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Foreign and Commonwealth Office

London SW1A 2AH

16 October 1984

Dear Andrew,

Prime Minister's Luncheon at the BBC, Wednesday,
17 October: BBC External Services

I enclose a brief on FCO subjects for the Prime Minister's luncheon at the BBC on 17 October.

We have included in the Essential Facts an account of the state of play on the review of the BBC External Services, of which the Prime Minister is aware. Correspondence on this subject rests with Len Appleyard's letter to you of 20 July.

Yours ever,

P F Ricketts

(P F Ricketts)
Private Secretary

Andrew Turnbull Esq
10 Downing Street

Andrew

No. And a day late!

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~~Revised~~

*There seems to have been a misunderstanding!
Were these subjects mentioned at all?*

Chris



PRIME MINISTER'S LUNCHEON WITH THE BBC, 17 OCTOBER

BBC EXTERNAL SERVICES

POINTS TO MAKE

REVIEW OF BBC EXTERNAL SERVICES

1. Welcome review. Important to reconsider periodically objectives and the use of resources for attaining them. Look forward to reading conclusions.

REPORTING OF UK AFFAIRS

2. Concern at prominence given to negative news about UK. Good news is also news.

BEARLEY PLANNING APPLICATION

3. Politically sensitive. Great strength of local opposition. Important that local views should be respected. Hope BBC are giving thought to possible alternative sites.

AUDIBILITY PROGRAMME

4. Government committed to improving audibility of External Services. 1981 programme now well advanced.

PROPOSED BBC TRANSFER (if asked what is happening)

5. We recognise the BBC's concern for ensuring that they receive the resources needed to cover the extra responsibilities which they would have if they took over the FCO relay stations. We are confident that the FCO will be able to satisfy the BBC accountants who are now investigating the figures.



Essential Background

BBC EXTERNAL SERVICES

1. The External Services are financed by grant in aid (£79 million in 1984/85) administered by the Foreign and Commonwealth Office. They broadcast in English (the World Service) and in 36 languages for a total of 724 hours per week. Regular audiences around the world are estimated to exceed 100 million.

2. The languages in which the BBC broadcasts, and the number of hours in each, are decided by the Government and reflect foreign policy priorities: programme content is the responsibility of the BBC. The External Services are however required to broadcast in the national interest. To this end they have regular contact with the Foreign and Commonwealth Office, who brief them on all aspects of HMG's policies overseas and who give them regular access, at management level, to official papers, including telegrams and despatches from diplomatic posts. A copy of the draft objectives of the External Services, at present under consideration between the BBC and the FCO, in the context of the External Services Review (see below), is attached.

3. Generally the relationship works well. There is no doubt that the BBC enjoys a reputation for credibility and impartiality which is unmatched by any other international broadcaster. Behind this reputation, which contributes greatly to Britain's standing in the world, lie the BBC's professionalism and its editorial independence. However, we have recently been concerned by the BBC's projection of British affairs. Posts overseas, and members of the public, have observed that the External Services, in reporting British affairs, sometimes follow the lead of the national press in placing undue emphasis on negative news stories which reflect no credit on Britain. Mr Renton raised this recently with the External Services management and told them that we are monitoring their output carefully.

Review of the BBC External Services

4. At the suggestion of the Foreign Secretary and the Chairman of the BBC's Board of Governors, a review of the External Services has been commissioned. The review team, which includes FCO, Efficiency Unit and BBC representatives, is led by a Treasury Under-Secretary and is expected to complete its work by the end of October. The purposes of the review are to look at the efficiency and effectiveness of the External Services, to examine the relationship between the External Services and the Government, and to look at the future of External Broadcasting in the light of technological developments. We also hope it will provide a solution to the annual problem of making good the shortfall in the grant in aid between BBC pay awards and the Treasury pay factor. The review team have told us in confidence that they intend to recommend inter alia the establishment of improved FCO/BBC machinery for reviewing regularly and systematically the FCO's relationship with the BBC, and improvement in the flow of financial information to the FCO to enable the FCO to monitor more closely the spending of the grant in aid. We shall welcome this.



Audibility Programme

5. In 1981 the Government announced a ten year £102 million programme to boost the worldwide audibility and technical quality of the External Services. The programme includes the modernisation of the External Services headquarters, the replacement of much antiquated transmitting equipment in the United Kingdom, and the construction of relay stations in Hong Kong and Seychelles to strengthen the BBC's signals to the Far East and East Africa respectively. Plans are proceeding to make start on the overseas projects this year.

Bearley Transmitting Station

6. The audibility programme provides for the construction of a new transmitting station in the United Kingdom. The BBC have identified Bearley in Warwickshire as the most suitable site. With the approval of the FCO they have submitted a planning application, which has generated much local opposition on both environmental and technical grounds. The environmental argument against siting the transmitters at Bearley is that the 24 transmitting masts, some of them up to 300 feet high, would spoil an area of natural beauty near the important tourist centre of Stratford-on-Avon. The technical argument is that signals from the transmitters would interfere with local industry and with equipment used by the Royal Shakespeare Company at their theatre in Stratford. The planning application was the subject of a public enquiry between November 1983 and March 1984. The Inspector's report is now with officials at the Department of the Environment, who have told us in confidence that they expect to recommend a decision on the application to the Secretary of State for the Environment by the end of this month. We are urging the BBC to consider alternative options should the decision be negative and not susceptible to reversal.

Proposed BBC Transfer (if asked by the BBC what is happening)

7. At present, the FCO operate four broadcasting stations relaying the External Services of the BBC, employing some 120 technical staff. Last autumn FCO Ministers agreed to investigate whether it would make sense to hand the transmitters over to the BBC. This would be in line with Government policy to transfer work out of Government departments whenever this is commensurate with sound management and good value for money for the taxpayer.

8. Since then, discussions with the BBC and other interested parties have indicated in principle that transfer to the BBC should show a saving in manpower and also a modest financial saving to the taxpayer. The BBC are now looking at the figures very closely before finally deciding whether to accept responsibility for operating the stations. They wish to be sure of receiving the financial resources needed to run the stations on BBC terms of service etc.

DRAFT: minute/letter/teleletter/despatch/note

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FROM

Reference

DEPARTMENT:

TEL NO:

SECURITY CLASSIFICATION

TO:

Your Reference

- Top Secret
- Secret
- Confidential
- Restricted
- Unclassified

Copies to:

PRIVACY MARKING

SUBJECT:

The Objectives of the BBC External Services:

.....In Confidence

CAVEAT.....

- 1) In order to enhance Britain's standing abroad and form, amongst listeners, a better understanding of the UK, its values, its way of life, its policies and politics to provide an external broadcasting service to target audiences overseas, in as many languages as are prescribed (including the World Service in English) as part of the pattern of priorities arrived at in consultation with the prescribing departments, and to plan and prepare such broadcasts in the national interest.
 - a. to provide a credible, unbiased, reliable, accurate, balanced and independent news service, covering international and national developments;
 - b. to give, in addition, a comprehensive British view of these developments and of world problems in general, taking into account British Government policy and, in particular, Britain's membership of the European Community, the Commonwealth and NATO;
 - c. to represent accurately and effectively British life, institutions and achievements in the main fields of human activities - political, social,

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Enclosures—flag(s).....

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economic, industrial, scientific, literary and artistic; and thereby to promote where appropriate and relevant, British trade, industry, technology and expertise;

d. to increase and improve the understanding and speaking of English, in particular by means of specially devised Radio (and television) programmes and supporting material;

e. to transmit such broadcasts by whatever means are most effective to ensure the best possible audibility for target audiences worldwide.

- 2) To make programmes of an appropriately high professional quality, relevance and interest.
- 3) To promote the distribution of BBC programmes and support material to other broadcasting stations, and in so doing to recover as far as possible the costs incurred.
- 4) To make, after consultation and evaluation of the practicalities, including cost, such changes in the prescription as may be considered desirable by the FCO, or to make proposals for such changes for approval by the FCO.
- 5) To provide an efficient and effective monitoring service:
 - a. to monitor the broadcasts of selected foreign and overseas countries for news and information on political, social, economic, military, and other required matters; meeting, as far as possible, the priority requirements of the principal customers of the service;
 - b. to provide the British Government and the BBC with regular and expeditious documentation of the significant content of such broadcasts;

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- c. to provide a 24-hour service of urgent and immediate news items selected from monitored material;
 - d. to collaborate closely with the FBIS of the USA, and, where practicable, agencies of other friendly countries, in an agreed division of monitoring effort and exchange of monitoring material to achieve as far as possible a comprehensive and economic global coverage;
 - e. to maintain up-to-date schedules of the broadcasting activities of foreign and overseas countries, and to keep the British Government and the BBC informed;
 - f. to recover costs and achieve a financial return on Monitoring Service outputs where these can appropriately be sold commercially.
- 6) To maintain a system of financial control which ensures comprehensive planning, accurate forecasting, and effective monitoring and management.
- 7) To achieve the objectives of the Services as efficiently as possible and with minimum use of resources within the total of the grants in aid.

Advisory Functions

In general BBC External Services should also:

- 1) Advise HMG on the best methods of achieving high quality broadcasting throughout the world both within the agreed pattern of prescription and expenditure and beyond it, and to look to the consequences of anticipated technological advances.
- 2) Advise HMG on the state of international broadcasting, on developments (technological, programmatic, geographical and political) planned by other external broadcasters;

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on the allocation of frequencies under the ITU, such as the various cycles of WARC; and on the state of jamming and how to counter it.

Editorial Independence

In accordance with its traditions the BBC External Services will enjoy editorial independence.