content and are not included in this PVT assessment.¹⁰
- 4.10. Upper limits on the daily volume and duration of stories would be averaged across the year. BBC management believes this would allow for editorial flexibility to exceed thresholds in exceptional circumstances (for example, at times of national crisis, flooding or during national and local elections).
- 4.11. There are, in two regions, exceptions to the daily upper limits on video stories:
- **London:** with a population of over 10.5 million, BBC management proposes a higher volume of stories (up to 20 stories daily, or 40 minutes in total). Including bulletins this would not exceed 46 minutes of content per day.
 - **Wales:** the upper limit of 10 video stories per area, per day, would be applied separately to the English and Welsh offers. This will allow for the creation of separate video stories in English and Welsh (and up to 20 per day in total), using teams that work alongside each other. Even when the same stories are covered, they will often receive different treatment.
- 4.12. In all other respects, the composition of the local video offer for both London and Wales is as described above.
- 4.13. In line with existing provision on bbc.co.uk, the local video proposal specifically **does not** include:
- Local business finders, dating, cars, holidays, recruitment and property listings and search services

⁹ The BBC already produces around 100 of these videos on BBC local sites per week across the whole of the UK. It is anticipated that, as a result of this proposal, this number would increase to 300. Beyond this, the BBC already publishes a range of user generated content under existing permissions. See annex I.

¹⁰ Users can already submit video clips to BBC local sites, refer to annex I.

- Cinema and commercial listings
 - Advertisements and promotions/sales offers
 - Classified advertisements and listings of items for exchange or free collection
 - Reviews of products, local shops and businesses
 - Video entertainment features on such areas as horoscopes or beauty
 - Public notices, including planning applications
 - Wallpaper and e-cards
 - Message boards unrelated to BBC content and BBC story themes
- 4.14. The proposal does not include traffic or travel updates in video, although travel information is available on existing BBC Local sites.¹¹
- 4.15. Each local video area will have a community producer. Their role would be to work with individuals and groups on the production of local video content.
- 4.16. The proposal includes, where editorially appropriate, the provision of links to external sites, commercial news providers and community organisations, allowing users to seek out a wider range of news sources (further details are provided in section 10).

5. Distribution

- 5.1. The proposal is for on-demand distribution via bbc.co.uk to internet-enabled devices on fixed and mobile broadband connections.¹²
- 5.2. Local video content would be made available elsewhere on bbc.co.uk.
- 5.3. Content may also be available via the BBC iPlayer.
- 5.4. Material may be repurposed and broadcast on linear television.
- 5.5. Content would also be offered in a form optimised for mobile usage.¹³ This would include access to daily news, sport and weather video bulletins. Where possible the BBC would use location-based technology, such as GPS, to deliver local video content to mobile devices, based on a user's location or preferences.
- 5.6. The BBC would make available the majority of its branded local video content to local news sites. This would allow the embedding of content into other websites on fair, reasonable and non-discriminating terms subject to BBC syndication guidelines and terms and conditions.

¹¹ Refer to annex I.

¹² Content will be repurposed in a format suitable for mobile platforms.

¹³ Like the BBC's main website, the BBC's dedicated mobile browser already offers multimedia content across BBC genres. This includes video news and sports content as well as local information.

- 5.7. The BBC would use its existing network of 'big screens' to deliver local video content to urban audiences.¹⁴ (See figure 5.1)

Figure 5.1: the BBC uses big screens in outdoor settings



- 5.8. The proposal **does not** include distribution via conventional broadcast television (DTT, cable or digital satellite) but is likely at some point to be offered on television sets via internet protocol, in line with wider BBC plans and subject to obtaining any necessary consent from the BBC Trust.
- 5.9. Local video will operate 24 hours a day, seven days a week, without a predefined publication schedule.

6. Geographical Coverage

- 6.1. The proposal covers 60 geographic areas (table 6.1) and expands upon existing BBC provision:
- In 55 areas in England, Scotland, Wales and the Isle of Man, the geographical coverage of current BBC Local websites will remain unchanged.
 - In Northern Ireland, two new websites are currently under construction;¹⁵ and in Cheshire, Buckinghamshire and Surrey, three new local websites are planned.¹⁶

¹⁴ Note: big screen provision does not form part of this assessment.

¹⁵ As part of current bbc.co.uk service licence activity.

¹⁶ As part of local video proposals.

Table 6.1: the 60 BBC local video areas

Existing BBC local radio station and BBC Local website	Existing BBC Local website but limited BBC radio¹⁷
Newcastle	Dorset
Cumbria	Somerset
Tees	
Lancashire	Existing BBC Local website but no existing BBC local radio¹⁸
Merseyside	
Manchester	
Leeds	Bradford (served by Radio Leeds area)
Sheffield	Black Country (WM radio area)
York (North Yorkshire)	Wear (Newcastle radio area)
Humberside (Hull)	Highlands & Islands
Lincolnshire	North East Scotland
Staffordshire (Stoke)	Tayside & Central Scotland
Hereford and Worcester	Glasgow & West of Scotland
Birmingham (West Midlands)	Edinburgh & East of Scotland
Coventry and Warwickshire	South Scotland
Shropshire	
Leicester	North West Wales
Nottingham	North East Wales
Derby	Mid Wales
Norfolk	South West Wales
Suffolk	South East Wales
Essex	
Northampton	Isle of Man
Cambridgeshire	
Beds/Herts (Three Counties)	Existing BBC radio and BBC Local website in development
London	
Kent	
Sussex (Southern Counties)	Foyle and West
Hampshire (Solent)	Belfast and East
Oxford	
Berkshire	Under-served by the BBC
Gloucester	Cheshire (parts served by Merseyside/Stoke)
Wiltshire	Buckinghamshire (served by Three Counties)
Bristol	Surrey (served by Southern Counties)
Devon	
Cornwall	
Guernsey	
Jersey	

¹⁷ Dorset receives an opt-out news service from BBC Radio Solent with separate news bulletins on week days. The BBC also invests in separate travel and sports coverage for the county. BBC Somerset broadcasts an opt-out from BBC Radio Bristol for 44hrs pw.

¹⁸ The BBC does not provide the same breadth and depth of local radio coverage in Scotland as it does in England, but some news bulletin services do exist, such as for Highlands & Islands, the NE, and community services for Orkney and Shetlands.

- 6.2. The local video proposal will build upon these websites, specifically:
- In 40 areas in England and the Channel Islands, local video will complement existing local radio and website provision.
 - In 15 areas (three in England, six in Scotland, five in Wales and one in the Isle of Man) local video will enrich an existing local website offering.
 - In two areas in Northern Ireland, local video will complement existing local news provision and the two BBC Local websites currently under development.
 - In Cheshire, Buckinghamshire and Surrey, areas that are currently under-served¹⁹ by the BBC, local video will add a new tier of local provision.
 - In Wales, local sites will be available in both English and Welsh, bringing the total number of local services to 65.

7. Functionality

- 7.1. Users would be able to tag, rate and share local video stories.
- 7.2. Current and archive local video content would be accessible via the bbc.co.uk site-wide search engine. In line with the overall approach to archiving on bbc.co.uk, local video content would be available in perpetuity.
- 7.3. Users would be able to access local video stories from any of the 60 geographic areas, regardless of their own location.
- 7.4. Improved navigation, including an interactive map of each of the 60 local areas,²⁰ would allow users to locate text, audio and video content with greater ease (figure 7.1). It would guide users to the latest material, while offering links to the BBC's wider news, sport, travel and weather offering.

¹⁹ Parts of Cheshire are currently served by Merseyside and Stoke; Buckinghamshire is served by Three Counties; whilst Surrey currently falls into Southern Counties, which includes Sussex.

²⁰ As noted in section 3, improved navigation forms part of the ongoing modernisation of BBC local provision and will not be affected by the outcome of this assessment.

Figure 7.1: bbc.co.uk interactive map (for illustrative purposes only)



8. Cost and Reach

- 8.1. By 2013/14, local video is projected to achieve a weekly reach of around 11% of UK households (3.2 million in total).
- 8.2. The BBC has assessed the cost of delivering local video over the five-year period 2008/09 to 2012/13. The BBC's investment in local video would be phased, increasing by increments each year, starting in 2009/10 (no spend in 2008/09) and reaching maturity at around £23 million a year in 2012/13.
- 8.3. This equates to an average cost of around £350,000 a year for each of the 65 offers across the UK.
- 8.4. Proposed investment in the new local video service to 2012/13 is £68 million. Taking account of planned incremental investment in BBC Local sites above the 2008/09 baseline budget for bbc.co.uk, this amounts to around 90% of the total.
- 8.5. The proposal provides for a gradual increase in staffing across all of the 65 offers over the five-year period. A total of 60 areas are identified, each with an average of around six staff. This compares with around four staff per service for existing BBC local online content.

9. Content Syndication and Acquisition

- 9.1. **Content syndication:** the BBC would make available the majority of its branded local video content to local news sites. Local video content could be

embedded in external sites, whether not-for-profit or commercial, allowing individuals and organisations to supplement their coverage with BBC material.²¹

9.2. **Purchasing local video news:** the BBC would make available an annual fund rising to around £800,000 by 2012/13 with which to source local video news from external providers on a commercial basis.²²

10. Linking to External Sites

10.1. **Links to external sites:** bbc.co.uk already provides related internet links to external sites (figure 10.1). Under proposals BBC management intends to improve access to external sites²³ by linking, where possible, from individual BBC video stories to coverage of the same or related stories by other local news providers.

Figure 10.1: example of current external linking from BBC sites

The screenshot shows the BBC News website interface. The main article is titled "Disabled man's killers win appeal". It features a photo of three young men (the killers) and a photo of Brent Martin (the victim). The article text describes the court decision and the background of the case. A red circle highlights the "FROM OTHER NEWS SITES" section, which contains the following links:

- Northern Echo Family heartbroken after killers' sentences are cut - 7 hrs ago
- Peterlee Mail Disabled man's murderers: win sentence appeal - 13 hrs ago
- Sunderland Echo Brent's killers have jail terms cut - 18 hrs ago
- About these results

²¹ Subject to BBC syndication guidelines and the BBC's terms and conditions.

²² Subject to compliance with applicable regulatory requirements.

²³ In line with current editorial policy.

11. Partnerships and Training

- 11.1. **Editorial:** the BBC would seek to develop appropriate editorial initiatives with local news providers.²⁴
- 11.2. **Community media:** under proposals, the BBC would aim to build on formal partnership agreements with the Community Channel and the Community Media Association to improve digital media literacy.
- 11.3. **Training:** the BBC would seek to provide informal advice on shoot and edit skills to local non-BBC news providers, publishers and radio stations.

²⁴ One example from the BBC's recent local television pilot in the West Midlands was a shared photographic competition with the Shropshire Star.

Annex I, Breakdown of Existing BBC Local Online Provision

Local video would operate in the context of existing BBC local provision, which currently serves audiences under the terms of the bbc.co.uk service licence. Existing BBC local content in video includes approximately two to three stories per area per day. Overall local content on bbc.co.uk currently includes:

News

- The main news stories in each local area in text
- Audio is added where appropriate from radio output
- Full nations and regional television news bulletins available on-demand
- Video stories are added when the relevant story has been filmed for regional or national output. News stories are often supported with graphics and maps
- Local information and updates in times of civil crisis like the floods of 2007
- News text, video clips and television news programmes are available in perpetuity

News-related material

- Includes local events – for example music festivals, sporting events and local celebrations
- Stories and content to support BBC campaigns like Children in Need and Abolition (of slavery)
- In local radio areas, some online information supporting the station's output and cross-platform editorial projects across the local radio agenda

Sport

- The main stories in each local area in text. Audio from radio output is added where appropriate. Video coverage is added from BBC Sport where it has the appropriate online rights or if it has been filmed for national or regional television output.

Travel

- Updated information via live feed from a traffic information provider
- Links to traffic cameras operated by traffic agencies

Weather

- Feeds of information and graphics from BBC Weather Centre in partnership with the Met Office

User generated content

- Interaction from users which fits in with the editorial purposes of BBC Local is encouraged; this includes text comments, blogs, written features, photo galleries and citizen journalism in text and video. All such content will continue to fit the sites' editorial purposes and comply with BBC Editorial Policy including guidance on moderation.

Linear derived content

- Video as part of pan-BBC projects or deriving from BBC linear content around key BBC knowledge-building genres, such as nature and outdoors, heritage and history, arts and culture and faith.

Live streaming

- Sites stream local radio live when they serve an area with local radio coverage. Separate streams of major local events are also offered on merit, in audio and video. Examples include sports where BBC Sport has the rights (e.g. cricket coverage and a range of minority sports) and political debates as well as video streaming of events such as the Tall Ships Race and the Bristol Balloon festival.

Mobile

- Text and re-versioned video material is made available to internet-enabled devices such as mobile phones. Examples include the Luton festival and the Bridgewater carnival.

Podcasts and audio on-demand

- Sites offer audio programmes and highlights on-demand, as well as podcasts of radio highlights.