



HOUSE OF LORDS

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The Select Committee on Communications

Inquiry on

BBC CHARTER RENEWAL:

PUBLIC PURPOSES AND LICENCE FEE

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Questions 134 - 142

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2 pm

Witnesses: Richard Williams and Caroline Norbury

USE OF THE TRANSCRIPT

1. This is a corrected transcript of evidence taken in public and webcast on www.parliamentlive.tv.

Members present

Lord Best (Chairman)
 Lord Hart of Chilton
 Baroness Jay of Paddington
 Baroness Kidron
 Lord Sherbourne of Didsbury

Examination of Witnesses

Richard Williams, CEO, Northern Ireland Screen, and **Caroline Norbury**, CEO, Creative England

Q134 The Chairman: Here we go. I am going to call us all to order. Richard and Caroline, thank you both very much indeed for joining us. As the House of Lords Select Committee on Communications, we are looking at the BBC charter renewal and we are concentrating on the public purposes, seeing whether they are still fit for purpose. We are looking at scale and scope—the breadth of the BBC and whether or not it should be contracted—and the basis on which the licence fee is set each time that comes round; the non-controversial one at the end there. Those are our three headings. Now we are going to get help from you in answering them. Although we have biographical details, just to put it on the record, I will ask each of you to explain who you are and where you have come from. Caroline, please could you introduce yourself.

Caroline Norbury: I am Caroline Norbury, the chief executive of Creative England. We are a not-for-profit company. As the name suggests, we work entirely in England. We use a mixture of private and public resources to invest and grow creative talent and businesses. The majority of our focus is around supporting businesses and talent outside London on the basis that those businesses and individuals often face a lot more barriers to developing their careers or growing their businesses. We have offices in many of the major cities in England—Bristol, Birmingham, Manchester, Leeds, Sheffield and a small office in London. Although we are a small team, we work in a very diverse way. We work very closely with the creative industries in those cities.

Richard Williams: I am Richard Williams, the chief executive of Northern Ireland Screen. As the name suggests, it is the screen agency for Northern Ireland. We may have a slightly broader remit, in that we have, or at least try to have, an equal focus on the cultural, educational and economic value of the screen industries. That may be relevant to the focus of this committee. We are fairly well aligned to the public purposes of the BBC. Obviously, where we have a different focus is that we are specific to Northern Ireland, but when I read the public purposes of the BBC, those are not a million miles away from what we are trying to achieve.

Q135 The Chairman: Staying with you and the public purposes, is the BBC fulfilling these public purposes? If you think that it is, what evidence do you have of that?

Richard Williams: In the context of Northern Ireland?

The Chairman: Yes.

Richard Williams: The first thing to say is that the BBC makes a very considerable contribution to its public purposes in relation to Northern Ireland. While I am often critical of the BBC, you have to start with that. In relation to its local programming—its local current affairs and news coverage—it contributes extremely strongly to the public purposes, as well as the wider aspects of the creative industries; for example, it is the key pillar supporting the Ulster Orchestra in Northern Ireland. The Ulster Orchestra is under a certain amount of pressure in terms of its funding and other areas. Yes, it definitely makes a significant contribution consistent with its public purposes.

That said, there are notable omissions in terms of the public purposes, especially public purposes 3 and 4 concerning the extent to which the BBC stimulates creativity and cultural excellence, particularly the extent to which it represents the nations, regions and communities. Across the 10 years of the charter period, you would have to say that at the start of the period there was almost no representation or portrayal of Northern Ireland within network programming, which is a significant absence, if you track it back to the public purposes. In the middle of the charter period, if you were summarising you would say that there was some representation and certainly some production, which contributes to stimulating creativity, but still very little portrayal. On those aspects, it was a very poor picture. But there is good news: the end of the charter period, triggered by a pretty significant shift in the attitude within the BBC to the importance of the nations quotas—the 17% for the nations and, specifically, the just under 3% in relation to Northern Ireland—among other things, led to the BBC entering a partnership agreement with Northern Ireland Screen, which I see as an excellent example of how the BBC might engage more effectively with other public sector stakeholders in delivering both its public purposes and indeed helping everybody else to deliver parallel public good in the same sphere. That is maybe enough from me for now.

Caroline Norbury: The last time there was the charter renewal, Tessa Jowell described the licence fee as risk money—“venture capital for the creative industries”. From Creative England’s perspective, we look very much at the really important role that the BBC plays as an investor in creative talent in the UK and the UK’s creative industries. It is undoubtedly one of our greatest cultural institutions. It is trusted around the world, et cetera. Having said all that, I am here to talk about the impact on England. From our perspective, when considering public purposes in relation to services around England, the spend is disproportionate. Economically and culturally, the English regions are underserved by the BBC. If you look at the spend and the amount of non-network hours that are commissioned in England, it is something like 94 hours in England, compared to 220 hours in Scotland. In the desire to recalibrate a better representation of the nations, what seems to have suffered is England as a whole. This is further impacted by the current political dialogue around devolution, nation-building, et cetera. Because there are no English institutions, the sense that we have about what this means to the industry, which is our connection with the BBC, is that the businesses that we work with are probably not as well served by the BBC as they might be.

The Chairman: London is a region, too, is it? Are you excluding London?

Caroline Norbury: No, within that 94 hours, non-network includes London. The nations get 20% of BBC network production spend, whereas if you take the whole of the Midlands region, which contains 25% of the UK population, the spend is just over 2.5%. So there is a real disparity there. While there are sound reasons for having much more visibility of the

nations, because there are not the same political organisations and institutions able to argue for England, we are seeing that lack of visibility around that rest of England.

Q136 Lord Hart of Chilton: About two weeks ago, we had a number of 18 to 25 year-olds come and see us. One of the points that they made was that in watching television, they did not see reflected back to them their lives and communities. They said there was insufficient diversity and they thought that the role of women being portrayed was not sufficient to reflect how they saw their social community. That takes us to the purpose remit survey, which was published in July this year by the BBC Trust, which showed the largest performance gap in the fourth public purpose, which was representing nations, regions and communities. What is your assessment of that finding? The supplemental point to that is that the gap for representation has overtaken the previous gap, which was on effectiveness. What would your opinion be of why the gap had widened?

Caroline Norbury: There are two things going on with that example. One is the decline in television viewing among that age group, and the fact that they have got an awful lot of choice and have been marketed at from so many different areas, from lots of other places. So there is obviously a supply issue going on there. But also there is a cultural issue; it is not just a BBC issue but a UK TV issue around children's programming. There has not been an awful lot of investment in it, and it is definitely the poor relation within TV. If you do not see your life reflected in the content that you are watching, obviously you are going to feel distanced from those channels. Both those things are going on with that age group. The BBC has a particular obligation and responsibility to invest in programming for young people. My children rarely watch anything with a British accent in it; they have absolutely grown up thinking that rubbish is trash, and so on. That is a bit prosaic, I know, but part of the reason for that is that they have not seen those role models on television—and part of the reason why they have not seen those role models on television is that domestic companies are not making those shows. So it is not just a cultural issue. Going back to my earlier point around supporting indigenous businesses, there is a role for the BBC in investing in the ecosystem that creates those sorts of properties.

Lord Hart of Chilton: I gave as an example the evidence from 18 to 25 year-olds, but this remit survey makes a point that goes far beyond that one section or group. It talks about a wider point, about a gap—and about not coping with an appetite or interest across the board, of all ages. Do you think that that is right?

Richard Williams: I agree with Caroline and think the cause and effect here is really very straightforward. The extent to which the percentage approval rating in Northern Ireland is below the average is exactly the same as the percentage below for the black and Asian community. I suspect that the reasons are exactly the same. As Caroline says, your approval rating will be a direct response to the extent to which you see yourself reflected in the service. In Northern Ireland we have been going on about this for a very long time. The best example that we have is the most recent, and it is better because it is a positive example. For the first time, we had a TV drama series on the BBC network set in Belfast, "The Fall", and the approval rating for that show in Northern Ireland was enormously high. The critical point in terms of any future commissioning strategy is that the approval rating for that show across other unrelated areas of the UK or other audiences was also extremely high. There is a strong need at a commissioning level to somehow drive the need to deliver this portrayal for all sections of society and all communities in the UK in content that delivers

entertainment and whatever other functions that it has to deliver for the audience. Looking at the example of “The Fall”, I do not think that it is that difficult, and I do not see why, within BBC content, there cannot be a dramatically greater representation of the wide number of differing communities and the different ethnic and geographic groups that exist within the UK.

Caroline Norbury: It is not just about programmes. One of the challenges with the current debate around the BBC is that there is a lot of concentration around the BBC crowding out the commercial sector and having a terrible impact on regional newspapers, and so on. But the BBC is so much more than just programmes. One of the great strengths of the BBC as a lead cultural institution and a leader in the creative industries is that it has so many other points of intervention and impact, but we do not really talk about those or measure them and they are not recognised necessarily within those areas where there is spending power in the BBC. So it is very difficult to measure what the BBC is doing in those areas, because they are not particularly visible and are not championed. I do not know whether they are measured; I do not get a sense that they are—but the BBC is doing a lot with city partnerships, in its work with universities and in schools, and so on. We measure the BBC on this thing on metrics, around representation and seeing yourself reflected. I believe that that is very important, but, equally, the BBC does so much to engage, but it does not feel as if it is ever presented as one joined-up core purpose that ticks the box around public purpose. If we had a more articulate way in which to measure that and talk about it, the value that it brings in those areas would be much more visible.

Q137 Baroness Kidron: You may have extrapolated before answering my question. I am afraid I have to read a quote for the record. The BBC Trust has proposed changing its purpose from “reflecting the UK, its nations and regions” to “reflect, represent and serve everyone in the UK”. In doing so it stated: “The BBC should reflect the full diversity of the UK in its content. In doing so, the BBC should accurately and authentically represent and portray the lives of the people of the UK today, and raise awareness of different cultures and alternative viewpoints. It should ensure that it provides content to meet the needs of the UK’s nations, regions and communities. It should bring people together for shared experiences and help contribute to the social wellbeing of the UK. The BBC should use emerging communications technologies and reflect the UK in a digital age”. The question after all that, is: what do you think of that change, and secondly, do you think that it will actually make a difference, or are you looking for another difference?

Richard Williams: There are a couple of things. I am broadly content with the public purposes. Their meaning as presently drafted is pretty straightforward and it is easy enough to understand what they are meant to drive, so I am not overly exercised about changing the wording. I accept that it may be a partisan statement, but any redrafting of the purpose that takes out the word “nation” is a concern to me. While I can understand where Caroline is coming from, talking about England versus the noise around devolution in Scotland, Wales and Northern Ireland, the reality from a Northern Ireland point of view is that that noise has only begun to deliver any noticeable and substantial change in the last number of years. The big concern for me is that change can drive confusion; it can drive a change of focus. One of my biggest concerns about this charter renewal—which I will come on to in the later questions—is that some of the proposed changes are of a scale that have the potential to just block out the sun. The chance of continuing to deliver on other aspects of BBC obligations—from my point of interest, the commitment to make contributions fairly and

reflect the nations—could be completely lost. So I find it very hard to accept the public purpose that drops the word “nation”, but at the same time the bigger issue is to get the intention of the public purposes to cascade down into the day-to-day running. Again, I accept that Caroline has said that the BBC is much bigger than programming alone but still, to get those public purposes to cascade down into commissioning on a day-to-day basis is more critical than changing the public purposes.

Baroness Kidron: So you do not see any impact coming out of that wording change?

Richard Williams: No, beyond what I said about the nations.

Caroline Norbury: I broadly agree with a lot of what Richard said. I would feel equally uncomfortable around the removal of the nations aspect in particular, because it is incredibly important, particularly at the moment. However, the suggested change recognises the differences between communities in the UK as a whole. I find it very difficult to come up with a yes or a no; there are equally valid arguments for both cases. I will partially answer your question with another question, which is, how would you do it? There has to be a much better tie-up between how you measure public purpose and how that is then fed into a framework to measure both the corporate KPIs as well as the individual KPIs for those people who have spending power, because that is where change happens. If we look at how you measure public purpose and if you can put together a set of metrics that measure that outside programming as well, those should be part and parcel of every commissioner’s key performance indicators. We need to find ways in which we can incentivise those who have spending power to deliver those public purposes, whereas at the moment it feels reasonably clear for a commissioning editor or controller—those people who have spending power—when it comes to programming but how do you measure the success of all those other things? I do not have an answer, but as with many private businesses, delivering on your sales target is only part of your performance indicator, and I would like to see that fed in.

Baroness Kidron: Are you suggesting that the BBC does not get enough credit for the non-programming part of its remit, or are you just asking for it to be measured?

Caroline Norbury: I think I am saying the latter. I do not know how it is recognised or measured, and that is one of the reasons why it has difficulties making the case in the first place.

The Chairman: Richard said that there was a major shift in terms of fulfilling the public purposes to your satisfaction in relation to Northern Ireland shortly before the charter was renewed last time. What created that shift? What happened at that point?

Richard Williams: To be clear: do you mean not shortly before the charter was renewed last time—this charter period?

The Chairman: This period.

Richard Williams: I do not know; it is conjecture on my part. I would put it down to the director-general. I see the new director-general, in my dealings, as someone who has an empathy for the issues that we will be bringing to the table. Certainly, in my experience, he is more open to arguments around partnership than in my experience prior to that.

Q138 Lord Sherbourne of Didsbury: One subject that comes up a lot is the role of the BBC in stimulating the creative industries. Today we are focusing very much on particular parts of the UK, and perhaps for the moment on Northern Ireland. How do you think the proposal for

BBC Studios might help creative industries, but also in particular help Northern Ireland fulfil the needs of local people both in terms of meeting their needs as consumers and utilising the great talent there is?

Richard Williams: To be honest, I would find it difficult to imagine a scenario where a commercialised BBC production would deliver more strongly against the development of the creative industries in Northern Ireland. Obviously, I could be wrong, but I find it hard to understand how commercialised BBC production would work. In a sense, it is not my job to work out that conundrum. But my concern for Northern Ireland is that a more commercial BBC production will almost inevitably shrink back over time in terms of its footprint into a predominantly London-based focus in terms of where the jobs are. Theoretically, that may not be a bad thing from a Northern Ireland point of view, but it would have to be counterbalanced with a clearer stronger commitment to quotas across the nations and probably the regions as well. It is hard to believe that a commercial BBC production would not be a driver back to London. That is a big concern for me and is probably my primary concern in this charter renewal. To be clear, on balance, my view is that from an economic point of view, you get more value for your buck in most scenarios with independent production, so it may be that Northern Ireland would be all right. But I cannot believe that a commercialised BBC production would have a huge footprint in Northern Ireland.

The Chairman: Caroline Norbury, do you have a view yourself about the proposal?

Caroline Norbury: I do not have an awful lot of detail on what is envisaged for BBC Studios, other than that there is a lot of nervousness and hesitation, I suppose, from the companies that we work with. They worry about BBC Studios having some preferential treatment but that is not my area of expertise. You should definitely interrogate John McVay from Pact on that. The principle which I think Richard is alluding to is that wherever the spending power is, that drives behaviour. If you look at those areas which have very strong media economies, such as Bristol and Manchester, or around Leeds, they have continued to have them because the spending power was there. The reason that there is such an amazing media sector in Bristol, which I know a lot about, is largely because of the BBC but because the BBC spent a lot of money there a long time ago. In doing so, it was then complemented by a very forward-thinking ITV regional franchise, HTV. Many of the businesses that grew out of that initial investment from the BBC became able to wash their own face internationally because they had the initial underpinning of that sort of investment.

So you have a situation where Aardman moved to Bristol to do one minute for Tony Hart's "Take Hart". That was one minute and, 25 or perhaps 27 years later, they still do some business with the BBC but it is not so much these days. If you look at natural history, there are a lot of independent production companies, et cetera. Similarly, in Manchester, you have such a good drama sector because of the investment from Granada TV. If the purpose is around empowering and growing the creative sector, you have to look at where the spending power is. That is what drives activity. My personal view is that the closer you are to that spending power, the better the decisions made for your particular interest, whether it is an economic or a cultural interest.

Q139 Baroness Jay of Paddington: We have covered quite a lot of the ground on the overall argument which always goes on at the time of charter renewal: should the BBC do more? Should it do less? Where should it cut back, if it should, et cetera? From some of the things that you have said, Caroline—I think you were quoting the Secretary of State, Tessa Jowell,

on the licence fee being a bit of investment capital—you are not antipathetic to this idea. You do not feel that the BBC is crowding out and have just given a very good example of what went on in Bristol. But in general terms, looking to the future, what do you think the relative positions are likely to be? As you say, Granada—an ITV company—created a very good drama experience here, which led to more investment. But in the future, with much more complex systems, different platforms and so on, should the BBC be doing everything in the way that it always has?

Caroline Norbury: Again, on the BBC doing everything, it is stuck between a rock and a hard place, is it not? We talked about this at the board of Creative England. The whole board discussed how important it was for the BBC to be a ratings success. It absolutely has to be critically acclaimed. Having said that, it has an awful lot of opportunity to take risks and fail—and maybe it should be doing more of that than it does at the moment. In that way, it would be serving the public purpose for the support of the industry generally because it is able to take more risks. I would not say that it is as risk-taking as we would perhaps want it to be. Given the fact that it has BBCs Two, Three and Four, where it can trial stuff and go after distinct bits of programming in a way that ITV perhaps could not, one would really expect there to be more flops than there are. But if you are going to back creativity and risk, it means that as a creative you need to be a little unhindered. I do not know whether the BBC has a bit too much bureaucracy to let that happen. Equally, as a public institution, it always has to worry about looking behind itself and covering its back. It is in a very difficult position in how it finesses those two things. One of the big opportunities for the BBC is that it has been a really important early innovator. In the digital world, if it was able to be more open source with the investments it makes in new technologies and platforms in the digital space, I think that area would definitely be a game-changer.

There are lots of things—sorry, I am moving on to another point—which people say that the BBC is going to crowd out; for example, there was a lot of fuss about BBC Jam a few years ago, so the BBC closed down a lot of its educational programming. But despite giving it a really hard time, no commercial operators moved into that space at all. So in answer to your question, I think the BBC should be taking more risks. It could do more to make its technology available. In the digital area it has already shown that it has all the right brains, if you like, so one opportunity is perhaps about making that available to be commercialised by others.

Baroness Jay of Paddington: What would you say, Richard, specifically in relation to your region—to Northern Ireland?

Richard Williams: I do not think anybody outside London would really recognise the concern that the BBC is too big. In every other part of the UK, and certainly in Northern Ireland, there is tremendous anxiety about sustaining the BBC, which is the anchor tenant of so many aspects of the creative industries, the cultural community, news provision and many other aspects of a democratic society. So I do not have any wish for it to be smaller. I completely agree with the assertion that the BBC, with its unique form of funding, has a whole set of different obligations which are enshrined within the public purposes. I agree with Caroline that it should do more to deliver against those public purposes on a day-to-day basis. But in terms of cutting back particular services and on the notion that it is potentially too mainstream, I find the idea that the BBC might be too popular faintly ridiculous. Clearly, its purpose is to be popular.

The closest that I would come to a challenge on crowding out, and I would not call it crowding out but a failure to deliver the seed capital or see the growth that the BBC could easily see, is in the commissioning of digital content. For reasons which I and I think many other people do not understand, that is not following the model of television commissioning, where there are net quotas and all those other drivers to spread the opportunities to create that content. I know from a Northern Ireland point of view, and I am sure it is replicated in many other places, that that would have an immediate and pretty dramatic impact. I cannot really see any reason why that has not happened. On a similar point—

Baroness Jay of Paddington: Sorry, just to interrupt you, would you certainly not expect that the digital output or digital services should be constrained? That would be the opposite of what you are suggesting but it has been said, has it not: “Why is the BBC doing all this digital news?”.

Richard Williams: Yes, that would be the opposite of what I am saying. Going back to the public purposes, with the exception of the technology public purpose, which encourages direct intervention in technology, my view is that those purposes do not talk about radio, television or any other particular medium. I think that it is entirely legitimate and indeed incumbent on the BBC to follow the audience wherever it goes. I understand the challenges in regional newspapers and all the other areas, and I can understand that the BBC may be an exacerbating factor in some of those things, but it is not the driver there or the underlying problem. I would not encourage a constraining of the BBC in that area.

Q140 Lord Hart of Chilton: This is a question that need not detain us very much, because I gather from what you have been saying that the scale and scope of the BBC’s output is roughly correct. I see that our witnesses are nodding. We shall move on.

Baroness Kidron: I think we would like to know what you think of the licence fee settlement—or not—of earlier this year. We would like to know about that in its pure form and then from a regional perspective.

Caroline Norbury: It is not for Creative England to comment on. It is not our area of expertise. In setting the fee, there are so many things that one has to take into consideration. What we would say is that the money that is not there cannot really be invested in UK creativity and innovation. I will leave it at that.

Richard Williams: I am uncertain what the licence fee settlement is, or whether there is one. My main thrust, which I hope that I am communicating, is that I believe in the public purposes of the BBC. I am actually a huge supporter of the BBC and I see it as carrying a substantial obligation. For that obligation, and to deliver it, it gets a pretty unusual level of stable funding and commitment and a degree of autonomy from government that other organisations might wish to have, but there seems to be within the licence fee a certain chipping away of that principle.

The delivery of the public purposes comes largely, in my view, from the stability of having 10-year funding at arm’s length from government. But there have been over the past number of years a number of significant financial settlements outside that licence fee settlement which, to my mind, have the potential, if ongoing, to undermine the principle of the licence fee, which is, at least at the moment, separate from ordinary taxation. It comes from a different place for a very direct purpose.

I and the board of Northern Ireland Screen have a concern that the principle of the licence fee and the 10-year licence fee settlement is being at least potentially undermined by these other financial settlements.

Q141 Lord Sherbourne of Didsbury: Can I come back to the question that involves each of you, which is the particular public purpose of stimulating creativity and cultural excellence, which is clearly hugely important? Is there anything from each of your perspectives that you think that in trying to achieve that, the BBC could be doing better?

Caroline Norbury: I definitely think it could be doing things better with the younger demographic, in the digital space, and in taking more risks with commissioning new voices. When I was starting out as a producer, there were many things that the BBC did that provided an environment for people to learn in a professional environment. Obviously, it had a much bigger training programme and the whole traineeship—I do not know quite how much of it survives—and in addition, it had a range of strands like “10x10” and “True Stories” that gave an opportunity to develop talent within a professional context. Given the multiplicity of channels that we have now, there is even more opportunity to help people to make their story, gain visibility and prosecute a particular agenda, and to mix that cultural imperative and wrap it around with some industrial practice. I do not really see the BBC doing that.

Lord Sherbourne of Didsbury: That is hugely important, because what you are saying is, first of all, you think that it is not doing as well as it has in the past on training, which leads to the next question in my mind, which is whether or not somewhere in its public purposes or objectives there should be something very specific about training to hold it to that objective.

Caroline Norbury: Yes, I agree, but it does not necessarily need to do it all itself. One of the problems with huge institutions is their desire to do everything themselves. There are lots of other people out there who they could be supporting who might actually be better at doing it. So, going back to the whole issue around scope and scale, you can have the huge responsibility public purpose but you do not necessarily need to do it all yourself. The BBC could be a bit smarter in how it works with other organisations and institutions to deliver that. Particularly when it comes to talent development and training, you definitely need partnerships. As many of you will know who know anything about this sector, it is incredibly difficult; it is absolutely about who you know and whether you can afford to be in London in order to be in the right networks.

A lot of that early talent development work, which I know a lot about, is not very glamorous actually. It is working at a very small scale in community organisations, with arts groups and after-school groups, et cetera. Eventually, it leads to success, but you have to spread it around a bit and you do not necessarily need to do it all yourself.

The Chairman: Mr Williams, is there anything you want to add on this point?

Richard Williams: I am pretty sympathetic to the argument that there should be a higher profile for training. It is certainly the case that we are only really getting to the end of the point where the BBC was almost the exclusive trainer of the entire sector. I agree with the notion that that should not translate into the idea that in the future the BBC should be the trainer, but it certainly should be the strongest advocate for and the leading stakeholder in the need for training. I have two points here. One is that it is broader than training. It is training and talent development as well as all forms of access. The BBC has to be the leading

stakeholder in its infrastructure as well. It has to be the leading stakeholder in all of these things. I believe that this is already beginning to happen, but it has to go further to get to the point where it is deeply understood that it is the biggest stakeholder for the whole sector and not just for the BBC. So its interest in training is broader than training the next presenter or cameraman for the BBC, but to ensure that the next generation is there for all the creative industries in the UK, of which it will be one of the significant beneficiaries.

Baroness Kidron: I like the phrase that you use: substantial obligations. You have talked about training, infrastructure, representation of communities and so on. Do you ever worry that all those obligations might take away from broadcast—I am not talking about which platform—content, for want of a better word? Does that concern you?

Caroline Norbury: There is quite a lot of money in the pot already. As I say, I do not necessarily want to see any massive changes made to scale and scope, but how you do it—by doing it more smartly, I think—is achievable. To go back to one of your first questions which was around the disconnect between certain groups and a recognition of how well the BBC is serving them, if a 12 year-old or even someone who is leaving college is working on a project which has a connection with the BBC, however tangential, the fact that they can link that particular experience with the BBC means they then see themselves in that world. I do not think that the crucial thing, which is around the representation of our culture, necessarily all has to be through content. I suppose that is what I am saying.

Q142 The Chairman: I was very impressed, Caroline, by your point that in order to get on in the world of creativity at large, you have to go to London, and then it is about who you know. This links to our interest in the regions. Now that the BBC has its centres in other places, including of course where we are today, is it true that is not any more the case—it is depressing to think that it might be? Is it still the case that one needs to gravitate to the London scene and try to break in with great difficulty?

Caroline Norbury: I think that it is harder than it has ever been. If we are looking just at the BBC, to the east of the country there is very little BBC presence. Obviously there are the news stations and so on, but they are not massive players in the way that the BBC is here, particularly in Salford and Greater Manchester, and probably in Bristol. The issue around access to the industry is not a BBC-only issue by any means. But I think that the further away you are from London, the harder it is to have a career in the creative industries, particularly in television. Again, it goes back to my earlier point about where the money is. If decision-making and money are in Leeds, there is more reason to be in Leeds. So if you look at those areas where there is a critical mass for those businesses and for that industry, it is where there either has been substantial spending power in the past or there is still.

Baroness Jay of Paddington: I am trying to reconcile what you have just said with what you said earlier and with what we heard this morning from the director of the English regions about the number of people who had been brought here to create the Salford Quays media centre. They are people who had previously worked in London. I refer to what you said about natural history. Again, this is anecdotal, but I know people who have moved from London to Bristol, not having been home-grown, as it were, in Bristol because of the particular capacity the BBC has there. It is not entirely London-centric. In fact, I would have thought that it is less so than 25 years ago.

Caroline Norbury: I think that if you are a grown-up and have established yourself in the business and you have a career, then that may be. If you are just starting out then, no, I do not think it is. If you live in Hull or in Wakefield, it is different. One of the terrible things about our industry is the way in which unpaid internships are de rigueur. You need to have parents or friends and family with places where you can stay and you must be able not to have to pay your own way for a bit.

Baroness Jay of Paddington: You have made the distinction now, which is about starting out, but I think that there has been quite a dispersal. You could say that there are people who are already established or trained, but there has been quite a dispersal of production and so on around the country.

Caroline Norbury: I think it is happening; I think there is a very long way to go.

The Chairman: Thank you both very much. Is there anything you would like to add as a final comment for us to put on the record?

Caroline Norbury: I think I have been comprehensive enough, really.

The Chairman: Thank you. You have brought a different perspective from what we have had, and that is extremely useful.