

BBC Scotland news provision

Statement on the BBC's request to change
the Operating Licence

Statement

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1. Overview

This document sets out Ofcom’s decision on a request from the BBC to change the news quota in its Operating Licence for the BBC Scotland channel.

- 1.1 The BBC requested a decrease in the number of hours of news required during peak time on BBC Scotland from 250 hours per calendar year to 125 hours. It suggested this will enable it to better serve audiences with news and current affairs content, by reshaping its provision.
- 1.2 The BBC proposed to launch a new 30-minute regional news programme to be shown at 7pm, five days a week on the BBC Scotland channel, replacing the current nightly one hour news programme, *The Nine*.¹ It also proposed a number of other editorial changes to news provision in Scotland which we have taken into consideration when coming to our decision on the BBC’s request, but they are not subject to our regulatory approval. These include: an extension of *Reporting Scotland* on BBC One Scotland to one hour at multiple times throughout the year; a new Scotland-focused current affairs podcast series which will be available on BBC Sounds, BBC iPlayer and broadcast on TV; an enhanced BBC Scotland online news service; and extending the run of the *Debate Night* programme during 2024.²
- 1.3 We consulted on our provisional view, between 3 May and 4 June 2024, that we were minded to approve the request, subject to consultation. We said that in light of the changing news consumption habits of audiences in Scotland, with a continual shift to online, we agreed that the BBC should be innovating in order to adapt to audience expectations and to find ways to connect with Scotland’s audiences with its news and current affairs output. We also concluded that the risk to fair and effective competition as a result of the proposal is low.
- 1.4 We received six responses to our consultation.³ One respondent considered that there were several questions to consider prior to Ofcom approving the BBC’s request. The BBC agreed with our provisional view, three respondents agreed with our provisional view subject to certain conditions and qualifications and one disagreed outright. Having carefully considered these responses we have decided to approve the BBC’s request to reduce the hours of news required during peak time on BBC Scotland from 250 hours per calendar year to 125 hours.

¹ At the time of the proposal, *The Nine* was broadcast at 9pm on Monday to Thursday on the BBC Scotland channel, with an earlier bulletin - *The Seven* – being broadcast at 7pm on Friday evenings.

² See [BBC’s submission for changes to Operating Licence](#).

³ Consultation responses are published here: <https://www.ofcom.org.uk/tv-radio-and-on-demand/bbc/statement-bbc-scotland-channel-news-provision/>

What we have decided – in brief

We have decided to approve the BBC's request to reduce the hours of news provision required by the Operating Licence in peak time on the BBC Scotland channel from 250 to 125 hours per calendar year. We consider that the revised news quota is appropriate for requiring the BBC to fulfil its Mission and promote its Public Purposes and that the wider proposal has the potential to meet audience needs in Scotland given changing viewing habits.

The BBC's proposal to deliver more news content online for audiences in Scotland, whilst at the same time continuing to provide content on broadcast TV, is consistent with market-wide audience consumption shifts from traditional news channels to online platforms.

In making these changes, the BBC will need to be transparent about how it is delivering for audiences in Scotland, and we will continue to hold it to account. We expect the BBC to monitor the performance of the BBC Scotland channel changes and for it to explain how it has delivered to audiences in Scotland. We will continue to closely monitor its performance and will report on how it has performed in relation to the changes next year in our annual report. The BBC noted in its response that it plans to monitor the overall performance of the new 7pm news programme, including its performance with the target audience and across different audience demographic groups. News is integral to the BBC's offering and it must continue to be at the heart of what it does.

The BBC is required, under its Operating Licence, to ensure that it provides content of interest and relevance to audiences in Scotland.⁴ In addition, transparency requirements in the existing Operating Licence, will ensure that the BBC publishes its plans around how it proposes to provide such content to audiences in Scotland, which will enable us to track its performance in this area and hold it to account. We are aware that the BBC, may not always be successful when it innovates and experiments to reach audiences in new ways. Nevertheless, we believe that this is important for the BBC to do so and it must ensure that it continues to be agile and ready to adapt when necessary.

We will pay particular attention to how the BBC says it is going to meet Scotland's audience's needs for news in its Annual Plan next year.

The overview section in this document is a simplified high-level summary only. The decisions we have taken, and our reasoning are set out in the full document.

⁴ Condition 4.42 of the [Operating Licence](#) states: "In relation to each of BBC iPlayer, BBC Sounds, the BBC Website, BBC One Scotland, BBC Scotland, BBC Alba, BBC Radio Scotland and BBC Radio nan Gàidheal, the BBC must provide content of interest and relevance to audiences in Scotland, including a broad range of content which reflects Scotland's culture".

2. Background

- 2.1 As part of our regulation of the BBC, we are required under the [BBC Charter](#) and [Agreement](#) to set an [Operating Licence](#) for the BBC, including regulatory conditions which we consider appropriate to secure that the BBC fulfils its Mission⁵ and promotes its Public Purposes.⁶ We have the power to amend the Operating Licence following consultation with the BBC and any person we consider appropriate. Between 3 May and 4 June 2024, we [consulted on](#) the request to reduce the news quota on the BBC Scotland channel by 50% from the current 250 hours in peak time per calendar year to 125 hours.⁷
- 2.2 We consider variations to the Operating Licence within the framework of the relevant legal and regulatory requirements, which are set out in Annex A2.
- 2.3 As well as requesting a reduction to the news quota, the BBC's submission also set out proposals for scheduling and editorial changes to its news and current affairs output. As outlined in the consultation, we reviewed these proposals but we noted that scheduling and editorial decisions are a matter for the BBC Board and not for Ofcom under the BBC Charter and Agreement.⁸
- 2.4 Our assessment of whether to vary the Operating Licence therefore considered, among other things, the impact on audiences and on fair and effective competition. We also carried out an equality impact assessment of the proposed variation, which we set out in the consultation document.⁹

⁵ The BBC's Mission is to act in the public interest, serving all audiences through the provision of impartial, high-quality and distinctive output and services which inform, educate and entertain (article 5 of the Charter).

⁶ The Public Purposes of the BBC are 1) to provide impartial news and information to help people understand and engage with the world around them; 2) to support learning for people of all ages; 3) to show the most creative, highest quality and distinctive output and services; 4) to reflect, represent and serve the diverse communities of all of the UK's nations and regions and, in doing so, support the creative economy across the UK; and 5) to reflect the UK, its culture and values to the world (article 6 of the Charter).

⁷ See [Consultation: BBC Scotland news provision](#)

⁸ See [Consultation: BBC Scotland news provision](#), para 2.11

⁹ See [Consultation: BBC Scotland news provision](#), Annex 3

3. Stakeholder comments and our responses

3.1 We received six responses to our [consultation](#). In this section we discuss stakeholder views on our provisional conclusions and then set out our response. We consider stakeholder views first by covering comments relating to the impact on audiences, followed by comments on the potential impact on competition. We also discuss other comments raised about greater transparency and holding the BBC to account for delivering to audiences in Scotland for news and current affairs.

Impact on audiences

What we said

- 3.2 Our consultation set out our provisional view that the revised news quota would be appropriate for requiring the BBC to fulfil its Mission and promote its Public Purposes and we said that the BBC’s proposal has the potential to meet audience needs in Scotland given changing viewing habits. We explained there has been a continued decline in audiences viewing to news content on the BBC Scotland channel, as they increasingly choose to consume such content online.¹⁰
- 3.3 We reflected that the BBC’s other proposed changes to news and current affairs output appear to be in line with audience expectations and consumption habits.¹¹ We noted that the BBC should be innovating to engage Scotland’s audiences with its news and current affairs output as their viewing behaviour evolves.

Summary of stakeholder views

- 3.4 While a number of stakeholders agreed with the proposals to reduce the quota (some subject to certain conditions), a number of issues were raised. The Scottish Government, who disagreed with reducing the quota, said that none of the proposals put forward by the BBC (outside of the main quota request) were being reflected as quotas within the Operating Licence. It was also suggested that quotas are necessary to ensure that the BBC provides adequate news and current affairs provision.¹² In addition, the Scottish Government thought quotas were necessary to hold the BBC to account and without them it would make it harder for Ofcom to do so.¹³
- 3.5 The Scottish Government said there was a risk that the quality of news reporting about Scotland and from a Scottish perspective could decline.¹⁴ It also suggested a lower quota might impact specific demographics, specifically those aged over 54, who were likely to be

¹⁰ See [Consultation: BBC Scotland news provision](#), para 3.13 – 3.19

¹¹ See [Consultation: BBC Scotland news provision](#), para 3.20 – 3.22

¹² See [Scottish Government’s consultation response](#), page 2, para 2

¹³ See [Scottish Government’s consultation response](#), page 2, para 3

¹⁴ See [Scottish Government’s consultation response](#), page 4-5, para 2-4

more reliant on broadcast TV news and that the BBC must meet the needs of all audiences.¹⁵

- 3.6 It was noted by the Scottish Government that current affairs programming is not a substitute for news programming and therefore as the proposal stands, they are of the view that it amounts to a significant reduction of news output in Scotland.¹⁶

Our response

- 3.7 News is integral to the BBC's offering and we expect the BBC to ensure it continues to fulfil its requirements and meet audiences needs all year round. Quotas are one of the ways that we hold the BBC to account for delivery of the Mission and promotion of the Public Purposes and particularly in relation to the delivery of news. However, the BBC needs to adapt to audiences' media habits and be able to deliver where audiences want to watch and listen to content. We have also said we expect the BBC to be more innovative and experiment in how it reaches and appeals to audiences.¹⁷
- 3.8 We consider a reduced quota for news on the BBC Scotland channel will ensure the BBC continues to deliver news on the channel. At the same time, it will also provide the BBC with more flexibility to experiment with where it delivers its news and current affairs content in order to remain relevant to audiences in Scotland, who are increasingly consuming less content via linear TV.
- 3.9 As we noted in our consultation,¹⁸ given the BBC is proposing to provide Scottish-focused regional news in the new programme, BBC Scotland channel audiences would no longer be provided with regular international, national and regional news on the channel. However, that type of news and news in general is available to audiences in Scotland on other BBC services such as BBC One, BBC radio and BBC online services.
- 3.10 We note that the BBC is also required by the Operating Licence to ensure that it provides content of interest and relevance to audiences in Scotland. Further, the transparency requirements in the Operating Licence require the BBC to publish plans for how it proposes to deliver to these audiences. In addition, we also assess the performance of the BBC through other means including audience research. We consider that the Operating Licence, performance measurement framework and our ability to step in where necessary, forms the basis of a regulatory regime that is effective in holding the BBC to account.
- 3.11 Regarding the potential impact on specific audiences, we recognise the BBC's proposals mean a reduction in the amount of broadcast TV news and instead more provision on other platforms and media, such as online and podcasts. We therefore considered the equality impact on groups that may favour traditional, linear services, especially those from an older age demographic. We noted in our consultation document that while older age demographics watched the content being provided on the BBC Scotland channel, they did so at a decreasing rate. We remain of the view that any adverse impact on this group is likely to be minimal, because broadcast news will still be provided on the BBC Scotland channel and on other BBC television services. Any impact is likely to be mitigated further by

¹⁵ See [Scottish Government's consultation response](#), page 3, para 2-3

¹⁶ See [Scottish Government's consultation response](#), page 2, para 1

¹⁷ See [Modernising the BBC's Operating Licence](#), para 7.43

¹⁸ See [Consultation: BBC Scotland news provision](#)

the BBC's proposed plans to provide a package of news and current affairs content which it suggests will enable it to better serve all audiences.

- 3.12 We conclude that the proposed amendment will help to secure the overall delivery of Public Purpose 1.¹⁹

Impact on competition

What we said

- 3.13 We noted that the BBC stated in its request it did not think there would be an adverse market impact as a result of replacing *The Nine* with a 7pm news programme and filling the 9pm slot with varying content. It highlighted that the new 7pm news programme would be broadcast at the same time as at least three other news programmes.²⁰ However, it stated that the new programme would focus on Scottish news, unlike other news programmes shown at this time, and that the associated audience demographics were different.²¹
- 3.14 On balance we considered that the risk to fair and effective competition as a result of the BBC's proposal is low.

Summary of stakeholder views

- 3.15 STV expressed concerns about the impact of the proposed changes on the wider market. It noted that some of the other news programmes which the new 7pm programme would be broadcast up against, have similar audience profiles to that which the new programme is seeking to attract, specifically related to C2DE audiences.
- 3.16 Another concern related to what the proposed replacement programming would be in the freed up 9pm slot. It was suggested that depending on the content shown, the impact on competitor services could be significant, especially if the content related to genres such as live sport, which, it was claimed, has attracted some of BBC Scotland's highest audiences. It was also noted that more clarity was needed from the BBC on the detail of the proposed programming it plans to show in the 9pm slot.²²

Our response

- 3.17 In its submission, the BBC set out that while Channel 4 News and the ITV Evening News were the most likely to be impacted by the proposals, it expected any impact to be minimal due to the fact that neither programme focuses solely on Scottish news, unlike the BBC's proposed new programme.²³

¹⁹ Public Purpose 1 requires the BBC to provide impartial news and information to help people understand and engage with the world around them.

²⁰ One from the BBC News channel and two from other broadcasters (Channel 4 and ITV). Channel 4's *Channel 4 News* is broadcast from 7pm – 8pm Monday to Friday while the *ITV Evening News* regularly runs from 6.30pm to 7.30pm on STV and ITV for viewers in Scotland.

²¹ The BBC notes in its submission that "59% of *The Nine*'s audience is from a C2DE demographic compared to 63% of *Channel 4 News*'s audience being ABC1 and only 37% being C2DE. We intend for the new 7pm news programme to have a similar audience demographic as *The Nine*".

²² See [STV's consultation response](#), page 4, point 6

²³ See [BBC's submission for changes to Operating Licence](#), para 2.6

- 3.18 We have reviewed the points raised by STV. As set out in the consultation document, Ofcom’s remit does not extend to editorial and scheduling decisions. We also highlight individual programme scheduling decisions in our [BBC Competition Guidance](#), as an example of a day-to-day business decision that we would not consider material (that is, a change which may have a significant adverse impact on fair and effective competition).²⁴ We also note that over part of the 2024 European Football Championship, the BBC made the editorial decision to move *The Nine* into the 7pm slot temporarily. We understand this was done in part to provide a stable slot for news provision during the football and Wimbledon.
- 3.19 In light of the above, we consider that the risk to fair and effective competition is low. However, if we received any evidence of concerns from stakeholders in the future, we would consider them.

Holding the BBC to account and other comments

What we said

- 3.20 We said it is important that the BBC is transparent about how its proposals ensure that it continues to meet the needs of audiences in Scotland. We noted that the transparency requirements in the Operating Licence would mean that the BBC would need to evidence how, for example, its approach to online news provision promotes engagement with audiences in Scotland, which we would monitor through our performance programme.
- 3.21 We highlighted that the proposed Scottish-focused regional news programme would mean that BBC Scotland channel audiences would no longer be provided with the range of international, national and regional news previously offered on the channel.²⁵ We said that if we approved the request, we would expect the BBC to monitor this aspect of the proposal closely, to ensure it was delivering for audiences in Scotland. We explained we would also monitor via our performance framework, part of which includes asking audiences how satisfied they are with the BBC and its delivery of news each year. If necessary, we would require further information from the BBC to enable us to fully assess performance.

Summary of stakeholder views

- 3.22 The Advisory Committee for Scotland sought assurances from Ofcom on how we would monitor the impact of any new subsequent changes in a timely way, to enable us to pick up on any issues quickly.²⁶
- 3.23 It also requested more transparency from the BBC on how its proposals would continue to ensure that audiences in Scotland are well served in terms of news and current affairs. It felt that the BBC’s proposals didn’t go far enough in terms of considering real and systemic improvement and that what has been put forward is “*in essence a rearrangement of the current furniture*”.²⁷ Concern was also raised with regards to the BBC’s proposals relating to developing local news provision online. It was noted that the changes the BBC suggested

²⁴ See [Ofcom’s BBC Competition Guidance](#), para 4.10

²⁵ See [Consultation: BBC Scotland news provision](#), para 3.26

²⁶ See [ACS’s consultation response](#), page 3-4, para 5

²⁷ See [ACS’s consultation response](#), page 2, para 6

require people “going in search of the news as opposed to it coming to them via integrated content”.²⁸ It suggested that there should have been more mention of development of social media accounts/strategy for BBC Scotland news.

- 3.24 Concerns were expressed by the Voice of Listener and Viewer (VLV) about the temporary nature of some of the BBC proposals and what would happen to the budget allocated if they did not continue.²⁹ Some respondents said the BBC’s proposal to extend *Reporting Scotland* at various times across the year, and its strategy of how often those extensions would occur and subsequently overlap with the new programme lacked clarity.^{30 31} VLV also noted that risk of repetition of news content/stories was probable if there wasn’t clear editorial distinction between the new 7pm news programme and existing BBC news programmes.³² This concern was also expressed by Professor Beveridge.³³
- 3.25 Lack of budget and the impact this could have on distinctiveness of the new 7pm programme was also noted by Professor Beveridge.³⁴

Our response

Holding the BBC to account

- 3.26 We agree with stakeholders that it is important the BBC is transparent about how it is delivering for audiences in Scotland across its services. As previously highlighted, it is required, under its Operating Licence, to ensure that it provides content of interest and relevance to audiences in Scotland and that it publishes its plans for how it proposes to do this and then reports on its performance against these plans.
- 3.27 Under the Operating Licence, while the BBC does now have more flexibility to consider how best to meet audience needs, this flexibility is closely and regularly monitored by Ofcom. We obtain regular, on-going information through our audience research, stakeholder engagement and via information requests to the BBC. Although we report publicly on the BBC once a year, our monitoring of the BBC’s performance continues throughout the year.
- 3.28 As well as regular ongoing monitoring, we also focus on particular areas should we consider it necessary, for example, where the BBC makes changes to its services which we consider have the potential to impact audiences. Our monitoring enables us to intervene if we identify any concerns. Alongside our regular monitoring and ability to ‘deep dive’ into areas of particular interest, the BBC is also now required to be much more transparent about its plans and its performance under the new Operating Licence.
- 3.29 In relation to BBC Scotland, we will expect the BBC to monitor the impact of the changes, including for different demographic groups, as it sets out in its response: “As with all our services and programmes we will monitor the performance of the new 30-minute news programme. This will include overall viewing figures and performance with different demographic and target audience groups.”³⁵ Both our monitoring and the BBC’s should provide more granular data on how audiences in Scotland engage with news and what they

²⁸ See [ACS’s consultation response](#), page 3, para 1

²⁹ See [VLV’s consultation response](#), page 4, point 10a-c

³⁰ See [Scottish Government’s consultation response](#), page 2, para 1

³¹ See [Professor Beveridge’s consultation response](#), page 1, point 3

³² See [VLV’s consultation response](#), page 4-5, point 10d-e

³³ See [Professor Beveridge’s consultation response](#), page 1, point 3

³⁴ See [Professor Beveridge’s consultation response](#), page 1, point 3

³⁵ See [BBC’s consultation response](#), page 2, para 4

think about it. This will give us additional evidence to assess how well the provision is meeting the needs of its target audiences. We will pay particular attention to delivery for DE demographic groups and will report on the impact on audiences of the BBC Scotland channel changes in our Annual Report on the BBC next year.

Other issues raised

- 3.30 A number of other issues raised by stakeholders relate to editorial, scheduling, budgetary and strategic decisions for the BBC and are therefore ultimately matters for the BBC Board rather than Ofcom. The BBC Board is responsible for ensuring the BBC delivers its remit, for all decisions related to budgets and for setting the BBC's strategic and creative direction. Our role is to ensure the BBC is delivering for all audiences and to hold it to account for fulfilling the BBC's Mission and promoting the Public Purposes.
- 3.31 Nevertheless, we are of the view that as audiences' news and current affairs consumption habits evolve, the BBC must continue to evaluate its performance and innovate to continue to engage with audiences across different platforms. News and current affairs programming are important all year round and as we noted in our consultation, we therefore expect the BBC to ensure that it meets audience needs. The BBC may not always be successful when experimenting with new ways to engage audiences, and therefore changes to its output might be necessary.

4. Decision

- 4.1 Based on the analysis outlined above, we have decided to approve the BBC's request to reduce the amount of peak time news that it is required to provide on the BBC Scotland TV channel under the Operating Licence. The BBC has said that it plans to provide more news content where audiences want it and are most likely to engage with it. We know from our own and the BBC's research that audiences in Scotland are increasingly consuming BBC news content online rather than watching it on TV.
- 4.2 Our view is that the proposal has the potential to ensure the BBC achieves these aims, and will contribute to the delivery of the Mission and promotion of the Public Purposes, thereby benefiting audiences in Scotland.
- 4.3 We consider a key way to hold the BBC to account on its changes is to monitor its performance, and we will continue to do so as outlined above and as part of our ongoing monitoring which we report on annually. In approving the BBC's proposal, we expect the BBC to monitor the performance of the BBC Scotland channel changes and for it to explain how it has delivered to audiences in Scotland, including for different demographic groups and continues to evaluate its successes.
- 4.4 We have decided to proceed with our proposed amendment to the Operating Licence for the reasons set out in the consultation and above in response to stakeholders' comments. **We have therefore decided to accept the BBC's proposed reduction to the level of news it is required to broadcast on the BBC Scotland channel during peak time from 250 hours per calendar year to 125 hours.**³⁶ We have issued a notice of variation to the BBC Operating Licence alongside this statement as at Annex A1.

³⁶ This reduction in the quota will be on a pro-rata basis for the calendar year 2024.

A1. Notice of Variation

NOTICE NUMBER 2 DATED 6 August 2024

TO THE OPERATING LICENCE FOR THE BBC'S UK PUBLIC SERVICES ISSUED ON 23 March 2023

Recitals

- (A) On 15 December 2016, the Government published the Royal Charter for the continuance of the BBC ("the Charter") and the agreement between the Secretary of State for Culture, Media and Sport, and the BBC (the "Agreement") which required Ofcom to set a licence for the BBC's UK Public Services. On 13 October 2017, Ofcom issued the first licence. This first licence was amended a few times.
- (B) On 23 March 2023, Ofcom issued the second Licence for the BBC's UK Public Services (the "Licence"). The Licence has been subsequently amended.
- (C) In accordance with Clause 80 and 13(5) of the Agreement, Ofcom's "Procedures for setting and amending the operating licence" published on 13 October 2017 (the "Procedures") and its consultation principles, Ofcom considered it appropriate in the circumstances to consult publicly on the BBC's request to amend the news quota for the BBC Scotland channel and proposed consequential amendments to the licence on 3 May 2024.
- (D) Ofcom has considered all the responses to the consultation.
- (E) Following consultation, on 6 August 2024 Ofcom published a statement (the "Statement") setting out our decision to approve the BBC's request to reduce the news quota on the BBC Scotland channel by 50% from the current 250 hours in peak time per calendar year to 125 hours.
- (F) For the reasons set out in the Statement, Ofcom has decided that it is appropriate to amend the Licence.

NOW THEREFORE the Licence shall be varied in the following manner:

1. Amend paragraph 4.47.2 as follows:
 - a) *In respect of BBC Scotland, the BBC must ensure that, in each Calendar Year, at least **125 hours** are allocated to news in Peak Viewing time.*

This variation to the Licence shall come into force with immediate effect on 6 August 2024.

SIGNED FOR OFCOM ON 6 August 2024

x 

Cristina Nicolotti Squires

Broadcasting and Media Group Director, Ofcom

A2. Legal Framework

- A2.1 Ofcom’s power to regulate the BBC is derived from the Communications Act 2003 (the Act),³⁷ which sets out that for the purposes of the carrying out of regulation of the BBC, we will have such powers and duties as may be conferred on us by or under the Royal Charter for the continuance of the British Broadcasting Corporation (the Charter)³⁸ and the Agreement between the Secretary of State for Culture, Media and Sport, and the BBC (the Agreement).³⁹
- A2.2 Ofcom’s general duties under section 3 of the Act also apply to the exercise of our functions in relation to the BBC.⁴⁰ These include our principal duty to further the interests of citizens in relation to communications matters, and to further the interests of consumers in relevant markets, where appropriate by promoting competition. In performing our duties, we must have regard to the principles under which regulatory principles must be proportionate, consistent and targeted only at cases in which action is needed. The Act also requires us to have regard, as appropriate, to certain other principles we consider relevant. We consider the following principles in the Act to be relevant to this consultation:
- i) The desirability of promoting the fulfilment of the purposes of public service television broadcasting in the UK;
 - ii) The needs of persons with disabilities, of the elderly, and those on low incomes;
 - iii) The opinions of consumers in relevant markets and of members of the public generally; and
 - iv) The different interests of persons in the different parts of the UK, of the different ethnic communities within the UK and of persons living in rural and urban areas.⁴¹
- A2.3 Under the Charter, Ofcom is required to have regard, in carrying out its functions in relation to the BBC, to such of the following as appear to us to be relevant in the circumstances.⁴²
- i) The object of the BBC to fulfil its Mission⁴³ and promote the Public Purposes;
 - ii) The desirability of protecting fair and effective competition in the UK; and
 - iii) The requirement for the BBC to comply with its general duties.

³⁷ Section 198 of [the Act](#).

³⁸ [The Charter](#).

³⁹ [The Agreement](#).

⁴⁰ Article 45(1) of the Charter.

⁴¹ Section 3(4) of the Act.

⁴² Article 45(2) of the Charter.

⁴³ The BBC’s mission is to act in the public interest, serving all audiences through the provision of impartial, high-quality and distinctive output and services which inform, educate and entertain (Article 5 of the Charter).

- A2.4 Out of the five Public Purposes,⁴⁴ the following are particularly relevant to this consultation:⁴⁵
- A2.5 Public Purpose 1: To provide impartial news and information to help people understand and engage with the world around them; and
- A2.6 Public Purpose 4: To reflect, represent and serve the diverse communities of all of the United Kingdom's nations and regions and, in doing so, support the creative economy across the United Kingdom.
- A2.7 We note that, by virtue of Article 20(3)(d) of the Charter, the BBC is required to set performance measures (and targets for those measures where appropriate) and to collect such information as is necessary to assess the performance of the UK Public Services⁴⁶ in fulfilling the mission and promoting the public services.⁴⁷
- A2.8 Separately, by virtue of Article 46(4) of the Charter, Ofcom may set performance measures (further to those set by the BBC), and may collect such information as is necessary, to assess the performance of the UK Public Services in fulfilling the mission and promoting the public purposes.⁴⁸ In addition, Ofcom may require the BBC to collect such information as we consider necessary for the performance measures.⁴⁹
- A2.9 In addition to setting performance measures, we are required to set an Operating Licence (the Operating Licence) containing a set of regulatory conditions with which the BBC must comply.⁵⁰ The Charter states that the Operating Licence must contain regulatory conditions Ofcom considers appropriate for requiring the BBC to:
- i) Fulfil its Mission and promote the Public Purposes;
 - ii) Secure the provision of distinctive output and services; and
 - iii) Secure that audiences in Scotland, Wales, Northern Ireland, and England are well served.⁵¹
- A2.10 Schedule 2 of the Agreement contains some further rules regarding the regulatory conditions that Ofcom must impose through the Operating Licence.
- A2.11 We may amend the Operating Licence following consultation with the BBC and any person we consider appropriate.
- A2.12 In addition to setting an Operating Licence, we are also required to publish an operating framework.⁵² The operating framework is a series of documents that cover the full range of

⁴⁴ Article 6 of the Charter.

⁴⁵ The BBC's delivery of its fifth Public Purpose, reflecting the UK to the world, will be achieved primarily through the BBC World Service and BBC Worldwide. The second Operating Licence does not cover the BBC World Service; responsibility for setting a Licence for the BBC World Service lies with the BBC (clause 34 of the Agreement).

⁴⁶ The UK Public Services are set out in a [List of the UK Public Services](#) maintained and published by the BBC.

⁴⁷ Clause 14(1) of the Agreement.

⁴⁸ Clause 14(2) of the Agreement.

⁴⁹ Clause 14(4) of the Agreement.

⁵⁰ Under the Charter and the Agreement, Ofcom is required to set an Operating Licence for the BBC's UK Public Services.

⁵¹ Article 46(3) of the Charter.

⁵² Article 46(2) of the Charter and Clause 5(1) of the Agreement.

our regulatory duties in the three areas of content standards, competition, and performance. The operating framework for BBC regulation includes the 'Procedures for setting and amending the Operating Licence' (the 'Procedures')⁵³ which explain how we set and administer the Operating Licence regime and the procedures to be followed.

- A2.13 The Procedures set out considerations to which Ofcom will have regard when setting or amending the Operating Licence, including the relevant legal framework, enforceable nature of Operating Licence conditions and the desirability of ensuring that regulatory conditions are clear and capable of enforcement in the event of non-compliance.⁵⁴

⁵³ See Ofcom, [Holding the BBC to account for delivering for audiences: Procedures for setting and amending the operating licence](#), 2017.

⁵⁴ See [The Procedures](#), paragraphs 1.11 to 1.20.