## Our Mutual Friend: The BBC in the Digital Age

BBC

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The BBC is the heart of the UK's media system. Yet despite the BBC being publicly funded, the public have no control over how it works.

Politicians have too much power to pressure the BBC, and it is struggling to compete against global streaming services and social media companies. Without radical reform, the BBC faces a bleak future of dwindling audiences and the loss of public trust.

By the end of 2027 the government is required to renew the BBC's Royal Charter, which will set the terms of how the BBC operates for the next decade. The Culture Secretary, Lisa Nandy, has said she supports mutualising the BBC, with new structures for "genuine public representation and participation".

This briefing explains how to transform the BBC into a new kind of institution: a public service mutual. Mutual organisations are run for the benefit of their members, and members are actively and directly involved in its operations.

As a public service mutual, the BBC will belong to all of us by right. We will all become BBC members — active and direct participants in its mission to inform, educate, entertain and connect.

Democratic mutualisation of the BBC requires that all members have two new powers, which together secure public representation and participation:

Every BBC member will be equally eligible to serve on member-led panels appointed by random selection, which will shape the BBC's activities in partnership with BBC staff.

2 Every BBC member will have the right to allocate a share of the BBC's budget to support independent public purpose content.

These powers will create a direct relationship between the public and our national broadcaster. They will enable us all to hold the BBC's management to account and to be involved in setting the BBC's strategy.

A mutualised BBC will be independent and democratic, accountable to the public and protected from government interference.

If the BBC is going to survive the digital age, it must be transformed.

The proposals in this briefing will preserve what is best about the BBC, enable us to guard against attempts to mislead and divide, and give all of us a greater voice in the national conversation.

### The BBC Charter Review: A Chance to Transform a Vital National Institution

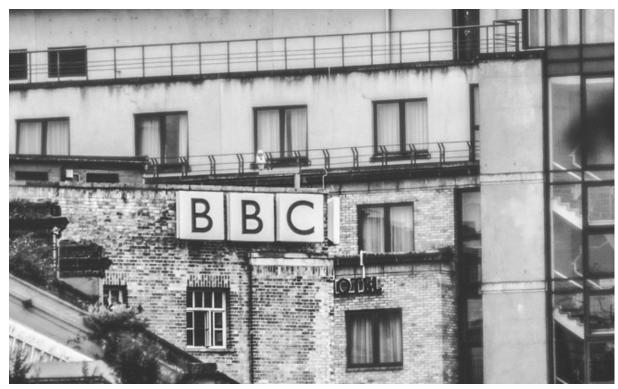


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The BBC plays an essential role in our national life. It informs public debate, creates and reflects British culture, and brings the country together through shared national experiences. Yet despite the BBC being funded by the British public, the public does not have any control over how the BBC works.

For decades politicians and governments have interfered with the BBC's independence and weakened its public service mission. Ministers can influence the BBC through their power to set the BBC's Royal Charter, appoint the BBC Chair and control the BBC's funding.

In 2027 the Government will be required to review the BBC's Royal Charter, which defines the BBC's constitution and its public purposes. Unless the BBC is radically reformed, it faces a bleak future of dwindling audiences, collapsing funding and eventual irrelevance, depriving British audiences of one of the few national institutions with a duty to serve their needs and interests.

The next BBC Royal Charter should mutualise the BBC, transforming it into an organisation owned and controlled by the British public.

# What Does it Mean to Mutualise the BBC?

A mutualised BBC would continue be an independent public service media institution, but one founded on a genuinely democratic relationship with the public. Like the current BBC, a mutualised BBC would have a mission to provide programmes and media services that benefit the public interest and are freely available to all. But unlike the current BBC, a mutualised BBC would be directly accountable to the audiences it serves and protected against interference from politicians and government.

Under a new mutual constitution enshrined in the BBC's Royal Charter, the public would be empowered as *active* and *direct* participants in how the BBC works.

Everybody in the UK would become a member of a mutualised BBC through their shared ownership and collective public funding of the BBC. Every member would have defined equal rights to collectively make major decisions about the BBC's governance, its strategy and its services.



## How Would a Mutualised BBC Work?

#### → Democratic governance and public accountability

The members of a mutualised BBC are sovereign. They would be represented by a Members' Council, randomly selected from the membership, which would organise members' participation in the BBC's activities and directly hold the BBC executive to account.

#### → Modern, independent, universal public funding

A mutual BBC would be a guaranteed universal public service, funded by everyone. Unlike the outdated and unfair TV licence fee, any future funding mechanism for the BBC must be free from government control and rated progressively on our ability to pay.

#### → Deliberative and participatory mini-assemblies

Members would play an active and direct role in assessing and improving the BBC's operations and output. Panels appointed by lot would engage in a sustained and informed dialogue with the BBC's staff and with the wider membership.

#### Strategy set by and for the public

Members and BBC staff would shape the BBC's Public Purposes and its overall strategy as a mutual organisation. The Royal Charter would be protected in law from political interference and any changes would require the informed consent of BBC members.

#### → Member-led commissioning

Individual BBC members would have the right to allocate part of the BBC's budget to fund independent public purpose media content in news, educational initiatives and cultural projects.

#### → A partner and incubator for local media

A mutual BBC would be embedded in local communities, so members can participate in media in their local areas. The BBC would provide community access to its local resources and actively partner with libraries, schools, hospitals and other civic institutions.

#### → An anchor institution for the UK's creative industries

A mutualised and locally connected BBC would act as a publicly-owned anchor for supporting the UK's world-leading creative industries, driving economic growth, technological innovation and cultural excellence in the arts, music and film around the country. It could also encourage mutualisation throughout the sector and beyond.

Members — all of us — would have power over core parts of the BBC's governance and strategy. The Royal Charter would be amended to define the BBC's constitution as a mutualised organisation, and would lay out the following rights and roles for members in BBC operations:

#### Rembers' Council

A Members' Council would hold BBC management accountable for delivering the BBC's mission, and ensures members' interests are reflected throughout the BBC. The Council would be made up of 120 members, selected by lot to be representative of the UK population, with most serving for a one-year term.

#### **些** Members' Panels

Members' Panels would assess and help shape specific areas of the BBC's operations. Some panels would be permanent features of governance of the BBC, such as a News and Current Affairs Panel and Local Members' Panels. The membership can also establish temporary panels to address members' priorities.

#### **m** Secretariat

A Secretariat would operate as the administrative arm of the Members' Council, with a formal mandate to ensure the active and direct participation of the membership across the activities of the BBC. The Secretariat would provide the Council and the Panels with the support and resources necessary to inform and empower members' control over how the BBC works.

#### Royal Charter

The Royal Charter would enshrine the requirement that members' powers over the BBC are deliberative, informed and continuous. This means that members' collective decisionmaking would be supported by high-quality information and expert advice, organised independently to enable open collaboration with BBC staff, and have an ongoing role in shaping the BBC.

## Resetting The Relationship Between the BBC and the Public

For over a century the BBC has informed, educated and entertained generations of British audiences. But as a national institution the BBC is increasingly isolated from the people it is supposed to serve.

Fifteen years of funding cuts and decades of political interference have weakened the BBC's ability to provide the programmes and services that its audiences want, especially media that represents our shared lives and culture across the UK's diverse national and regional communities.

The BBC is struggling to stake its place and purpose in a global digital landscape dominated by streaming services with enormous content catalogues and social media companies pumping out dangerous disinformation.

In our current relationship with the BBC, the public are audiences, licence fee payers and occasionally complainers, but we are not participants in any of the decisions about how the BBC is governed, what the BBC chooses to make or how it serves the public interest.

Public media can, and should, provide a forum for democratic public deliberation: a space in which we are informed and empowered as citizens, and collectively decide the kind of society we want to live in.

As members of a mutualised BBC, we could all play an active and direct role in building the kind of media we want. We would be able to better protect ourselves from attempts to mislead and divide society, and we would all share a collective ownership of an institution at the centre of our democratic society.

If the BBC is going to survive and thrive as the centre of a national media system that truly serves the public, the upcoming Charter Review may be the last opportunity we have to transform it.





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Common Wealth is reimagining ownership for a sustainable and democratic future. Working at all levels, from community and grassroots groups to national and international policymakers, we combine rigorous analysis and research with bold ideas for an economy that works for everyone.

The Media Reform Coalition is a research and advocacy group that campaigns for an independent, accountable and democratic media. The MRC works with civil society, media workers and activists to build a media system that truly serves the public interest.

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