

AUDIENCE COUNCIL ENGLAND: RESPONSE TO
TRUST'S PROVISIONAL CONCLUSIONS ON FREESAT

The Audience Council England welcomed the provisional conclusions and felt the proposals would help address widespread concerns about accessibility to digital services and provide a future-proof system that would be HD (high definition) capable.

1. Public Value

- i. **Current access to BBC digital services is unacceptable** in view of the large percentage of viewers who cannot receive these except via an extra payment for a subscription service. A universal licence fee implies universal access and the BBC should take steps to increase this access.
- ii. There should be a **choice of subscription-free digital access** for licence-fee payers and as the Freeview footprint will not widen until after the digital switchover is complete, it is preferable that this should be available before then.
- iii. These proposals have **value for all licence fee payers**. There is a clear advantage to those unable to receive Freeview but for existing digital viewers, the proposed wider choice of channels would offer a more comparable choice of digital platforms than currently exists between Freeview and subscription services. They also offer a guaranteed HD capability.
- iv. The **'future-proofing'** proposition is important because it is essential that the Freesat service should take account of potential technological advances. Otherwise it will be less attractive to viewers as a longer term solution to digital access and a disincentive to manufacturers and retailers to become involved.

2. The BBC's Public Service Remit

- i. The aim must be for 100% digital access; this is entirely consistent with the BBC's Public Purposes.

3. Competitive Impact

- i. The **markets that may be affected** have been correctly identified. It is unlikely that many Sky customers who subscribe to the sports or film packages will be motivated to switch to Freesat.
- ii. The launch of Freesat would have a **beneficial effect** for consumers because of the restricted Freeview access and the limited options in the market for digital viewers who do not want specialist sports and/or film packages.
- iii. The launch is **unlikely to lead to the exit from the market** of existing participants.

- iv. The **limits to the proposal** are accepted. The BBC is not in the manufacturing business but there was a question around what is meant by 'marketing co-ordination'; could this be truly separate from manufacture, retailing and installation in the minds of consumers?

4. Conditions

- i. A majority agreed it was appropriate for the Trust to **impose conditions** to prevent licence fee money benefiting other participants.
- ii. The only **other conditions** might be around future-proofing as far as possible and not accepting compromises that will necessitate more investment from either the BBC or the viewing public.

5. Other Comments

An expectation that all BBC regions will be available through Freesat to enable viewers to opt for an alternative to the default channel if they wish, and a query about Sky Plus and future on-demand services being compatible through Freesat. Overall an excellent proposal, and the sooner the better.

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