



BBC Children's: Request for changes to Ofcom's Operating Licence

November 2019

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1. Introduction

Children's content is of the utmost importance to the BBC. The corporation has a long and proud history of delivering high-quality content for children. Indeed, children's programmes have been part of the BBC from the very start, with the first radio programme for children broadcast in 1922. And we have continued to develop our services in response to technological developments and audience needs. When television was relaunched in 1946, the first children's TV programme *For the Children* was part of the schedule. *Newsround* – the first regular news programme for children – began broadcasting in 1972, and has run continuously ever since. In 2002, CBBC and CBeebies were launched as dedicated free-to-air channels.

Children's programming continues to be a key aspect of our delivery of our public service mission. We have always offered the best content to educate, inform and entertain children, and will continue to do so.

There is more content than ever to command children's attention, and with increased on-demand consumption, the BBC must innovate to ensure it can continue to engage and stay relevant to younger audiences. We intend to:

- Develop the Newsround brand online, improving and increasing our provision of children's news online; and
- Provide more new children's TV content on BBC iPlayer ahead of, or instead of, linear broadcast.

We do not, however, have the flexibility to undertake these proposals within the current budgetary and regulatory constraints. We are submitting this request to Ofcom to amend certain conditions in the Operating Licence, so that by undertaking our proposed changes, we will not be at risk of breaching any regulatory obligations. We consider such changes are in the interests of the audience, the BBC and Ofcom as they will enable us to improve our children's offer and better fulfil the mission and public purposes.

In the rest of the document, we set out our proposed changes and amendments to conditions of the Operating Licence:

- Section 2 sets out our proposal for developing Newsround online;
- Section 3 sets out our proposal for providing more children's content exclusively on BBC iPlayer;
- Section 4 sets out how Ofcom could amend conditions of the Operating Licence in light of these changes; and
- Section 5 sets out our final thoughts.

We first submitted this request to Ofcom in July 2019. Ofcom asked a series of clarification questions, and we provided further information. We have submitted this

request again with some small amendments to take into account the further information provided.

2. Children's news

2.1 Introduction

The way audiences access and interact with news content has changed radically in recent years. Given these changes and the importance of ensuring children can find high-quality impartial news and information in a form that suits them, we want to expand our online news offer for children. We want to develop the Newsround brand into a digital-first proposition, through which a much wider range of up-to-date content is offered on the website. This would require us to reallocate some of the Newsround budget from TV, and consequently reduce the number of TV bulletins. We consider a greater focus on our online news provision will bring more news content to more children.

Condition 2.6 of the Operating Licence currently requires that CBBC shows news at intervals throughout the day and in each financial year at least 85 hours are allocated to news. The BBC currently fulfils this through broadcasting three Newsround bulletins per day.¹ In 2018/19, CBBC broadcast 92 hours of news.²

2.2 Audience demand

Linear reach for many children's TV channels including CBBC is in decline, as audiences migrate online. We have seen the television audience among 6-12 year olds for Newsround fall by over half between 2012 and 2018 (see Figure 1). Meanwhile, Newsround's online audience is growing, more than doubling between 2014 and 2018. In 2019 so far the browser reach of Newsround has continued to rise to c.900,000 weekly average unique browsers while Newsround TV average weekly reach among 6-12s is 291,000.³ We see that children increasingly want to consume news on demand, not restricted by a scheduled TV bulletin. Around 600,000 6-12s say they use the Newsround website per week.⁴

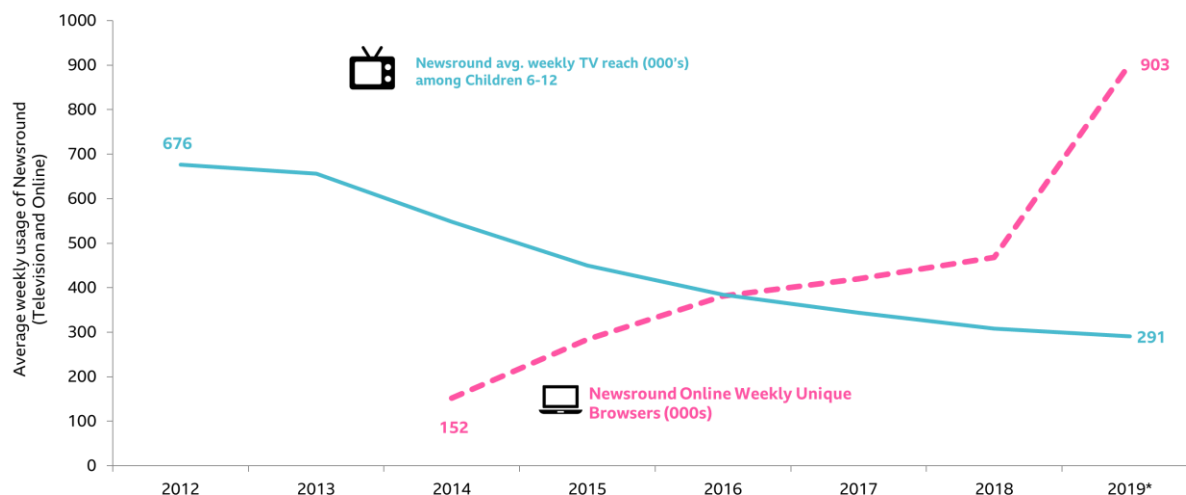
¹ Until 2002, Newsround was broadcast once per day. It increased to three bulletins with the launch of the CBBC channel in 2002.

² [BBC Annual Report and Accounts 2018-19](#), p.143.

³ Adobe Digital Analytics (DAX), AT Internet; BARB, 6-12s.

⁴ Kids CMI (Cross-Media Insight) survey by Ipsos MORI, 291 6-12s, Apr-Jun 2019.

Figure 1: Viewing of Newsround and use of the Newsround website⁵



Source: BARB; Adobe Digital Analytics (DAX).

The Newsround website currently provides the latest TV bulletin on demand, but also offers a range of written and interactive content, with the interactive elements such as votes, polls, quizzes and games packaged into the text-based stories to create a vibrant user experience. The increased usage of the Newsround website demonstrates younger audiences' engagement with our news content.

Ofcom has also recognised these effects. In its *Annual Report on the BBC* last year, Ofcom noted decline of linear viewing of CBBC.⁶ Ofcom's *Children's Content Review* says children's use of online sites may be responsible for this decrease.⁷ Also in Ofcom's recent *Online Nation* report and online harms research, BBC News was cited by 12-15 year old users as the most trustworthy among leading online brands for providing information.⁸

Given these changes in audience behaviour, we consider in the interests of our audiences, we should innovate and ensure we have an improved online news output for children.

2.3 Our proposed changes

We want to make Newsround the best online news service for children that it can be – a digital-first proposition, meeting audience needs unrestricted by the linear schedule. We want to expand the range of content available on the Newsround website to meet the

⁵ 2019 data: 880,000 per week (weeks 1-7 2019, DAX) and 903,000 unique visitors (UV) per week (weeks 10-40 per week, new measurement system (ATI) introduced in week 10).

⁶ [Annual Report on the BBC 2017-18](#), Ofcom, October 2018, p.26.

⁷ [Children's Content Review](#), Ofcom, July 2018, p.11.

⁸ [Online Nation](#), Ofcom, May 2019, p.88 and [Internet users' concerns about and experience of potential online harms](#), Jigsaw Research for Ofcom, May 2019, slide 71.

clear demands of our audience and to increase the depth and breadth of our news coverage for children.

Given budgetary constraints, we do not have the flexibility to expand our online presence while maintaining our current provision of television news. We want to allocate budget currently reserved for television production to online content production. The following table sets out our current content provision across TV bulletins and online stories, and our potential provision with budget reallocation.

Figure 2: Current and proposed content provision on Newsround on television and online

	TV	Online
Current	3 scheduled daily c.5 minute bulletins (85 hours per year required)	Average of 4 new stories published daily, recently increased to c.10 by the Newsround team
Proposed	Minimum of 1 scheduled daily c.5 minute bulletin (minimum of 35 hours per year)	Average of 20+ new stories published daily, including average of 4 video stories, text-based stories, information explainer pieces and interactive content

Under our proposal, we would be able to create not just a greater volume of news content available to children, but also a deeper and richer experience. Due to the time constraints of short bulletins, only a limited number of subjects can be covered and only to a certain level of detail. With interactive online content, we have the opportunity to go much further, and cover a broader range of subject in greater depth. Within the existing budget allocation, Newsround has already begun experimenting by publishing more online stories this year, and creating some longer video pieces for the website that could not fit into bulletins (see below).

Figure 3: Living With The Wall

**Newsround
Original
Journalism in
new forms:
US/Mexico
border stories**

NATALIA'S STORY
LIVING WITH THE WALL
iPlayer

- Four part series of short films for iPlayer & website
- Content for CBBC YouTube, Instagram & Twitter
- 6 minute edit used by BBC News

A SCHOOL DIVIDED
LIVING WITH THE WALL
iPlayer

DANGEROUS JOURNEYS
LIVING WITH THE WALL
iPlayer

The reallocation of budget from TV would allow this richer style of journalism to become sustainable throughout the year, delivering more original journalism, both in video form and as web-published written stories. These would cover a broader range of subjects in greater depth, accompanied by an increased range of features such as Q&A guides and more involvement from users via their comments and other user-generated content. The full range of topics covered by Newsround will always be maintained to ensure both UK and international stories are featured daily. Expert presenters and journalists will be sought to cover certain areas of particular interest for children, such as nature. They will curate written stories, their own vlogs, interactive pieces and standalone videos.

This proposal would be cost-neutral, funded through reallocation of budget from TV bulletins to online news. We have assessed how we can apportion our current budget in a way that delivers the most relevant content to children, and believe our proposal reflects the best way of getting value out of our investment.

We would broadcast at least one daily TV bulletin on Newsround, with an editorial decision as to the time of broadcast. The latest bulletin would be available to watch on demand on the website as now. Given how Newsround is scheduled as 5-minute programmes, we expect that the lost hours would easily be absorbed into the schedule.

The BBC remains committed to the provision of children's news on television. This proposal is about how we can provide the best possible news service to our young audiences. We consider this movement online is the next appropriate step to ensure the Newsround offer stays relevant for children today.

2.4 Fulfilling the mission and public purposes

Our proposal would enable us to better fulfil the mission and promote the first and second public purposes.

We will continue to provide impartial, high-quality and distinctive news output that informs and educate children, as required by our mission. We would increase Newsround's reach to more children who access their news and information online, and hence provide high-quality news content to a wider audience. This would be in the public interest, serving audiences and ensuring more children are familiar with the BBC as a trusted news brand. Newsround will offer a safe space, providing age-appropriate news content to its intended audience, rather than leave children to access unregulated platforms for their news and information.

Our proposal would enable us to promote the first public purpose to provide impartial news and information. We would increase the amount of news content for children across TV and online, and ensure that more of that information is available online, to satisfy the latest user consumption habits. Many adults expect to be able to consume a range of BBC news content on demand on the BBC website, and watch TV bulletins, and we consider this should likewise apply to children.

Our plans would also enable us to better promote the second public purpose, i.e. to support learning for people of all ages, in ways they will find accessible, engaging, inspiring and challenging. As noted above, children are increasingly engaging with interactive elements of the Newsround website, and we can continue to innovate with the option and flexibility to develop new tools and features for delivering information.

We also believe that the proposal has the potential to drive better value for Newsround's content across BBC News. The longer video pieces highlighted above for *Living With The Wall* were also picked up by some of the BBC's other news outlets and platforms. The quality and depth of this richer, digital-first journalism increases the impact of Newsround across the BBC, delivers better value for money, and helps to raise awareness of the brand, bringing audiences to Newsround itself.

We have a range of measures that we can use to assess the impact of our proposals, as now. We can measure viewing figures for the TV bulletins, and track online engagement, including website users and more granular data on use of interactive elements. Our new cross-platform media measurement tool will be able to assess audience media behaviour across platforms, and we could use this to understand the 6-12s interacting with Newsround online.

2.5 Our proposals will not have an adverse market impact

The BBC is unique in providing in-depth news for children in the UK. As noted in Ofcom's *Children's Content Review*, the BBC is the only PSB to provide news

programming specifically for children. Ofcom noted in particular the lack of factual content provided by the PSBs in its *Children’s Content Review*.⁹

The only other children’s news television programme in the UK to our knowledge is Sky’s *FYI: For Your Info*, a weekly 15 minute programme (equating to 13 hours per year), launched in November 2018. This is available on the Sky Kids platform and on the *First News* website. This website is affiliated with the *First News* weekly children’s newspaper, launched in 2007, and with an average weekly circulation of c.71,000 paid issues in 2018. The website also provides some video content, though this is not updated daily. There is a second weekly children’s newspaper in the UK, *The Week Junior*, which launched in 2015, and had an average circulation of c. 57,000 paid issues in 2018.

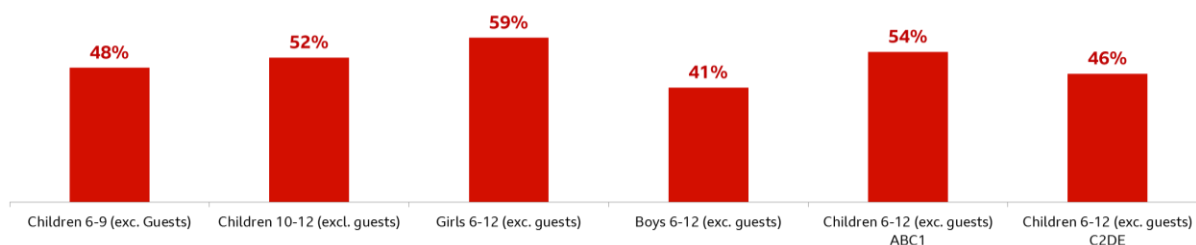
We do not consider that our proposals will have an adverse impact on competition. There are no other significant providers of online news for children in the UK. The business model of the children’s newspapers described above (i.e. subscriptions paid for by parents) will not be impacted by our proposals for online news. The reduction in the volume of Newsround TV bulletins cannot have a negative impact on Sky’s *FYI* programme. It is also important to note that the BBC’s budget for children’s news is not increasing, simply being reallocated across platforms.

We also note that in the context of Ofcom’s *Children’s Content Review*, ITV has committed to develop a new online news and current affairs offering for 12-15s.¹⁰ This service will be targeting a different age group, i.e. teenagers; whereas Newsround will continue to be aimed at 6-12s. Therefore, we do not see any potential for adverse market impact here.

2.6 Other considerations

We have considered other impacts on our audiences of making this change to the provision of children’s news. The charts below show the audience reach profile for Newsround on TV and online. They indicate a more even split among age and gender for the online service.

Figure 4: Newsround: TV demographic profile (2018, BARB avg. aud)

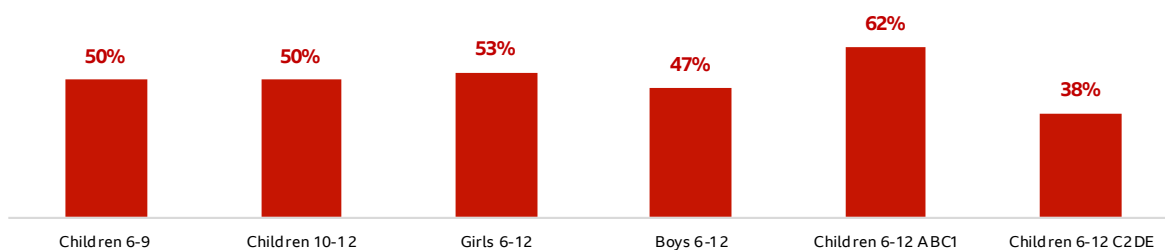


Source: BARB 2018, average audience (000s), 6-12s, profile.

⁹ [Children’s Content Review](#), Ofcom, July 2018, p.4 and p.23-24.

¹⁰ [Children’s Content Review: Our response to ITV, Channel 4 and Channel 5’s plans](#), Ofcom, July 2019, p.4-5.

Figure 5: Newsround: Website demographic profile (2018)



Source: Kids CMI (Cross-Media Insight) survey by Ipsos MORI, 2018, 6-12 users of Newsround website/app profile.

According to Ofcom’s latest Children and Parents: Media Use and Attitudes Report , 92% of 5-15 year-olds have internet access.¹¹ We will continue to broadcast at least one daily TV bulletin, which can be viewed by those children without internet access. We also hope that as Newsround’s online offer improves, more schools will use the Newsround website as a tool for their pupils. This could in turn increase the reach of Newsround online across demographics.

We can also guarantee that any Newsround content provided online will be provided with appropriate accessibility services in line with other content on the BBC website.

2.7 Changes to the Operating Licence

The current quota restricts our opportunities to move Newsround to this digital-first proposition, given our budget is allocated to ensure we meet our requirement for hours of broadcast news on CBBC. We have set out above how we believe we can get the best value for our investment by improving our online provision. This will require amendments to the licence condition requiring hours of news on CBBC and the condition for the number of hours of first-run originations on CBBC (as Newsround bulletins are also first-run originations). Our other proposal also impacts on this second condition. Therefore we set out our suggested changes to the licence conditions, incorporating both proposals, in Section 4.

3. Children’s first-run UK originations

3.1 Introduction

The BBC has long had a strong commitment to providing new and original children’s content. Ofcom’s children’s review highlighted the strength of the BBC’s first-run children’s output compared to the other PSBs.¹² As linear viewing declines, however, and children increasingly want to consume content on demand, we believe we should have the flexibility to adapt our delivery model for children’s content. Without changes, we will not be able to update the BBC’s business model, and remain relevant to younger audiences, serving them as wanted. By uploading some first-run content to BBC iPlayer

¹¹ Children and Parents: Media Use and Attitudes Report 2018, Ofcom, January 2019, p.4.

¹² [Children’s Content Review](#), Ofcom, July 2018, p.27.

prior to, or rather than, broadcasting it on the linear schedule, we can access harder-to-reach audiences and provide a wider variety of content for children.

The Operating Licence requires CBBC to broadcast at least 400 hours of first-run originations each calendar year (condition 2.35) and CBeebies to broadcast at least 100 hours of first-run originations each calendar year (condition 2.36). Condition 2.37 defines first-run in relation to UK Public Television Services, i.e. a programme shown only on BBC iPlayer would not count to this quota. In 2018, CBBC broadcast 413 hours and CBeebies 127 hours of first-run originations.¹³

We consider that conditions 2.35, 2.36, and 2.37 should be amended in order for us to make this change without risk of breaching regulatory obligations, and set out proposed amendments in Section 4.

3.2 Audience demand

Reach for many children's linear TV channels is in decline, as audiences continue to migrate to online platforms. Children are spending more time online, and this increases with age. 3-4 year-old users spend 8 hours 54 minutes per week online, which rises to 9 hours 36 minutes for 5-7 year-old users, and 13 hours 36 minutes for 8-11 year old users.¹⁴ In particular, children are moving to video on-demand services in order to seek out long-form AV content, and we are seeing rapid changes in this area on both BBC and third-party platforms.

Ofcom's research suggests children are increasingly using Netflix and YouTube in preference to broadcast channels and BVOD players. This may be attributed to children feeling there is more relevant content for them on YouTube – delivered to them in a way that suits the way they want to consume it. Across all on-demand viewing by children aged 0-15 years BBC iPlayer has a reach of 34%, while Netflix has reach of 63%. In addition, Ofcom research has shown that children increasingly consider VOD services (Netflix and YouTube) feel more personalised. In Ofcom's qualitative research into children's viewing almost all children watched YouTube every day, with a substantial number watching SVOD services and fewer watching BVOD services.¹⁵ Watching linear TV is increasingly seen as a communal, family activity – if children want to watch their own content, they want to be able to access this personally and on demand, whenever they want.

The average reach of CBBC on BBC iPlayer is c.12% among 6-12 year-olds each week (c.680,000).¹⁶ By analysing how additional viewing of programmes on BBC iPlayer increases overall viewing, we can see that online viewing is particularly important for

¹³ [BBC Annual Report and Accounts 2018-19](#), p.145.

¹⁴ [Children and parents media use and attitudes: annex 1](#), Ofcom, January 2019, p.10.

¹⁵ [Children's media lives – Wave 5](#), Ofcom, January 2019.

¹⁶ Kids CMI (Cross-Media Insight) survey by Ipsos MORI for the BBC, 291 6-12s, Apr-Jun 2019.

children’s content. The contribution to total viewing via BBC iPlayer is higher for CBeebies and CBBC than for BBC TV overall.

Figure 6: BBC iPlayer contribution to BBC TV viewing (% minutes watched) – average across April – September 2019¹⁷

All BBC TV	CBBC	CBeebies
12%	32%	24%

3.3 Our proposed changes

In light of these shifts in viewing habits, we want to provide more of our new original children’s programming exclusively on BBC iPlayer, rather than first broadcast on linear television. We consider this will allow those children who want to consume their content on demand to do so. If each episode is only uploaded to BBC iPlayer following linear broadcast, we are not able to best serve our growing online audience. We believe BBC iPlayer should be seen as a unique destination for children’s programming, not just a place to seek out programmes that have already been broadcast. BBC iPlayer will sit alongside CBBC and CBeebies, with its own unique content. As noted in our BBC iPlayer Public Interest Test, audiences would value such changes to the platform.

We would also like to experiment with more BBC iPlayer-only content. This type of content can take different forms and serve audiences in ways not applicable to the linear TV schedule. For example, *Daydreams*, the ‘slow-TV’ programme designed to help young children wind down with calming music, is not suitable for linear TV and is better suited for audiences as a programme available on demand on BBC iPlayer.

Under our proposed changes, BBC iPlayer would also host more content more suited to the pre-teen 10-12 year-old demographic that would be less appropriate to broadcast on linear TV. Many children in this group are naturally interested in getting older, but it is difficult to provide content about becoming a teenager and relevant issues in a space where we expect 6-9 year olds to also be watching. We have experimented with such content on BBC iPlayer, for example with *Logan High*. This is a children’s drama aimed at the pre-teen cohort exclusively available on BBC iPlayer, reflecting themes and characters of particular interest to this group. The series received a total of 1.2m BBC iPlayer requests in the six months since its launch.

Within the current regulatory framework and budgetary constraints, almost all of our newly commissioned children’s content has to have a linear broadcast, in order that we meet our Operating Licence conditions for first-run UK originations on CBBC and CBeebies. We do not have the budgetary flexibility to produce separate content for the online and linear platforms.

¹⁷ This data is calculated by modelling BBC iPlayer browser-based data (ATI) to match BARB people-based data, and deduplicating overlaps.

We are proposing that the Operating Licence should allow new UK Public Service-commissioned children's programmes to count towards the CBBC and CBeebies first-run originations quotas when they are published on BBC iPlayer, even if they are not subsequently broadcast on CBBC or CBeebies. We would maintain the volume of first-run originations (less 50 hours given the proposal around children's news outlined in Section 2).

Any hours in the CBBC or CBeebies schedule that are no longer allocated to first-run content will likely be filled with repeats. We note that the children's channels already broadcast more repeats, with the familiar content generally appealing to children. Currently the first-run originations quota accounts for only 8% of CBBC's broadcast hours and only 2% of CBeebies's broadcast hours. We also note that we are currently commissioning and broadcasting above the first-run originations quotas.

3.4 Fulfilling the mission and public purposes

By undertaking this proposal, we believe we will be better able to fulfil the mission, and promote the third and fourth public purposes. Ensuring that children are finding age-appropriate PSB content via an attractive on-demand offering is a priority, so that we can engage and stay relevant to younger audiences. In Ofcom's decision on extended availability for BBC iPlayer, it was noted that our children's changes would provide public value, and would help the BBC to re-engage its young audiences. We consider these changes will offer much the same positive outcomes.

The mission requires us to serve all audiences through distinctive output which informs, educates and entertains. Through our proposal, we will continue to provide the high-quality programming offered by CBBC and CBeebies, but better reach the audience more accustomed to consuming content on demand. Ofcom's *Children's Content Review* noted the wide variety of genres of programming broadcast on CBBC and CBeebies, and we would ensure to continue providing this diverse range of content.

The third public purpose says the BBC should show creative, high-quality and distinctive output in many different genres across a range of services and platforms. Through these changes, we will increase the profile of BBC iPlayer as a destination for content in its own right. Per the third public purpose, the BBC should take creative risks to develop fresh approaches and innovative content.

We would also be able to better serve a more diverse array of audiences through our proposal, thereby promoting the fourth public purpose. This purpose requires the BBC should reflect and serve diverse communities, with content that accurately and authentically represents and portrays. We will provide content that is better targeted to certain demographics (for example, the pre-teen age group).

We have a variety of metrics with which we can measure the impacts of our changes. We can use audience appreciation research scores and viewing figures to see the performance of individual titles, and the CBBC and CBeebies brands across platform. By

comparing the performance of titles on both the linear platform and BBC iPlayer, we will be able to better understand consumption habits, and what types of show (whether by length, genre) children like to view on demand.

3.5 Our proposals will not have an adverse market impact

The BBC is a market leader in providing new and original UK children's TV content, as highlighted in Ofcom's *Children's Content Review*. Besides Channel 5's Milkshake! pre-school content, other PSB channels provide little for children. We know that children view a range of content online, from YouTube to Netflix, as set out above. We note S4C and BBC ALBA provide some children's content in Welsh and Gaelic respectively.

We consider that this proposal will not have an adverse impact on fair and effective competition. First, this will not significantly increase the volume of first-run original production hosted on BBC iPlayer as all programmes broadcast on CBBC and CBeebies are automatically hosted on BBC iPlayer. Second, there are a multitude of platforms offering video content that are used by children.

Third, the BBC's new extended availability of children's content on BBC iPlayer has the potential to increase the volume of children's content on BBC iPlayer far more substantially than this proposal.

3.6 Other considerations

The majority of our first-run content will still be available on the linear schedule over the course of the year. We would ensure that any content was provided with accessibility services (audio description, subtitling and signing) in line with current delivery against our targets.

3.7 Changes to the Operating Licence

The current quota for first-run UK originations on CBBC and CBeebies restricts our ability to position our content where children most want it. Almost our entire children's content budget is allocated to first-run UK originations that are first broadcast on linear to meet the Operating Licence conditions. Amending the requirement so that this content could be first provided on BBC iPlayer would provide us with more flexibility.

4. Amending the Operating Licence

4.1 Potential Operating Licence conditions

In order for us to undertake these changes and update our children’s offer across news and television, we request that Ofcom amend certain Operating Licence conditions. We have drafted amended conditions in a way that we believe as far as possible reflects the intention of Ofcom’s current conditions, while providing us with the scope to enact our proposals. We note we have aimed to allow for some flexibility to further develop our children’s offer in future. In drafting, we have duly considered the requirement for the BBC to fulfil the mission and promote the public purposes, and we have had regard for the enforceability of any conditions.

We consider such changes would be in line with an increasing movement to consider television content provided online on a par with content broadcast on the linear schedule. We note the Children’s Contestable Fund is available to producers where content will be made available on an “Ofcom regulated free-to-air channel or platform”.¹⁸ Similarly, Ofcom’s statement on Listed Events states that they will “take into account whether individuals can receive television channels by means of broadcast TV (DTT, satellite or cable), as well as the internet (IPTV, internet protocol television) on their main screen”.¹⁹

We set out our proposed alternative conditions below to show how we think the Operating Licence could be amended to allow the BBC’s proposals to be enacted while fulfilling Ofcom’s duty to impose an Operating Licence.

4.2 Children’s news

Currently condition 2.6 of the Operating Licence states:

2.6 In respect of CBBC, the BBC must ensure that:

- 2.6.1 it shows news at intervals throughout the day; and
- 2.6.2 in each Financial Year at least 85 hours are allocated to news.

We propose that this condition is amended to state:

2.6 In respect of CBBC, the BBC must ensure that:

- 2.6.1 it shows news each day; and
- 2.6.2 in each Financial Year at least 35 hours are allocated to news.

2.6A In respect of BBC Online, the BBC must ensure that it provides daily news and information for children through a range of content in different formats.

¹⁸ [Contestable Fund Pilot](#), DCMS, October 2018, p.13.

¹⁹ [Listed Events: Identifying services that are free-to-view and widely available](#), Ofcom, July 2019, p.1.

We propose reducing the requirement for 85 hours to 35 hours to reflect the proposed volume of broadcast hours of Newsround. In turn, we suggest a condition requiring daily news content for children online. We do not consider a quantitative condition for online output would be appropriate or easily enforceable, as the online offering. As drafted, we would have the flexibility to innovate and provide children with a variety of audio-visual, written and interactive content. Through experimentation in this area, we will be able to better understand the best types of content to engage and stay relevant to young audiences.

4.3 First-run originations for Children's channels and BBC iPlayer

Currently the Operating Licence states:

2.35 In respect of CBBC, the BBC must ensure that in each Calendar Year at least 400 hours are allocated to the broadcasting of first-run UK originations across Daytime and Peak Viewing Time.

2.36 In respect of CBeebies, the BBC must ensure that in each Calendar Year at least 100 hours are allocated to the broadcasting of first-run UK originations across Daytime and Peak Viewing Time.

2.37 For the purposes of conditions 2.33 to 2.36:

2.37.1 "first-run UK originations" means programmes which are commissioned by or for a UK Public Television Service and have not previously been shown on television in the United Kingdom; and

2.37.2 references to hours mean hours measured in slot times for programmes with a slot time of 10 minutes or more, or hours measured in running times for programmes with a slot time of less than 10 minutes.

We propose that these conditions are amended to state:

2.35 In respect of CBBC, CBeebies and BBC iPlayer, the BBC must ensure that in each Calendar Year it provides at least:

2.35.1 350 hours of first-run UK originations of children's programmes; and

2.35.2 100 hours of first-run UK originations of pre-school children's programmes.

2.37 For the purposes of conditions 2.33 to 2.34:

2.37.1 "first-run UK originations" means programmes which are commissioned by or for a UK Public Television Service and have not previously been shown on television in the United Kingdom; and

2.37.2 references to hours mean hours measured in slot times for programmes with a slot time of 10 minutes or more, or hours measured in running times for programmes with a slot time of less than 10 minutes.

2.37A For the purposes of conditions 2.35 to 2.36:

2.37A.1 "first-run UK originations" means programmes which are commissioned by or for a UK Public Service and have not previously been shown on television or made available online in the United Kingdom; and

2.37A.2 references to hours in respect of UK Public Television Services mean hours measured in slot times for programmes with a slot time of 10 minutes or more, or hours measured in running times for programmes with a slot time of less than 10 minutes, and in respect of BBC Online mean hours measured in running times.

Our intent in redrafting these conditions is to allow children's programmes published only on BBC iPlayer to count as first-run UK originations. Our proposed drafting maintains the definition of first-run UK originations for BBC One and BBC Two, which is in line with Ofcom's typical usage across BBC and PSB regulation.

Our suggested 350 hours of children's content (i.e. for 6-12 year olds) reflects the above proposed change to condition 2.6 to allow the improvement.

4.4 Compliance

We consider in complying with these proposed conditions, we could accurately and efficiently measure and demonstrate compliance:

- For condition 2.6, we can measure and report on hours of news content as now.
- For condition 2.6A, we can demonstrate that a range of types of online content is scheduled to be uploaded on a daily basis. We are currently required to report compliance against condition 2.22 requiring a range of pre-school content on CBeebies, and would propose to do so in a similar way.
- For amended conditions 2.35 and 2.37A, we can measure and report the hours of first-run UK originations of children's content published to BBC iPlayer, and the number of hours first or subsequently broadcast on CBBC and CBeebies.

We note we would not intend to provide further evidence of compliance beyond our current practice for other licence conditions, e.g. report hours figures as part of the compliance section in our Annual Report and Accounts, and then provide supplementary information to Ofcom as requested formally if necessary for its own Annual Report on the BBC.

5. Conclusion

In this document, we have set out how we consider Ofcom should amend certain conditions of the Operating Licence so that we can implement proposed changes to our delivery of children's output, without risk of breaching any regulatory obligations. We consider that our changes will enable us to innovate and improve our content offer for children across news and television, staying relevant and engaging younger audiences.

Some of the outcomes of these changes are unlikely to be able to take effect for many months. There is a notable lag between commissioning decisions being made, programmes delivered and then subsequent broadcast and/or publication to BBC iPlayer. We therefore ask Ofcom to move swiftly in making its decision regarding these changes, so that they can take effect immediately from January 2020 and we can better plan our commissioning slates.

The BBC wants to make these changes to ensure that we can deliver the best possible public service content offering to children. We are requesting these changes so that in this time of budgetary pressures we can apportion our budgets to best achieve this aim. These changes are not an attempt to reduce our commitment to children's content.

In Ofcom's *Children's Content Review*, we note that Ofcom stressed the importance of the BBC's provision of content for children²⁰, but not specifically through linear delivery. We will maintain the high quality of our children's output, simply provided by different means, in order to stay relevant to our audiences and maintain pace with the market.

The suggested amendments to Operating Licence conditions outlined in section 4 are not radical changes, and we have drafted them in a way so as to retain the current language of the Operating Licence as far as possible. We would prefer not to replace Operating Licence conditions like for like, and instead simply provide assurances that the BBC will not reduce its commitment to children in a way that would not fulfil the mission and public purposes. We note, however, that Ofcom and some stakeholders will likely be more satisfied if there are regulatory safeguards.

Ofcom has said previously that the Operating Licence would evolve during the Charter period, and we do not believe Ofcom implemented the Operating Licence with the intention of solidifying historical performance without opportunity for the BBC to develop. We consider that amending conditions as we have suggested would be an appropriate first step in modernising the Operating Licence, and making it a more suitable regulatory tool applying to the BBC's digital platforms.

²⁰ [Children's Content Review](#), Ofcom, July 2018, p.15-16.