

BBC Trust

Approval of BBC Online strategy

January 2011

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Summary

This document sets out the BBC Trust's decision to approve the BBC Executive's detailed plans to change the BBC Online service, having endorsed the principles behind those changes as part of its consideration of the Executive's *Putting Quality First*¹ strategy proposals for the BBC as a whole. It also explains why the Trust concluded that it could reach that decision without first conducting a Public Value Test ("PVT").² The changes will be reflected in variations to the service licence for BBC Online which will be published shortly.

The BBC Executive's plans for the period to 2013/14 for BBC Online (set out in an annex at the end of this document) involve a budget reduction of around 25%, together with a number of changes designed to make the service more focused on delivering the BBC's *Public Purposes*³, with clearer editorial boundaries, and providing more high quality content. The Trust thinks the BBC Executive's strategy for BBC Online addresses the challenges we put forward in July last year, and is consistent with the *Putting Quality First* strategy that we have now set. We also consider that the changes to BBC Online may help to clarify the BBC's activities in relation to the wider online market, and improve the quality and navigability of the site for licence fee payers.

The Trust also wants the BBC Executive to ensure that it follows up these proposals in the future with the most effective management of the service possible, and with improvements to its editorial focus, distinctiveness and market impact. Following this approval, the Trust will therefore fulfil its earlier commitment in the service review of BBC Online to review the management controls in 2011. The BBC Executive responded to our service licence review by changing the system of management for this service. We will now assess the effectiveness of strategic, editorial and financial leadership of the service, including areas that were earlier found by the Trust to be weak: the processes used to assess the distinctiveness and potential market impact of the BBC's online activities, and the contribution those activities make to achieving the BBC's public purposes.

The Trust will also ask the BBC Executive to develop further its understanding of the online market and of which parts of its own online service might have particular market sensitivity. We will ask the Executive to consider, for such parts of the service, whether there is anything more that could be done to help improve further the distinctiveness of BBC Online and reduce further any negative impact on the market.

Clause 25 of the Framework Agreement requires the Trust to apply a PVT before making any significant change to the BBC's UK Public Services. "Significance" is judged by the Trust against four considerations: the likely impact of the changes on audiences (or users) and others; financial implications; novelty; and duration. In this case, Clause 25 requires the Trust to presume that a PVT is required although it has the discretion not to apply a PVT depending on its assessment of these considerations.

¹ http://www.bbc.co.uk/bbctrust/assets/files/pdf/review_report_research/strategic_review/strategy_review.pdf

² The PVT is a formal process that must precede any significant change to the UK Public Services. The Trust assesses the public value of the proposed change, and Ofcom assess the market impact of the proposed change, and the Trust then judges whether the public value outweighs any adverse market impact. A PVT always involves public consultation.

³ http://www.bbc.co.uk/bbctrust/assets/files/pdf/about/how_we_govern/charter.pdf

Our analysis across all four criteria has led us to conclude that in this case the BBC Executive's proposals should not be classified as significant for the purposes of Clause 25 of the Agreement. Although the budget reduction is large, the streamlining and refocusing of the service will not change its essential nature, and greater clarity will assist the BBC's competitors in the online market. We have therefore decided we are not required to apply a PVT.

Background

In July 2009 we asked the BBC Executive to undertake a full-scale review of the BBC's strategy, to decide what the future priorities and direction of the corporation ought to be. In March 2010, we published the BBC Executive's strategy proposals (Putting Quality First) which included the suggestion of a new Online strategy which would result in a 25% reduction in spending and stronger editorial boundaries. The Trust consulted publicly on the BBC Executive's strategy proposals. That consultation closed on 25 May 2010, and we published our interim conclusions in July (see below).

Our final conclusions on the strategy review were published on 14 December 2010. The strategy set by the Trust emphasises the BBC's role as a public service, and the need for it to distinguish itself from the rest of the market and hold the trust of the people who pay for it. It is a strategy for accelerating changes in BBC culture and behaviour that are already under way. It contains four objectives for the BBC in the rest of this Charter period:

- Increase the distinctiveness and quality of BBC output – all programmes should aim to have a recognisable, distinct BBC quality
- Improve the value for money the BBC provides to licence fee payers – increased efficiency along with increased investment in high quality output
- Set new standards of openness and transparency – so that the public and the market both understand how the BBC spends its money, how it is performing and what it plans to do next
- Do more to serve all audiences – getting the BBC's services to the whole population; ensuring there is something for everyone; representing the whole of the UK in its output

These themes and objectives are discussed and developed in the Trust's published document, which can be found at:

http://www.bbc.co.uk/bbctrust/assets/files/pdf/review_report_research/strategic_review/final_conclusions.pdf

We received over 47,000 licence fee payer responses and a large number of industry submissions to our public consultation on the strategy proposals as a whole. With regard to the Executive's stated future strategy for BBC Online, whilst there was generally strong support from licence fee payers for the BBC Online website, and opposition to any proposed cutbacks, this was in some measure tempered by a broad acknowledgement that the BBC currently faced a tough economic climate and increased pressure to deliver value for money. This echoed a common theme throughout the industry submissions we

received suggesting that some rationalisation of BBC Online was required as part of a wider strategy of doing fewer things better. We have taken these views into account in our assessment of the BBC Executive's plans for BBC Online.

In our initial [Strategy Review conclusions](#)⁴ published in July 2010, we said we would welcome a simpler and clearer focus on core online publishing such as News, Sport and Weather alongside BBC iPlayer and we endorsed in principle the BBC Executive's proposal to reduce the budget for BBC Online by 25%. We also acknowledged the continued potential for BBC Online to add editorial value in other priority areas (in educational content for school students, for example), but we also tasked the BBC Executive with ensuring the service was not reduced merely to providing background material in support of other TV and Radio services. We emphasised our desire to see more effective editorial controls and leadership for BBC Online, with effort and funding concentrated where the BBC has a clear and distinctive role, and to remove BBC content where it does not have a clear public service rationale behind it. We also wanted to see greater clarity as to the correct balance between audio-visual and text-based content.

On this basis, we asked the BBC Executive to develop its plans for re-shaping BBC Online. The BBC Executive has submitted its strategy proposals⁵ for BBC Online to us, and we have now completed our assessment of these.

Our final conclusions are consistent with our initial conclusions, and we have assessed the Executive's proposals against both the final conclusions and the discussion of Online strategy contained in our initial conclusions document.

Role of the Trust

The Trust's approach

In assessing the BBC Executive's detailed proposals, we have considered three key questions:

- a) whether the proposals fit with the BBC's *Putting Quality First* strategy, set by the Trust in December 2010
- b) whether the proposals are covered by a current service licence or require variations to any service licences (including variations to any of the key characteristics of those service licences)
- c) whether the proposals must be subjected to a Public Value Test before any decision is taken to approve or reject them.

Below, we outline the Trust's role in relation to these three questions. We then summarise the BBC Executive's proposals for Online, and then explain the Trust's decisions in each of these areas and the reasons for them.

⁴ http://www.bbc.co.uk/bbctrust/assets/files/pdf/review_report_research/strategic_review/interim_conclusions.pdf

⁵A brief summary of the BBC Executive's plans to change BBC Online is included here. A more detailed description is included in the annex at the end of this document.

The BBC's strategy

The BBC Trust is the governing body of the BBC and has responsibility for setting its overall strategic direction. Our responsibilities with respect to the BBC's strategy are set out in the BBC's Royal Charter. Specifically, Article 24(1)(a) places a responsibility on the Trust with regards to setting the overall strategic direction of the BBC. Article 24(1)(b) requires that the Trust approves the BBC's high level strategy and budgets in respect of the BBC's services and activities in the UK and overseas. As part of its triennial review of the BBC's strategy, the Trust asked the BBC Executive to undertake a thorough review of its strategy and we published the BBC Executive's *Putting Quality First* strategy proposals in March last year. In this document, we explain how we reached our conclusion that the Executive's proposals for Online are consistent with the strategy we have set.

The Trust's service licences

The Trust issues each of the BBC's services with a licence. The licences set out what we expect each service to achieve and how much money we have agreed each service can spend, and we review each service at least once every five years. Any proposed changes to a service licence must first be approved by the Trust.

We have assessed the BBC Executive's plans for BBC Online in relation to the BBC Online service licence, last issued in July last year, and concluded that, if the plans were approved, a number of changes to the licence would be required. Having made that decision, we will be publishing a variation to the current service licence early in 2011, the details of which are set out below.

Assessment of whether the proposals are a "significant change"

The Trust must apply a PVT before a decision is taken to make any significant change to the BBC's UK Public Services. If the proposal involves a change to a matter defined as a "key characteristic" in the licence, the Trust's starting-point must be a presumption that the Trust will apply a PVT. In deciding whether a proposal constitutes a significant change to the BBC's UK Public Services, the Trust must have regard to the four considerations set out in Clause 25 of the Agreement: the impact, financial implications, novelty and duration of the proposed change. The Trust considers each of these factors before reaching a view based on their combined effect. Having conducted our analysis we have concluded the changes do not represent a significant change to the UK Public Services. This conclusion and the reasons for it are explained in detail later in this document.

Plans for BBC Online

A brief summary of the BBC Executive's plans to change BBC Online is set out here. A more detailed description is included in the annex at the end of this document. Overall, the BBC Executive proposes a 25% reduction in the BBC Online service licence budget by

2013/14. The changes accompanying this budget reduction involve refocusing and reorganising BBC Online around clear audience-facing lines and reducing the number of 'top level domains' and 'products' to make the site less complex, easier to use and more closely aligned to the BBC's Public Purposes and its editorial priorities.

The BBC Executive defines 'products' as the basic unit of output for BBC Online. A product is a fully formed, cohesive entity within BBC Online that unites editorial, design and engineering capabilities to meet a defined audience need. Currently, a product can range from a relatively large offering, such as News, to smaller offerings such as the sites complementing the BBC's radio services. In the future, the BBC Executive will reduce the number of products which will all be broadly similar in scale.

The BBC Executive's plans would see three of the existing products close (Switch, Blast! And H2G2) and four of them automated (1Xtra, 5 Live, 6 Music and Radio 7). Automation in this context means that the products would remain part of BBC Online within the new structure, but the development and creation of bespoke content for these sites would be scaled back to reflect more closely the content of the accompanying linear service. BBC Online is, by its nature, an evolving service, so further site closures and automations cannot be ruled out in the future.

Products not closed would then be reorganised into a structure consisting of ten products which fall within the following groupings:

1. News, Sport and Weather
2. BBC iPlayer and TV
3. Radio and Music
4. Children's
5. Learning and Knowledge

Product groupings	Product
News, Sport and Weather	News Sport Weather
BBC iPlayer and TV	TV & iPlayer
Radio and Music	Radio & Music
Children's	CBBC CBeebies
Learning and Knowledge	Learning & Knowledge

Products not included in any specific grouping are: Homepage and Search.

The restructuring will also involve the number of 'top level domains' (i.e. bbc.co.uk/xxx) being reduced from around 400 to 200, and the number of 'products' being reduced from around 60 to 10.

The audience-facing changes to the content of the website will reflect the BBC Executive's proposals to reorganise BBC Online at the product level:

- In News, a refocused entertainment news offer focused on culture, media and the arts. Closure or automation of most bespoke news programme sites and closure of some specialist blogs
- In News, the local sites will change via the removal of local listings, people and places, nature and outdoors, Video Nation and Black Country, Bradford and Wear local sites. Improved RSS based external linking from local sites
- In Sport, a reduction in the breadth of sport news and live sport and greater automation, with interactivity focused more on major stories and sports events. Closure of the sport news video bulletin, the 606 site and a number of blogs
- The Nations editions of the products, (non-News and Sport), reduction to less than half the number of top-level domains and closure of all bespoke programme pages. Other content pages integrated with pan-UK products. Maintenance of indigenous language pages
- In Children's, reduction in the rate of development of new sites and closure of safe search and the community section
- In Learning, clearer editorial boundaries and improved industry engagement as identified in the recent BBC Trust [review of BBC Learning's online offer](#)
- In Knowledge, automation of most programme sites, closer ties to broadcast output
- In Radio & Music, a very substantial reduction in scope. Closure of bespoke digital radio sites, standalone music event sites, and cessation of sessions filming beyond Radio 1
- In Television, (drama, entertainment & comedy), a substantial reduction in scope. Automation of all programme sites beyond biggest shows such as EastEnders or Doctor Who.

Additionally, the BBC Executive is committing to double the number of clickthroughs from BBC Online to external sites, and to increase the proportion of total online production spend in the devolved Nations. Over time, the Trust expects this will increase to 17% from a current level of around 12% (Nations (non-news) and pan-BBC product spend in the Nations) to match the geographic distribution of the UK population (as in linear television), starting with greater alignment between multiplatform production and existing areas of production expertise.

In the remainder of this document, we set out our assessment of these planned changes as a whole in relation to the BBC Online service licence requirements, and the criteria used to test the significance of the BBC Executive's proposals, as set out in Clause 25 of

the Agreement, and in the light of the presumption we are required to apply that a PVT should be conducted.

The Trust's Decision

Approval of the BBC Online strategy

The Trust is approving the BBC Executive's detailed new strategy for BBC Online, to guide its development to 2013/14. We support the aims of the new strategy which will create defined editorial boundaries, increase quality and improve navigability of the website within the confines of a reduced service licence budget. We believe the new strategy will enhance delivery of the BBC's Public Purposes through better prioritisation of spend, helping to preserve the breadth and depth of the BBC's portfolio of services during a period when licence fee income will effectively be reduced following the agreement of a new six year licence fee settlement with the Secretary of State, involving the freezing of the licence fee at its 2010 level.

The Trust has reviewed the BBC Executive's detailed strategy for BBC Online in light of its wider *Putting Quality First* strategy proposals and the strategy set by the Trust in December 2010 in the light of those proposals. The approach set out in *Putting Quality First* focuses on doing fewer things better, and the Trust considers that the BBC Executive's proposals for BBC Online are consistent with this approach.

In our provisional Strategy Review conclusions, we noted that the BBC needed to prepare for a future where it would have two distinct online functions – iPlayer will have an important role providing on-demand radio and TV-like content, while BBC Online should remain a publisher of distinctive, original public service material for the web. We agreed in our provisional conclusions that the first step should be to simplify the existing content on BBC Online, and to strengthen editorial control of its future development.

Much of this assessment focuses on the simplification of BBC Online, and the Trust accepts that the BBC Executive's plans for BBC Online in this regard will help to create a new, clearer and coherent boundary around what the BBC does online, with resources better focused on making that content high quality and distinctive.

However, we note that the BBC Executive's plans for BBC Online also articulate a new basis for strengthening the editorial control of BBC Online in the future, based on a new internal product management structure. Although we think this could form the basis of improved editorial control of BBC Online, we believe BBC Online requires strong leadership in this area, and we have challenged the BBC Executive to do more to strengthen its editorial oversight of the future development of BBC Online.

Further, we have also challenged the BBC Executive to do more to create a stronger framework to ensure the future development of BBC Online aligns more closely with the new strategy and maintains the boundaries drawn up by *Putting Quality First*.

We have concluded that in approving the BBC Executive's strategy, a number of conditions are required to ensure the continued development of the BBC Online site is in alignment with the wider aims of *Putting Quality First*.

- (1) the Trust will fulfil the commitment it made in its review of BBC Online in 2008 to review the management controls for BBC Online in 2011
- (2) the Trust is asking the BBC Executive to begin a programme of work to develop further its understanding of the online market and of which parts of its own online service might have particular market sensitivity and consider, for such parts of the service, whether there is anything more that could be done to help improve the distinctiveness of BBC Online and reduce further the impact on the market.

Changes to the BBC Online service licence

The Trust has considered the BBC Executive's new plans for BBC Online against the existing BBC Online service licence and has decided that some limited variations to the wording of the service licence will be required. In particular we will update the requirement for clickthroughs to external sites by adding an overall target to the performance framework for the service, and the service licence annexes will be updated.

The proposal to reduce the BBC Online budget by 25% falls outside the usual 10% in the BBC Online service licence within which the budgets can be varied year to year, and therefore represents a change to one of the key characteristics of the BBC Online service licence. It is this factor that establishes a presumption that the Trust should carry out a PVT. However, a requirement to carry out a PVT in such cases is not automatic. The Trust must assess the proposal according to the four criteria set out in Clause 25 of the Agreement, following which it may still decide that there is no need for a PVT to be applied.

Excluding the budget, the Trust believes that the service licence remit and the other stated key service licence characteristics for BBC Online do not require any change as a result of this proposal.

A revised service licence for BBC Online containing these amendments will be published on the Trust's website shortly.

Test of significance of the BBC's plans

Our assessment of the BBC Executive's proposed changes to BBC Online in respect of the factors set out in Clause 25 of the Agreement is set out below:

Impact

We considered the potential impact of the proposals on audiences at the site level, and on the wider market at the product level. This is because we believe audiences more closely relate to specific BBC Online websites based on relevant reach and usage data. Market impacts, however, are more easily understood at an aggregated level using the product based approach that the BBC Executive plans to adopt for the future management of the service.

Impact on audiences

BBC Online is one of the BBC's most widely used services, reaching around 20m people each week⁶ and is one of the BBC's most widely used services. The Trust's review of Online, published in 2008, highlighted the value it gives its users via its strong contribution to the BBC's public purposes. For these reasons, any change to BBC Online has the potential to have an impact on its users.

Our analysis in this area is based on performance and other audience data collected on an ongoing basis by the BBC and assessed by the Trust on a regular basis, as well as for the purposes of this analysis. We have also taken into account feedback from audiences received by the Trust as part of the BBC's strategy review and when the Trust undertook its service licence review in 2007.

The Executive expects that reach to the service will rise from 55% of online adults in 2010 to 65% in 2013/14. This is a lower projected increase than under the previous strategy, where reach was expected to rise to 75% at this point. We think that 65% reach is a reasonable projection, based on the range of output offered by BBC Online.

The Executive also expects user appreciation of the service to rise from an average of 79 to over 80 in 2012/13, with fewer sites and products recording low appreciation scores.

The Trust does not believe that the proposed changes will be significant for most users of the service overall. The following points support this assessment:

- the biggest changes are happening to parts of the service with lower reach and/or approval. The most used products – News, Sport, Homepage and iPlayer – are all changing very little overall.
- this does not, of course, preclude there being an impact on users of the particular sites within those products which are changing or closing. We have seen from regular analysis of performance data for BBC Online that changes to any BBC website often meet with an initial negative reaction as users are confronted with changes to a site they use regularly which may disrupt their normal usage. However, in most cases, user appreciation then builds back up again as audiences become familiar with the changes. The number of site closures is low and the users of these represent a small proportion of the overall audience for BBC Online.
- although the Trust acknowledges that to some extent both BBC Switch and BBC Blast! provide a unique and safe online environment for teenagers, they are not widely used and lack impact.
- reconfiguration of existing sites and products into fewer, larger product groupings is primarily a matter of organisation.
- reorganisation of the audience-facing structure of BBC Online along clear audience-facing lines is likely to improve the audience experience and navigability of the site as recommended in our review of BBC Online as an area for improvement.

Our overall assessment of the degree of change in each of the main products/sites of BBC Online is set out in the table below, based on the Executive's view of the impact of these plans.

⁶ Data for Apr-Jun 2010, taken from BBC Cross Media Impact (CMI) survey which measures people, not 'unique users'

Product/site	Reach*	Degree of change
News	10.9m	Low. "Will function similarly to current offering"
Sport	8.9m	Low. "Will function similarly to current offering"
Homepage	6.5m	Low. "No significant changes"
iPlayer	6.0m	No change
TV	5.4m	High: v significant reduction with few bespoke programme sites
Weather	4.1m	Low. "No significant changes"
Radio & music	3.5m	Medium/high: "A very significant reduction in scope" and a major reduction in spend leading to site automation & closures
Knowledge	1.8m	Medium: No closures, but scope of sites reduced and few bespoke programme sitse; Food and Gardening to have closer ties to TV output
Formal learning	1.2m	Medium: No closures beyond those already agreed by Trust - Blast.
English Local	0.9	Medium: reduction in scope to just news/sport/weather/travel in order to improve focus and clarify offer
CBeebies	0.8m	No change
CBBC	0.8m	Low: closure of few bespoke programme sites and 'safe search'
Nations (non-news)	0.1-0.8m	Medium: nb. little change to news/sport; but non-news "nations editions" will have few bespoke programme sites

* Reach = weekly unique browsers (millions) in 2009/10.

Impact on others

The Trust's analysis of the BBC Executive's proposals focuses on the closure of three existing products and the automation of four others, with the remaining existing products mainly being reorganised into ten new products. BBC Online is, by its nature, an evolving service, so further site closures and automations cannot be ruled out in the future.

The product reorganisation should (amongst other things) help to achieve the important objective of making BBC Online more clear and coherent editorially, including placing a check on the addition of new websites: if a proposed new site does not fit within the product portfolio structure then it is likely that it is not appropriate for the BBC to develop it. The following analysis therefore focuses on the impact of current plans for product automation or closures as presented to the Trust.

(a) Impact on competitors

Budget reduction and restructure of BBC Online website

The BBC Executive plans to reduce the BBC Online budget from its 2010/11 level of £137m (against a stated service licence budget of £134.3m) to around £103m by 2013/14 – an overall reduction of around 25%. The budget reduction will not be applied uniformly across BBC Online. Instead, future spend will be prioritised according to the five key editorial priorities set out in the BBC Executive's *Putting Quality First* strategy proposals, which broadly sit within five product groupings. As a result, the Trust's consideration of the impact of the proposed budget reductions has focused on the relative shifts in content funding as well as the overall scale of the reduction.

Whilst there are some reductions in the proportion of content funding for each of the five product groupings from 2010/11 to 2013/14, there are some proposed increases in the

proportion of funding being devoted to News, Sport & Weather and Children's. Further detail is given below, under "Financial implications".

In terms of absolute funding changes, all product groupings will have a reduced cash funding position by 2013/14:

News, Sport & Weather -£5.6m

Learning & Knowledge -£5.3m

Radio & Music -£4.4m

BBC iPlayer & TV -£3.5m

Children's -£1.4m

The Trust considers that organisations potentially affected by the planned changes to BBC Online are broadcasters, online service providers and independent companies or individuals providing online content that could be considered as alternatives to content supplied via BBC Online.

In making its assessment of the impact of the proposals on competitors the Trust notes the Executive's aim of focusing BBC Online more clearly on distinctive and high quality content of real public value. In particular the Trust notes the plan to move away from less distinctive online content such as fantasy football games.

The Trust therefore considers that whilst these changes are unlikely to have a significant impact on competitors in the market, we note that they might in fact lead to some positive impacts by helping to create a clearer rationale for the BBC's future online activities and providing greater certainty to the market as a whole through clarifying the BBC's online boundaries.

Closure of products

For the most part, decisions about the closure of individual websites are a matter solely for the BBC Executive, subject to compliance with the Trust's Statement of Policy on Competitive Impact and the requirements set out in the Trust's service licence for BBC Online. In this case, we have considered the cumulative effect of the closures in the context of our assessment of significance. The closure of BBC Blast! has already been approved and this has already been reflected in the current BBC Online service licence⁷. BBC Switch has also closed since the BBC Executive submitted its proposals for BBC Online to the Trust.

BBC Switch and BBC Blast!

The BBC Switch site is designed to appeal to a teenage online audience, and presents a multimedia mix of Radio, TV and Online content together with some mobile content. It links together teen content from Radio 1, 1Xtra, BBC Blast! and some TV shows such as EastEnders. The Switch site also links to Slinky – a magazine styled website for teenage girls offering a mix of fashion, real life stories and health advice.

⁷ Please see the following section of the BBC Trust website for further information:

http://www.bbc.co.uk/bbctrust/our_work/service_reviews/service_licences/bbc_co_uk.shtml

The BBC Blast! site is also aimed at a teenage audience, providing a mix of community outreach activities, work experience and online projects providing media literacy and engagement through a range of activities and competitions.

The BBC Executive states that the proposed closures of these products, although based primarily on relatively low audience reach and usage figures, will enhance value for money and create greater market clarity as to the BBC's scope and scale.

The Trust considers that whilst these changes are unlikely to have a material effect on competitors in the market, they may help to define clearer boundaries around BBC Online.

h2g2

The BBC Executive proposes to remove the h2g2 product from BBC Online by divesting ownership of the brand and site to an independent third party. The h2g2 product is a mix of social networking, knowledge repository and discussion group based on the Hitchhiker's Guide to the Galaxy. This is unlikely to have a material impact on other online organisations and on the market as a whole.

Automation of products

The automation of some radio websites proposed in the BBC Executive's new strategy for BBC Online builds on an existing technical approach that applies to a number of websites that accompany and augment linear broadcast content on BBC television and radio services.

In its initial conclusions on the BBC Executive's *Putting Quality First* strategy, the Trust tasked the BBC Executive with ensuring that the BBC Online service was not reduced to merely supporting the provision of linear content on television and radio. Although automation will inevitably reduce the scope for creating bespoke content for these sites, the Trust does not consider that the new strategy will significantly alter the online proposition in each case, as the sites will continue to provide content for audiences that will enhance and strengthen the BBC's linear output.

We therefore do not consider that any significant market effects for competitors would follow from adopting this approach.

Clickthroughs

In its review of BBC Online published in May 2008, the Trust asked the BBC Executive to find ways of increasing the effectiveness of its provision of external links, and ensuring that BBC Online helps its users navigate to external sites from all parts of the BBC website. In its plans for BBC Online, the BBC Executive has committed to double the number of current clickthroughs to third party internet destinations to around 22m clickthroughs per month, and to adopt an overall target for BBC Online to ensure clickthroughs form a key component of future strategic planning.

As part of its ongoing programme of service reviews⁸, research commissioned by the BBC Trust suggests that BBC Online has significant reach amongst UK internet users. The BBC Executive states that BBC Online has the fifth largest number of unique UK online users, equating to 20.6m unique users in 2010, an increase of 4% on the previous year. According to the BBC Executive, reach is projected to grow to 65% of all UK online adults in 2013/14, and BBC Online is currently the fifth largest source of internet traffic for UK newspaper websites.

The Trust asked the BBC Executive to supply further data on the range of current clickthrough destinations from BBC Online. The largest proportion of clickthroughs were to external newspaper sites relating to news, current affairs and sport.

The Trust considers that these proposals may help provide a range of third party sites with increased user traffic, creating positive benefits in those markets.

We expect to modify the BBC Online service licence accordingly to ensure this new promise to the market is followed through.

(b) Impact on suppliers

The Trust requires the BBC Executive to commission a minimum value of third party content for BBC Online through the online independent supply quota, as set out in the BBC Online service licence.

In its plans for BBC Online, the BBC Executive asked the Trust to consider a short term reduction in the minimum spend requirement whilst changes to BBC Online were being implemented, followed by an increased requirement designed to compensate the independent sector for any temporary fall in commissioning spend.

The Trust considered this proposal, but has rejected it on the basis that the online independent supply quota is an important aspect of the Trust's governance of the BBC Online service, and underpins our commitment to ensure BBC Online remains a distinctive, high quality service in its own right and that the BBC continues to engage with the online independent creative sector, particularly through difficult economic times.

Separately, the Trust has conducted a review of how the online independent supply quota is operating in practice. The quota remains in place and we will publish the results of our work on this separately.

In assessing the significance of the BBC Executive's plans in respect of suppliers to BBC Online, the Trust considers that suppliers are primarily digital agencies commissioned to supply audience facing content (including related technical services) to BBC Online. The Trust is mindful that a range of digital agency suppliers exists, providing a mix of content and technology from simple web text to large combined ("360") commissions of linear and online content. We are also mindful that suppliers to BBC Online exist on a spectrum from small sole traders to large media agencies. In this section, we assess the likely impact on suppliers of the BBC Executive's proposed changes to BBC Online.

⁸ Please see http://www.bbc.co.uk/bbctrust/our_work/service_reviews/service_licences/reviews_bbc_co_uk.shtml for further information

Budget reduction and restructuring of BBC Online website

Research commissioned by the Trust suggests that the advertising revenues of the top 100 online agencies in the UK totalled around £790m in 2009. In the same period, the BBC spent around £20m on independent supply for BBC Online. The BBC Executive's proposed 25% budget reduction for BBC Online, which the Trust agreed in principle in its initial conclusions to the BBC's *Putting Quality First* strategy, will inevitably reduce the amount of money available for commissioning despite the quota remaining in place.

The Trust acknowledges that the proposals will have an impact on some individual suppliers currently used by the BBC. However, in the context of the scale of the market, very few suppliers to BBC Online would rely on commissions from the BBC in the areas affected by these proposals as their sole source of income. In this context the Trust also considers that the BBC Executive's proposals to increase BBC Online production spend in the devolved Nations will have a broadly beneficial effect on the devolved Nations' digital economies, bringing the possibility of increased employment opportunities and investment in local suppliers of goods and services.

On the whole, therefore, the Trust does not view the potential impact on suppliers of a 25% budget reduction and reorganisation of the BBC Online website as significant.

Closure of products

BBC Switch and BBC Blast!

The current budgeted independent online commissioning spend for these two products is around £279,000 for the 2010/11 financial year. Although this spend is divided up between several suppliers, the Trust notes that for some smaller individual suppliers to these websites, any loss of income may be substantial. However, when seen in the context of the BBC's overall spend and the size of the digital content market as a whole, we do not believe the closure of these products will have a significant impact on the online independent supply market as a whole.

Given the Trust's requirement that the BBC Executive continues to spend a minimum of 25% of its eligible service licence budget on independent online commissioning, the Trust expects that the overall proportion of independent commissioning spend across the BBC Online portfolio should be sustained.

On the basis of our analysis, we do not believe that the BBC Executive's plans to close these websites will have a material effect on suppliers taken as a whole.

h2g2

As noted in our assessment of market impact in the previous section, the BBC Executive plans to divest itself of ownership of the h2g2 brand and website. We understand that no independent content is commissioned for the h2g2 site, and therefore the closure and sale of h2g2 to a third party will have no significant effect on suppliers to BBC Online.

Automation of products

The BBC Executive intends to automate the following products: 1Xtra, 5 Live, 6 Music and Radio 7.

The budgeted independent online spend for 2010/11 for these sites totals around £380,000. For each site, this equates to an average of around £96,000. Although this spend is further divided up between several suppliers, the Trust notes that for some smaller individual suppliers to these websites, the loss of any income may be substantial. However, when seen in the context of the BBC's overall spend and the size of the digital content market as a whole, we do not believe the automation of these products will have a material impact on the online independent supply market as a whole.

Further, given the Trust's requirement that the BBC Executive continues to spend a minimum of 25% of its eligible service licence budget on independent online commissioning, the Trust expects that although external spend for these sites will end, the overall proportion of independent commissioning spend across the BBC Online portfolio should be sustained.

Clickthroughs

The BBC Executive has committed to double the number of online referrals, or clickthroughs, to destinations beyond the BBC. Currently, some 11m clickthroughs from BBC Online to external websites are made each year.

The BBC Trust recognises the positive benefits of offering licence fee payers alternative destinations providing high quality content where this is editorially relevant and complies with the Trust's Statements of Policy on Fair Trading and Competitive Impact. In view of this, the Trust currently requires the BBC Executive to aim to increase the volume of clickthroughs to external sites from all parts of the BBC Online service.

We now expect the number of monthly clickthroughs from BBC Online to rise to around 22m by 2013/14, and this overall requirement will be reflected in a new clickthrough target in the BBC Online service licence.

Although the Trust believes that some suppliers may benefit from these changes, particularly where suppliers have created or contributed to sites outside BBC Online to which an online clickthrough is made, we believe that the overall effect on suppliers will be minimal and not material for the purposes of our assessment of the BBC Executive's plans for BBC Online.

Financial implications

In considering the financial implications of the BBC Executive's proposals the Trust acknowledges that the 25% reduction in the service licence budget constitutes a change to one of the key characteristics of the BBC Online service licence, which places a limit on year-to-year variations of 10%. However, as the table below shows, the budget reduction is spread across BBC Online, and will not substantially change the proportion of overall spend in each of the new product groupings.

Product grouping	2010/11		2013/14	
	Proportion /	Cash Budget	Proportion /	Cash Budget
News, Sport & Weather	37.8%	£37.9m	41.7%	£32.3m
BBC iPlayer and TV	9.7%	£9.7m	8%	£6.2m
Radio & Music	13.2%	£13.2m	11.4%	£8.8m
Childrens	8%	£8m	8.5%	£6.6m
Learning & Knowledge	21.5%	£21.5m	20.9%	£16.2m
Cash budget reduction*				£20.2m
Total budget reduction				£34m

**Net of production-related overheads, non-News and Sport Nations spend, Homepage, Search and central editorial functions.*

The Trust has not identified any wider implications for the BBC's financial position as a whole that might arise from the planned reduction in the budget for BBC Online. Having satisfied itself that there were no wider financial implications for the BBC the Trust, in making its assessment of the overall significance of the proposals, considered both the scale and the effect of the proposed budget changes. We concluded that the financial implications arising from the BBC Executive's strategy for BBC Online are not significant for the purposes of this assessment.

Novelty

The BBC Executive's strategy for BBC Online does not involve the BBC in any new areas of activity. Neither does it involve a complete withdrawal from any areas of activity.

Duration

The Trust has taken the budget reductions and future editorial focus contained within the BBC Executive's proposals for BBC Online to be of a permanent rather than temporary nature. In this instance we do not consider the duration of the proposed changes to be a leading factor in making our overall assessment of significance. The Trust's decision in this regard does not preclude the BBC Executive submitting future proposals to the Trust relating to BBC Online on the basis of new operational requirements, audience need or changes in market context.

Annex

Putting Quality First for BBC Online: Summary of Executive Submission

The detail of the BBC Executive's plans to change BBC Online is set out in this document. These plans are published with the Trust's assessment of them, which includes its decision not to apply a Public Value Test to the proposed changes to BBC Online.

1. Summary

In summary, the *Putting Quality First* strategy for BBC Online is:

1. **Doing fewer things, better** – with fewer, better products.
2. **Broadening horizons** – by presenting internal and external links to content related to that which prompted their initial visit to the site, which surprises and delights audiences.
3. **To create a common platform** for the whole of BBC Online to deliver consistently high-quality products with the greatest possible technical and fiscal efficiency.

2. Doing fewer things, better

BBC Online's mission, like that of the BBC as a whole, is to enrich people's lives with products and services that inform, educate and entertain. This strategy defines BBC Online's contribution to the Corporation's *Putting Quality First* strategy as doing fewer things, better resulting in fewer, better products. Under this strategy, BBC Online will have an essential role delivering the BBC's Journalism, Children's and Events priorities and pursue an ambition to make a bigger contribution to the Inspiring Knowledge, Music & Culture priority.

The basic 'unit of output' for BBC Online will be the Product: a fully-formed, cohesive entity within the service which unites editorial, design and engineering capabilities to meet a defined audience need. Applying this definition to the current portfolio suggests that there may be approximately 65 products on BBC Online today; by 2012/13 this number will reduce to 10 products, each operated and be managed as successful, fully-formed web offerings. We will improve the consistency and effectiveness of navigation and user experience to maximise user journeys within and between the products.

For each relevant product, we will offer an 'edition' tailored for each devolved Nation. Each edition will integrate content made by and for the devolved nations within pan-UK products. Where editorially appropriate, we will automatically present National variants of

key products, giving increased prominence to content that is relevant to all users throughout the UK.⁹ The News product will be largely unaffected as Nations and local content is already integrated into the proposition.

At the heart of all areas of BBC Online will be Discovery and Archive, creating a permanent public space centred upon the unified record of the 'complete BBC', to which access will be facilitated by a set of common search tools and a comprehensive programme information archive.¹⁰

2.1 Budget changes

BBC Online's service licence budget in 2010/11 is just over £137m. The current 'gross' service licence budget breaks down into c.£37m of overheads and c.£100m 'net' budget spend, of which c.£78m is editorial and c.£22m technology spend.

In *Putting Quality First*, the BBC Executive proposed that 'To ensure [...] refocusing takes place, and to extract increased efficiency, the BBC will spend 25% less on BBC Online by 2013, with a corresponding reduction in staffing levels.'¹¹ This is appropriate because our analysis of the current BBC Online portfolio shows that spend can be reduced without a proportionate impact on public purpose delivery.

The new strategy will be delivered with a lower level of investment across the site, although reductions vary significantly by editorial priority. Decisions on the level of budget reduction of each area were made based on assessments of fit with public purposes, importance of BBC Online to the delivery of the BBC's editorial priorities and the BBC's role in the relevant market.

The lowest reductions (10-20%) will be applied against the 'Best Journalism', Children's and (Sports) 'Events' priorities; these products will be optimised for even higher performance and increased distinctiveness.

A major reduction (20-30%) has been applied to the common areas (including Homepage, Search), Nations (excluding News & Sport) and the 'Knowledge, Music and Culture' priority.

There will be an over 40% reduction in investment in the 'Drama and Comedy' priority, reflecting the slighter role BBC Online has to play in delivering this editorial priority. Drama and Comedy content will increasingly rely on automation and closer ties with iPlayer.

Our latest analysis indicates that the PQF changes are likely to entail a total of circa 360 net post closures.

⁹ The BBC Executive state they will also continue to support indigenous languages in each of the nations through BBC Alba, BBC Cymru, BBC Irish and BBC Ulster Scots, in line with our contractual and service licence commitments

¹⁰ Subject to separate approvals as appropriate. Full length programmes will be accessed by service (e.g. Radio 3, Radio 4 and BBC Four).

¹¹ BBC Executive's *Putting Quality First* strategy, p.37

Content on BBC Online will continue to serve each of the five editorial priorities:

- One third of the budget will be allocated to the News website and the UK, national and local journalism which supports it.
- Over a third of the budget will be allocated in roughly even proportions to Knowledge, Learning and Radio & Music.
- The final third is allocated in roughly even proportions against the portfolios built on the successful Children's, BBC Sport and iPlayer brands.

2.2 On screen changes

Organising BBC Online around 10 products will enable us to serve licence fee payers with higher quality experiences within a more coherent navigational architecture. Such an approach may also generate a 'halo effect' to the BBC as a whole, as has recently been observed with iPlayer's modernising influence on the BBC brand. We expect the principal developments in each area to be as follows.

News, Sport and Weather products will function similarly to the current offerings, including more real-time experiences around live events and further integration with TV and Radio outputs.

In **News**, BBC Online will focus on providing high-quality news for a generalist audience, prioritising a distinctive and high-quality product ahead of reach growth.

- There will be an increased emphasis on culture, media and the arts within our entertainment news offer.
- We will close some specialist blogs.
- We will automate all currently-bespoke programme sites other than *Today*, *Newsbeat* and *Newsnight*, with a central team drawing out the best of our journalism to be showcased on the main News site.

As outlined as part of *Putting Quality First* we have set clear boundaries for our Local content in response to market impact concerns, focusing it only on News, Sport, Weather and Travel, with bespoke Knowledge content only where it is related to the News agenda or to broadcast output (e.g. *Coast*).

- All general 'feature indices' (e.g. local listings, people & places, nature and outdoors) will cease.
- Video Nation will close, along with three local sites which do not align with the local radio footprint (Black Country, Bradford, and Wear).
- We are also rolling out improved RSS-based external linking from our local sites.

The **Sport** product will become more distinctive through a commitment to minority sports and world-class coverage of London 2012. The site will be consolidated around the biggest stories, events and formats that drive existing reach and appreciation with a large reduction in scope elsewhere.

- Market impact will be minimised by avoiding areas such as fantasy games which, although popular, are not distinctive.
- The breadth of coverage of sport news and live sport will be scaled back, with less output produced outside priority areas. Interactivity will also be focused around the biggest stories and events.
- For performance and distinctiveness reasons, we will close the sport news video bulletin, the 606 site and a number of blogs.
- A larger number of automated sections across the site will enable us to cover relevant areas more efficiently, with increased external linking.

The **CBBC** and **CBeebies** products will ensure that children encounter content appropriate to their age. In order to meet the needs and expectations of today's 'digital natives':

- **CBBC** and **CBeebies** will focus on big brands, reducing the number of bespoke programme sites.
- Both products will deliver more personalised online experiences through rich user journeys within each product, between the two products, and beyond.
- **CBBC** and **CBeebies** will create a sense of community, maximising the power of games, and promoting media literacy and online safety, increasing the content offer through partnerships within, and outside the BBC.

The **iPlayer & TV** product will unify all the current Drama, Entertainment and Comedy, TV, /programmes, /archive and iPlayer websites into a cohesive experience for audiences to find, enjoy and interact with their favourite TV brands.

- The programme proposition will be more coherent across the site. For instance, the latest Dr. Who episode and further programming information will be available on the same interface, whilst for the most passionate devotees, richer experiences might be a single click away.
- There will be a major reduction in scope within Drama, Entertainment and Comedy, with highly-focused content innovation via propositions with the potential to have a large impact on audiences.
- There will also be an emphasis on automation via iPlayer and /programmes: only a small number of 'crown jewel' programmes (such as *Eastenders*, *Strictly* and *Doctor Who* and key events such as *Children In Need*) will involve bespoke effort.

The **Radio & Music** product will bring together all BBC radio station sites, music events and podcasts into a single, cohesive ecosystem.

- Key passion points (such as Radio 1) will form separate destinations within a tightly-integrated whole.
- The new Radio & Music proposition will integrate radio listening and music discovery experiences through an in-page console with highly interactive station destinations with programme pages, social media and deeper content, as well as pan-BBC content and external links.
- A very large reduction in scope will be visible on screen, with a consolidated proposition built around the core network radio brands and rich interactivity limited to Radio 1 and Radio 4. Bespoke activities on other networks will be scaled back and the Switch site closed.
- As part of this strategy, all session filming except popular music around Radio 1 will cease and the digital stations' websites will be integrated within the core brands, where possible.
- The product will also feature a Music offer which we believe has the potential to be compelling and distinctive through its strong ties to broadcast brands and talent.
- We will close stand-alone events sites, integrating them instead into core brands to make content more readily discoverable.

Knowledge & Learning will exploit the shared ground between the two genres to increase audience impact through improved product build and user experience. Regardless of where users enter the BBC site, they will be able to experience the depth and breadth of BBC content woven together for easy discovery and exploration.

- The BBC's Knowledge and Learning assets will be streamlined and organised in line with two of the three key Learning Strategy principles: Learn To Know and Learn To Do.
- The offer will strive to meet users' appetites for inspiration, serendipity and new experiences through superb user experience and navigation
- It will be consistent with the proposals in the recent Strategic Assessment Exercise (SAE).
- There will be a reduction in bespoke sites for Knowledge and Learning programmes and the number of campaign brands will be reduced e.g. the closure of Blast!

The **Homepage** will be the discovery engine for the BBC, offering a consistent experience on whatever platform or device is chosen by the user. Future versions of the Homepage will deliver a more relevant and personalised experience for the entire audience.

The **Search** product will be a single, unified and consistent site search experience across all platforms. Searching will expose audiences to the breadth and depth of the BBC's content, revealing links and relationships between content to drive richer discovery journeys – in line with the ambition of "broadening horizons" set out in the PQF Strategy.

In addition to the changes above, it is proposed to move H2G2 off BBC Online, with the possibility of return to its community or originating foundation.

3. Broadening horizons

In its review of BBC Online, the Trust stated: 'We believe that improved horizontal navigation across all areas of bbc.co.uk is important to enhance the reach and impact of the BBC's online presence', and that 'Linking to external sites needs to be more effective.'¹²

BBC Online will therefore go further in addressing this challenge by adopting a more effective approach to 'broadening horizons', surfacing content from both the BBC and other providers that surprises and delights audiences, in addition to that which initially brings them to our site. We will drive horizontal navigation within and between products and double the number of external referrals to content providers in the markets we share with them. Further, we will set KPIs in this area for every online product, to ensure that these ambitions are at the centre of strategic planning over the next three years.

We will implement a range of initiatives to improve horizontal navigation across BBC Online, including 'more like this' functionality (enabled by improved tagging of content); 'most popular' features, such as those already available for News articles; a new system of online marketing inventory which cross-promotes different areas of BBC Online; and closer ties with social networks, to allow users to share and discover BBC content with their friends (e.g. iPlayer v3).

BBC Online will also aim to double the number of external referrals by putting the right external link on every page (as recommended in Putting Quality First); the iPlayer and Radioplayer partnerships; providing relevant external links in search results on BBC Online; and extensive use of the Newstracker on the News site (linking to external news organisations next to our own stories), and increased linking to external sites within the body of news stories. BBC Online is already the fifth-biggest source of traffic for UK newspapers' websites.¹³

4. A common platform for BBC Online

The new audience blueprint will be built on an industry-leading 'common platform': a scalable technical infrastructure that is shared across multiple products, replacing much of the bespoke technology development that has taken place hitherto. This common platform will deliver a richer and more consistent BBC Online to audiences through features including cross-platform availability, personalisation, sharing via social networks, support for multiple languages (both within the UK and globally), and a unique range of accessibility features for disabled users.

Many of the components of the common platform already exist. However, all will be subject to a continual process of integration, iteration and enhancement – for example, production tools will continue to be iterated, whilst server and database infrastructure are likely to grow according to the particular requirements of our products.

¹² Trust Review of BBC Online, p.13

¹³ <http://www.guardian.co.uk/media/pda/2010/jun/28/interactive-newspaper-uk-traffic-source?&> (retrieved 29-06-2010)

5. Product Management of BBC Online

The BBC Executive defines 'products' as the basic unit of output for BBC Online. A product is a fully formed, cohesive entity within BBC Online that unites editorial, design and engineering capabilities to meet a defined audience need.

In parallel with the development of this strategy, we have completed an organisational design review to ensure that the structure of the business is optimised for product management.

Accountability for every product will be shared between an 'Editorial Lead' (based in the relevant division) and an FM&T Product Manager, who together will combine editorial, design and technology expertise. This partnership will have joint accountability for the product's RQIV 'contribution' to the overall targets in exchange for joint budgetary responsibility across editorial and technology resources.

These changes would follow on from improvements made to the Management Controls of BBC Online over the past year. These include the creation of a new Online Direction Group ("ODG"), chaired by the Director, FM&T, to ensure that BBC Online meets the terms of its service licence; and the new role of a single nominated member of ODG to provide overarching editorial leadership for BBC Online.

6. RQIV Performance of BBC Online

Following a pan BBC review of Reach, Quality, Impact and Value ("RQIV") metrics, BBC Online will adopt AI as its lead quality metric. The strategy will increase quality with an objective that all products will have an AI of at least 70 and increase the proportion of high quality products (with an AI of 80+) to 50%. Overall AI is already high and will increase slightly through improvements to major products including Weather.

Net Promoter will now become the lead audience-facing measure of impact, with a target of 45 (weighted average). Alongside this is an ambitious external referrals target.

In 2009, BBC Online reached over half the UK online adult population, with an average weekly reach of 54% - approximately 37% of all UK adults.¹⁴ Whilst its constituent sites vary widely in the demographic profile of their users, BBC Online overall has a strong skew towards ABC1 and male users, and appeals more strongly to younger audiences than television or radio.

This strategy sets reach growth as an important but secondary objective to distinctiveness, and proposes a reach target of 65% of online adults per week.

Finally, there will be a 25% reduction in the service licence budget, to reflect the narrower scope of a BBC Online which is more distinctive and more tightly focused on the five editorial priorities, with the removal of lower-value material.

¹⁴ CMI, 2009

	Current	2013/14 objective
Reach (Reach to online adults)	55% (Reach to online adults)	65% (Reach to online adults)
Quality (AI)	79.8 (AI) 77% of sites >70 32% of sites >80	80+ (AI) 100% of sites >70 50% of sites >80
Impact (Net Promoter)	43 (Net Promoter) 11m referrals/ month (External referrals / month)	45+ (Net Promoter) 25m referrals/ month An external link on every page
Value	£137m budget (Service Licence)	£103m budget (Service Licence)

7. BBC Online Supply

The new editorial strategy described above will involve changing the way we do things online, including a shift in focus from building websites to managing products, as well as reducing the amount we spend. Editorial changes of this magnitude will have an impact on the current pattern of external supply. Historically, a large proportion of our external spend, particularly in content areas such as knowledge, drama, entertainment, comedy and music, has been focussed around outsourcing whole bespoke programme websites, of which there will be far fewer in the future.

In addition, the PQF strategy also rebalances spend from commissioning content to procuring larger-scale technologies. These tend to be bigger projects which require the BBC to undertake EU procurement processes if produced externally, creating short term issues around implementation. These changes, combined with the 25% budget reduction, mean there are some risks associated with delivering our external supply targets during the period of transition, under the current definitions: these risks include long term sustainability of in-house production; inefficiency as a result of splitting multiplatform teams; and failing to provide our external suppliers with commissions of sufficient scale and impact.

We are therefore conducting a root and branch review of online supply which reflects the new vision for BBC Online. This work will clarify our objectives for external supply and reassess what spend should be eligible. The new supply strategy will allow us to meet our 25% target in a way that is both fit for purpose, meets our strategic aims (in particular an improvement in quality) and makes a positive intervention to the market. This is due to report in Spring 2011.

Alongside our external supply commitments, the BBC has a broad objective to spend more of the licence fee outside London and in the devolved Nations in order to spread its economic benefits and meet broader cultural objectives. Currently around 12% of total online production spend comes from the devolved Nations. We believe, over time, this should be increased to 17% to match the geographic distribution of the UK population (as in linear television), starting with greater alignment between multiplatform production and existing areas of production expertise. Our commitment to locally produced news,

together with the move to Salford, means that there will continue to be significant online investment in England.