

FRAMEWORK FOR FUNDING PRIZES AND AWARDS

1. Introduction

Clause 75(5)(e) of the Agreement of 30th June 2006 between the Secretary of State for Culture, Media and Sport and the BBC ("the Framework Agreement") requires the approval of a framework by the BBC Trust setting out the criteria according to which it is appropriate for BBC television, radio or online services ("BBC Services"), funded by the licence fee, to be partially funded by certain alternative means of finance. **The means of finance which must be addressed by the framework are funds derived from competition prizes and other awards made available or funded by any one or more third parties.**

This document constitutes the framework, approved by the BBC Trust, which addresses the means of finance set out above and sets out the principles which must be taken into account when supplementing licence fee funding with such funds from third parties.

Chapter 15 of the BBC Editorial Guidelines states the BBC's existing policy in this area (see Appendix). This framework is based on these guidelines and the BBC's practice in this area over many years. It applies to all BBC licence fee funded television, radio and online services.

2. Principles for external funding of Prizes and Awards

A key principle of the BBC's Charter Renewal document *Building Public Value* was that the BBC would deliver the greatest public value through working in partnership with others. The BBC can often inspire and motivate audiences far more powerfully when it works with others. A number of innovative programmes involve joining with suitable third parties to offer a unique life changing opportunity or bursary.

When running general knowledge, or other competitions on television, radio or online the BBC seeks to offer prizes and which are appropriate, attractive and suitable for the relevant audience. In achieving this, we aim to provide the very best value to the licence fee payer and in some cases we may accept modest donated prizes from a third party.

If we accept any donated prize or offer any opportunity, award or bursary which involves third party funding it is essential that its acceptance does not call into question the BBC's editorial integrity, objectivity or independence.

Money provided by a third party for a prize, bursary or award must not go into a BBC production budget or be used for production costs.

In any relationship with a third party to provide or help finance a prize or award the BBC must ensure that:-

- Our editorial impartiality and integrity are not compromised and we retain editorial control of our output
- Our choice of donors or partners is editorially justified and will not bring the BBC into disrepute

- As far as possible, we involve a range of third party donors or partners over time
- We do not accept any prizes or third party funding of prizes in exchange for broadcast publicity
- We do not promote or appear to endorse other organisations, products or services. Care must be taken to ensure any reference to the third party is editorially justified.

3. Donated Prizes

3.1 Viewer, listener and online competitions

We do not offer cash prizes for viewer, listener or online competitions and we must never accept cash to pay for competition prizes.

We should normally pay for the prizes we offer in our competitions and aim to offer original rather than expensive prizes. However, in order to ensure the best value for the licence fee payer we may accept modest donated prizes such as concert or theatre tickets, tickets to sports events, books or DVDs. We may accept prizes of visits to special events, including the hospitality offered at the event, but we should pay for the majority of costs for travel and accommodation.

The BBC must retain its editorial independence and objectivity and we must not promote or appear to favour one organisation or company. It is important, therefore, that we ring the changes when accepting any donated prizes. If there is a range of prizes there should be a range of donors over time. For example if a local radio station has a number of football teams in its area we should not continually offer tickets to only one of the team's matches as prizes.

Competition questions should not refer to any branded goods or services which are offered as prizes and we should normally avoid offering prizes of branded products or services which are referred to editorially elsewhere in the programme or on the same section of the website.

It is essential that no prize is accepted in return for a "plug". Programmes must never give an assurance that there will be an on-air credit or online credit or any publicity in exchange for the donation of a competition prize. Prizes should be described in an informational, non promotional manner. The name of the supplier should not normally be given and the brand name should not be mentioned unless it is necessary editorially to describe the prize. Any references to the brand must be kept to the minimum. Normally only one reference should be made. We should avoid shots of brand logos on air and online.

Unless there is a strong editorial reason to do so, we would not provide an online link to the supplier of a prize.

Donations of substantial prizes are permissible only in exceptional circumstances and must not bring the BBC's editorial integrity into question. For example it might be possible to accept a more substantial prize if offered by an artistic, educational, arts

or sports body or a research foundation. Such prizes can be accepted only with the approval of the Head of Department (or relevant Senior Manager) or for Independents approval by the Commissioning editor. Editorial Policy must also be consulted before the prize is accepted.

3.2 Gameshows

Gameshows normally pay for prizes, but if they do accept donated prizes the same rules apply. Any proposal to accept a donated prize for a gameshow should be referred to Editorial Policy. A donation of a substantial prize such as a car or a holiday would not be permissible.

3.3 Prizes for Charity Competitions

The BBC may run on air competitions or contests as part of its fundraising activities for BBC charitable campaigns such as Children in Need or Red Nose Day. In such cases we may accept a substantial donated prize, such as a car, as an incentive to entering and donating to the charity. Any such donation of a substantial prize for a BBC charity competition must be referred to Editorial Policy. Legal advice must also be sought and legal documentation with the charity may also be required.

4. Career and life-enhancing opportunities

Programmes may enter into an arrangement with a third party to offer an opportunity or chance of a lifetime to winning contestants. For example a third party such as an entrepreneur may themselves put up money to invest in a business proposal – as in *Dragon's Den*. Or they may offer the winner a life changing career opportunity as in *The Apprentice*. Any such arrangement must be referred to Editorial Policy and no money from the third party may pass into a BBC production budget. It is important that any such programme is not a vehicle for promoting the third party's goods or services. Care must be taken to ensure that the chosen third party is appropriate and BBC Fair Trading should be consulted about the arrangements.

Educational, arts and sports bodies may also enter into partnership with the BBC to offer life enhancing opportunities as prizes for winners, such as the chance to take part in a cultural event.

The BBC's choice of partners when offering such opportunities must be editorially justified.

All such arrangements must be referred to Editorial Policy. Editorial Policy will ensure BBC Fair Trading is consulted, where such arrangements involve commercial third parties and in other cases where appropriate.

5. Opportunities for aspiring performers

Entertainment and music programmes which encourage young performers and help them realise their potential are very popular with BBC audiences. Such programmes aim to offer prizes which further the careers of the winners. In order to provide such opportunities the BBC needs to enter into arrangements with third parties who are in a position to offer real and substantial opportunities. For example "*How do You Solve a Problem Like Maria*" and "*Any Dream Will Do*", which drew very high television audiences, gave the winners the chance to take the lead in a West End musical. Other shows have offered concert or touring opportunities to winning contestants. Talent contests for popular or classical music performance, such as "*Classical Star*", may offer a recording contract to the winner.

5.1 Recording Contracts

When offering recording contracts as prizes for talent shows it is important that there is a fair tendering process to decide which recording company will provide the prize. Such a process needs to be approved by BBC Fair Trading and Editorial Policy. The BBC must always remain clearly editorially in charge of the programme and the recording company must not be in a position to choose the winner. The programme must not be used as a vehicle for promoting the recording company or its products. It will be necessary to say that the prize is a recording contract, but it is important that the programme is not used as a vehicle for plugging any record release. Any proposal to make on-air references to releases must be clearly editorially justified and must be checked with Editorial Policy.

As far as possible, efforts should be made to vary the companies offering such opportunities across BBC output.

5.2 Tours and concerts as prizes

The choice of touring companies and concerts must be editorially justified and we should not favour one promoter over another. We should take care not to plug the tour or concert on air and any references must be editorially justified.

5.3 Winning a part in a professional production

The BBC may enter into a partnership with a production company or an artistic institution or to offer a part in a professional production, such as a musical. In such cases there must be robust editorial criteria for the choice of production. The producer, director or writer of the show, play or opera may be involved in the judging process, but the BBC must retain editorial control. The arrangements for the partnership must be referred to Editorial Policy. A series of safeguards, to ensure that there is no undue promotion of the production on air, should be agreed with Editorial Policy.

6. Grants from outside bodies

In some cases the BBC may run a competition or award which involves a grant from a suitable public or charitable body. This may involve a project which fulfils the BBC's objective of enriching the cultural life of the nation. For example, in the BBC 2 architectural heritage series, *Restoration*, the public voted for the buildings they most wanted to save. The Heritage Lottery Fund agreed to give a substantial grant to the restoration fund for the winning buildings.

All such arrangements must be approved at the earliest stage by Editorial Policy and BBC regulatory lawyers. No money from the outside body may go into any BBC production budget.

7. Bursaries for BBC Awards

The BBC sometimes mounts special award ceremonies at outside venues for some of the key awards offered by the BBC such as *BBC Sports Personality of the Year*, *Young Musician of the Year* or the *Radio 3 World Music Awards*. In some cases, the costs of mounting the award ceremony may be supplemented by outside sponsorship to defray the cost to the licence fee payer of mounting such a big outside event. No sponsorship money may be used for any broadcast costs and the sponsor is not involved with running the competition or in any decisions as to who receives awards. An individual award at the ceremony may also be sponsored, but again the sponsor will have no say over who wins the award.

In some cases, the sponsor, or a charitable trust, may finance a bursary for the overall winners or the winner of a specific award. Winners may apply for such a bursary after they have won their award. The BBC will be in charge of the process of giving out these bursaries against published criteria. Bursaries are only offered for clear public service reasons to enable the recipients to undertake suitable activities such as service to the community or artistic or musical studies. Arrangements must be referred to BBC Editorial Policy and BBC regulatory lawyers.

Care must be taken to avoid giving undue prominence to the sponsor or donor. All credits for the sponsor or donor must be in line with BBC Editorial Guidelines and must be agreed in advance with Editorial Policy.

8. Jointly organised competitions and awards

From time to time, the BBC may decide to run competitions or mount competitive awards with suitable organisations such as academic, educational or artistic institutions, charities or trusts. For example, Radio 4's BBC Short Story Award is run with the Book Trust and the Book Trust for Scotland.

The choice of partner must be appropriate and editorially justifiable. Care should be taken not to promote the partner. All on-air and on-line references should be

editorially justified. Even though the competition is jointly organised, the BBC must retain editorial control.

We do not normally run competitions with commercial organisations. However, it may be possible:

- To run a competitive competition with a publication or other media organisation for a joint award for skills associated with broadcasting such as journalism, music, writing or drama or other BBC initiative
- For local radio stations to join with a regional publication to organise and present a local award.

When organising an award or competition with a media organisation or publication it is important that our choice of partner is editorially justifiable and that we take care not to promote the partner on air. Entry to the competition or making nominations may be via the BBC or the publication or media organisation, but BBC licence fee funded services may only publicise entry via the BBC. It is essential that no-one is required to buy a publication in order to enter the competition or make a nomination.

8.1 Funding the competition

The BBC and the partner or partners may jointly fund the competition with the BBC paying a substantial part of the costs. But no money from the outside organisation should flow into any programme budget or be used to pay for any production or broadcast cost.

For a jointly run competition or award, the BBC and the partner will jointly decide how the competition is run and the winner chosen. The partner must not be responsible for choosing the winner. In some cases a partner may finance a suitable bursary for the winner or winners. The terms of how this is to be awarded must be clearly agreed with the BBC.

Any proposal for a jointly run competition or award must be referred to Editorial Policy, who will consult BBC Fair Trading where appropriate.

Appendix

BBC EDITORIAL GUIDELINES

Relevant sections from Chapter 15 Interacting With Our Audiences

Competitions

We must not promote any competition which is not organised by or run in conjunction with the BBC.

We should ensure there is a clear editorial purpose for our competitions whether on television, radio, mobile devices or online.

We should offer a genuine test of skill, knowledge or judgement appropriate to the audience. Skill must be required to win when premium rate lines are used for competitions, otherwise the competition may be illegal.

Any proposal to set up a competition involving premium rate lines must be referred to Programme Legal Advice.

We should retain our editorial independence and not promote any service, product or publication. This includes avoiding competition questions that refer to any branded goods or services that are provided as prizes.

We should not require people to buy anything to enter a competition unless it is linked to a BBC charity appeal.

We should publish rules to make sure competitions are run properly, fairly and openly.

We should normally only require entrants to our competitions which require the submission of original work, for example, scripts, stories, photographs, and paintings, to grant to the BBC a licence to use their work for the purposes of the competition or related public service activities. Any exceptions should be referred to Chief Adviser Editorial Policy.

Prizes

We should not mislead competitors about the nature of the prize.

We should normally pay for the prizes we offer in our competitions and aim to offer original, rather than expensive prizes. If there is a range of prizes, there should be a range of brands or suppliers but we should normally avoid offering prizes of branded products or services which are referred to editorially elsewhere in the programme or on the same section of the site. We should avoid shots of brand logos on air and online. We should not normally refer to brand names or give details about the manufacturer or supplier of a prize.

We should normally only accept modest donated prizes such as theatre tickets, football tickets, books, CD's or DVD's. We may accept prizes of visits to special events, including the hospitality offered at the event, but we should pay for the majority of costs for travel and accommodation.

Donations of substantial prizes are permissible only in exceptional circumstances and must not bring the BBC's editorial integrity into question. They can only be accepted if they have been referred to and approved by a senior editorial figure or for Independents by the commissioning editor.

We should use a wide range of donors over time, to ensure we do not appear to favour any institution or company.

Programmes must never give an assurance that there will be an on air or online credit or any publicity in exchange for the donation of a competition prize.

We should not normally link to the site of a supplier or manufacturer of a prize.

We would not offer cash prizes for viewer and listener competitions.

Any proposal to offer a cash prize for a game show must be referred to and approved by the relevant Output Controller.

Cash prizes should never be offered for any children's competition.

Prizes in children's competitions should be appropriate to the age of the target audience and the competitors and should normally be modest or rely on "money can't buy" experiences. High value prizes should normally be avoided.

Jointly run competitions

We may run competitions jointly with an appropriate organisation such as an academic or artistic institution. But we must pay a substantial part of the costs and no money from the outside organisation should flow into any programme budget.

We should not normally run competitions with a commercial organisation.

However, it may be possible:

- to join with a publication or other media organisation to run a competition for a co-sponsored award or an award for skills associated with broadcasting such as journalism, music or drama or other BBC initiatives.
- for local radio stations to join a regional publication to present a local award.

Any proposal to jointly run a competition or award should be referred to Editorial Policy.