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As you know, the Royal Charter sets the BBC six Public Purposes and charges the Trust with setting the framework to deliver them. To help us do this, the Trust has consulted widely on what people think about how the BBC is performing in these six areas and how they rank the importance of each priority we proposed in draft Purpose Remits.

This work showed a generally high level of approval for the BBC's output and overall endorsement of the priorities set. It also highlighted some key areas where licence payers clearly believe the BBC can and should do better. Though not surprisingly, opinions about importance and performance differed amongst the range of demographic groups.

All this data was very helpful in informing the debates amongst the Trustees and with you during the summer about the BBC's future. Indeed, as we discussed on several occasions at that time, the BBC faces a complex set of demands. It is therefore important for the Trust to set clear priorities and realistic expectations informed by our research.

The Trust has now finalised the Purpose Remits and has made some changes in light of what we have learned this year. The note attached details the main areas of importance to the public. Of these, the Trust is highlighting the following as top priorities:

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- Our first piece of research showed that the biggest single desire of everyone we surveyed is for the BBC to work harder to provide television programmes that are fresh or demonstrate new ideas. We have done some further in-depth analysis on this because we wanted to be sure we properly understood what the public expect in response. What we have learned is that audiences do not want a radical change of direction from the BBC: there is support for programming in every genre and they value the familiar BBC classics that no-one else offers. It seems that, although there is more choice of channels across UK television as a whole, people nonetheless perceive there to be less choice of programmes and they are keen to see the BBC give greater prominence to the range of its high quality work. That said, this is not just about perception. People do expect the BBC to avoid well-trodden paths and they are clear that their expectations of the BBC are different from other broadcasters. Our session with you and your colleagues earlier this week was a good start to establishing a common understanding across the BBC about what we mean when we discuss the issue of distinctiveness and the Trust looks forward to continuing this dialogue next year.
- Performance in News and Current Affairs is rightly seen to be strong but the BBC is not always serving everyone on the audience as it should, with those who fall within the category of 'low BBC approvers' perceiving a performance gap. You are addressing this as part of the six year plan to reach out to new audiences without jeopardising the support of existing and loyal audiences.
- Education and Learning is seen as core to the BBC's remit, particularly by those with children. The Trust expects to receive early next year the Executive Board's fresh proposition for formal education provision for children in the light of the suspension of Jam.
- Audiences in the different UK nations also identified some sizeable performance gaps in how effectively the BBC represents the different nations, regions and communities and its provision for them. They have also raised questions about how the BBC is reflecting the realities of devolution in its network news coverage and the Trust has recently announced a specific review of this.

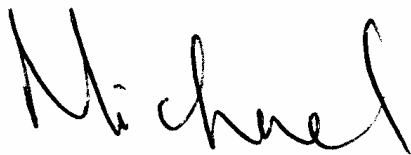
We look forward to receiving your plans for delivering these and all the priorities identified within each of the Purpose Remits early next year. The Trust will then make any amendments to Service Licences that are needed.

For the benefit of everyone who contributed to the consultation we are making public on our website where we have amended the Remits, the reasons for the changes, and importantly, explaining why we have decided against some other changes suggested by the consultation. This note is also enclosed for your information.

The publication of Purpose Remits marks the end of what has been an extraordinarily busy first year of the new Charter period for all parts of the BBC. However, it also marks an even more significant beginning – namely the implementation of the strategic plan that we approved in October which has serving audiences in line with their expectations and priorities as its core aim.

The Trust will assess the BBC's performance in terms of how well it has succeeded in this task and the Trust looks forward to working with you and your staff in making the BBC still more effective in creating value for everyone.

Yours

A handwritten signature in black ink that reads "Michael". The script is cursive and fluid, with the first letter 'M' being significantly larger and more stylized than the rest of the name.

Sir Michael Lyons
Chairman, BBC Trust

Enclosures:

- A. The public's priorities for action
- B. New research for the BBC Trust on innovation and distinctiveness
- C. Explanatory note on changes made in finalising the Purpose Remits
- D. Final Purpose Remits