

# VALUING CULTURE IN THE MEDIA: THE CASE OF THE BBC IN BRITAIN

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## 1. INTRODUCTION

Ever since its inception over 90 years ago in 1922 the British Broadcasting Corporation – originally the British Broadcasting Company Ltd – (BBC) has been operated explicitly as the British Government's direct intervention into the UK, and, to a lesser extent, the European and World, broadcasting markets. Over the years, this intervention has been the subject of a succession of investigations.

In the UK radio and television broadcasting is one of the key “cultural industries” responsible for £2 billion of all CI value added and for the last 50 years the sector has become increasingly important in news and information dissemination and has steadily grown in social and political significance.

For the last 90 years (since the pioneering days of radio in 1922) the BBC has had a unique and pivotal role in Britain's cultural life and is by far the largest cultural organisation in the country (television licence fee income – now recognised by official statisticians as a hypothecated tax although it was previously categorised as a fee for service -was £ 3.5 billion in 2010/2011, the BBC sponsors 5 orchestras and the BBC spent £1.9 billion on new television production, 0.4 billion on new radio production and 0.1 billion on internet content in 2010/2011). See BBC (2012). By comparison the Arts Council England (covering 84% of the UK's population) spent a total of £1.6 billion of Government and National Lottery money on the arts over the 3 years 2008-2011 (an average of £ 533 million a year). See ACE (2008).

However, the rationale for what the BBC does in strategic and operational terms is often poorly explained and documented. In this paper an attempt is made to set out and rationale the BBC's activities within current the Royal Charter under which it operates and which was last renewed in 2006 and runs until 31 December 2016 -the first Royal Charter was in 1927. In particular, the paper seeks to address the issue of the "Public Value" rationale set out at Charter renewal and how this has been interpreted in implemented in the years since then. However, in the last few years the burgeoning public value literature has stimulated a serious discussion about the nature and effectiveness this intervention.

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These issues are given heightened importance in the much more financially restrictive context faced by all cultural sector operators since the Global Financial Crisis and in particular the British General Election of 2010. The BBC annual licence fee for households has been frozen at £145.50 from 2010 until 2017 and the Corporation had additional obligations placed on it - notably funding the BBC World Service (previously covered by Foreign Office grant-in-aid). In all these changes imply a 16% cut in real resources over the period to 2017. Moreover, the approaching dateline for the BBC's Charter renewal in 2017 gives the issues of obtaining "public value" particular significance for this key cultural institution.

## **2. THE BACKGROUND OF PUBLIC VALUE**

### **2.1 NEO-CLASSICAL FORMALISM AND CULTURE**

Welfare economics has identified conditions under which some form of collective intervention into the working of atomistic markets is justified. Such markets concern a large number of individuals solely focussed on their own material welfare and who are in freely-negotiated contractual

relationships with each other. Nevertheless, theoretical justifications for collective intervention into such markets can be deduced. The justification is termed “market failure” in that the working of the free market fails to achieve the best possible outcome for society at large.

The conditions which may justify intervention because of market failure include:

- ⇒ production or consumption externalities/spill over effects;
- ⇒ impediments to entry into, or exit from, the market concerned;
- ⇒ the presence of uncertainty;
- ⇒ the existence of “public goods”.

Very few activities of Government outside defence and justice strictly satisfy the above conditions for intervention. Even public service broadcasting (PSB) may not qualify for intervention. See Davies (2004) for a discussion and Creigh-Tyte and Stiven (2001) for a review of the rationale for intervention across the cultural sector generally.

However, it is now recognised that the “public goods” category is not as simple as often thought. Public goods are defined as goods which are both non-rivalrous (in that its use by one person does not interfere with its use by another) and non-alienable/non-exclusive (because it is not possible to secure private benefits from its supply). However, it can be argued that some goods are rivalrous but non-alienable and are held in common while others like knowledge are alienable but non-rivalrous.

Despite these refinements, artists and their audiences commonly do not recognise the reality of their relationship to each other or to the wider society within the neo-classical paradigm. In particular, it is pointed out that when it comes to culture, relationships can be seen as contractual only with distortion and culture’s value has much to do with trust and citizenship, and cannot easily be measured. Culture is not material, cannot be said to be owned or produced by anyone and its value is somehow different from the sum of individual benefits which accrue from it. In short, the concept appears to be inadequately represented by neo-classical welfare theory. As a result, the reasons for Government intervention in its production and consumption probably go beyond those normally given for dealing with “market failure”.

## **2.2 MARK MOORE AND AFTER**

The concept of public value has been employed by some of those dissatisfied with the limitations of neo-classical welfare theory. In its most recent history the term “public value” has been given fresh impetus as a result of the work of Mark Moore. As befits a work derived from practical experience, laden with case studies and intended as a practical guide to public sector managers, Moore declines to become unduly embroiled in a discussion of definitions. The closest he comes to defining the term is:

“The definition that remains equates success in the public sector with initiating and re-shaping public sector enterprises in ways that increase their value to the public in both the short and the long run. This is the definition I prefer” (Moore, 1995, p.10).

There are several features of this definition which set it apart from the traditional concept of value used in economics or philosophy. First, Moore conceives public value as a managerial process rather than a state of mind. Second, he makes no attempt to describe where public value is grounded although in later discussion we might infer that it is derived from preferences formed politically or socially rather than individually. Third, the definition makes no attempt to introduce a scale of values against which public value might be judged. In spite of his practically grounded approach, Moore, himself, points out the difficulties in operationalising this definition so that identifying whether or not a given decision or action adds to public value is inherently difficult, if not impossible.

## **2.3 THE BBC AND PUBLIC POLICY**

From this relatively hazy beginning the BBC and the British Government have explored the use of the concept of public value in order to solve a specific policy issue. The policy intervention into the broadcasting market represented by the continued existence of the BBC has ensured that the UK has a thriving broadcasting sector which is increasingly entered by companies offering new and exciting options. However, the income from the licence fee which funds the BBC and is intended to isolate it from

political and market pressures and so allows it pursue its public service goals, could potentially be used (even inadvertently) to undermine competition in broadcasting markets which could reduce the value that the audience might otherwise gain.

In an attempt to solve this problem the BBC initially suggested applying a public value test to all *new* ventures. The BBC argues that public value has three components:

“Value to people as *individuals*.... The BBC aims to inform, educate and entertain.

Value to society as a whole – to people as *citizens* – by contributing to the wider well-being of society.... The BBC aims to contribute to the wider social, democratic and cultural health of the UK through the range and quality of its broadcasting.

Impact on the performance of the wider commercial market – its *net economic* value.... The BBC’s market impact can have a positive element such as through its impact on training and creative investment, and also [sic] a negative element in cases where it reduces demand for commercial products.”

BBC (2004), p. 29.

Hence, on this basis the public value test consists of ensuring that the value of the BBC to individuals and citizens *outweighs* any negative net economic value that might be incurred, it was proposed that such a test be employed by the BBC Trust in order to ensure that that the operations of the BBC under the eighth Royal Charter added to rather than detracted from public value.

Despite its adoption as a matter of strategic policy it is questionable how far the innovations take us toward a clearer understanding of what constitutes public value. First, all economic commodities and some non-economic ones create value to individuals so it is hard to see why public services are set apart by this criterion. Does this mean that public value is just non-monetised individual value in another guise? Second, the economic value of any enterprise is the aggregation of the individual value generated

by that enterprise as measured by the market mechanisms to which it is subject. For this reason, the BBC definition risks a significant degree of double counting. Third, the value to society appears little different from the value of “public goods”, “merit goods” or externalities. In effect, this approach implies that all values are individually based but that on occasion they cannot be adequately expressed which means that allowances must be made. As such, the argument comes perilously close to that of market failure the narrow, individual basis of which the public value approach is designed to circumvent.

### **3. LESSONS FROM THE PAST: STANDING ON THE SHOULDERS OF GIANTS**

#### **3.1 RUSKIN AND WEALTH**

When compared with these recent discussions, classical authors were relatively clear about the limitations of the use of individual valuation as the basis of estimating the worth of goods and services. Ruskin regarded all life as wealth. Moreover, he wrote that art and culture were as much wealth as anything commercially produced:

“... whatever value it may possess, by reason of the painter’s skill, its chief and final value, to any nation, depends on its ability to exalt and refine, as well as to please...”

(Ruskin, n.d., pp. 30-31)

For Ruskin, therefore, the exaltation and refinement brought by art and culture was in addition to the individual pleasure it granted. Ruskin noted that enjoying the benefits of great art required considerable “quantity and energy of mind”. He also argued that as the management of the economy became more enlightened “... we shall more and more cast our toil into social and communicative systems...”. Ruskin appears to have realised that

the value produced by art and culture was grounded in the networks of social relationships between people and institutions.

### 3.2 CLASSICAL ECONOMIC THOUGHT

Similar themes was explored by Mill:

“... there are other things of the worth of which the demand of the market is by no means a test; things which the utility does not consist in ministering to inclinations, nor serving the daily uses of life, and the want of which is least felt where the need is greatest. This is particularly true of those things which are chiefly useful as tending to raise the character of human beings. The uncultivated cannot be competent judges of civilisation”

(Mill, 1892, p.575)

This implies that if people are incapable of fully appreciating the worth of something, then, left to the market, that thing would either not be provided at all or its supply would insufficiently reflect its worth to society. Mill then considers five “conspicuous exceptions” to the practical principle of non-interference in markets. These exceptions are as follows:

- ✎ Where individuals may be incapable of judging for themselves.
- ✎ Where individuals may try to decide irrevocably on their best interest for some future and distant time.
- ✎ Where a particular object can only be obtained by a delegated agency the private management of which is inadequate.
- ✎ Where a particular desirable object can only be obtained by concerted action which can, in turn, only occur through the sanction of law.
- ✎ Where altruism and the desire for social benefit can be effectively and efficiently organised in a collective.



Looking back on this argument it is clear that all Mill's exceptions centre on value created in social relationships or lost because social relationships do not exist. Mill's first and second arguments are based around the absence of an appropriate consumption technology which will enable everyone to make valuations. Mill's third argument concerns the relationships between individuals and a collective agency. Mill's fourth and fifth arguments relate to the way that institutions mediate social relationships between individuals and organisations.

The common thread with all is that value is achieved outside the individual in the public world of the social relationships that all individuals inhabit and share. This world is beyond the powers of creation and control of individuals and so is external to them. However, it is possible for groups of individuals and organisations to politically influence these networks of relationships.

Sidgwick, by contrast, limits the discussion to those social processes which involve the application of labour to material means to produce satisfaction. He explicitly excludes culture from his enquiry because its growth and nature is subject to different explanations from that of wealth. Thus, although Sidgwick presents a lengthy menu of exceptions to Mill's practical principle, all of which relate to the social networks in which material wealth is produced, distributed and consumed, he does not accept that they relate to the provision of *culture*.

Pigou's contribution was to recognise the importance of social relationships as a source of utility or net product. In coming to this conclusion, Pigou excluded much of what is now recognised as culture. For him, net product consisted of "the flow of goods and services produced in a given year". Like Sidgwick, Pigou excludes psychical consequences and, for him, net product consists of physical elements and objective services only. Nevertheless, Pigou introduced the important distinction between social and private net product:

"The marginal social net product is the total net product of physical things or objective services due to the marginal increment of resources in any given use or place, no matter to whom any part of this product may accrue..."

The marginal private net product is that part of the total net product of physical things and objective services due to the marginal increment of resources in any given use or place which accrues in the first instance – i.e. prior to sale – to the person responsible for investing resources there.”

Pigou (2002, pp 134-135)

According to Pigou, social net product is not identical to the sum of individual net products because markets may not necessarily operate to eliminate any divergence between them. Hence, it is implicit in this that social relationships generate economic welfare which is not necessarily accurately reflected in individual values through the offices of market mechanisms.

Moreover, Pigou makes it clear, before quickly abandoning the subject, that the quantum of non-economic welfare is heavily conditioned by a wide variety of social, often non-contractual, interactions related to the ways income is earned and spent. For example, Pigou argues that changes in production methods very often are only possible because of accompanying social change, that market relations are often based on trickery or mutual hostility, and that industrialization deprives people of liberty. Or again, he describes the degrading social effects of poor housing, the ethical problems associated with gambling or drug taking, and the positive effects on overall welfare of participation in art and culture.

### 3.3 SOURCES OF PUBLIC VALUE

Combining the various sources of non-private wealth or utility identified by the classical writers discussed above provides a formidable list of possibilities. It is here we should begin our search for the sources of public (i.e. non-private) value. For the moment, we leave aside the issues of double counting and of the possibility that public value may be reflected in enhanced private value expressed through monetised markets and of whether or not public value is distinct from social value.

The various potential sources of public value that have already been identified within economic science are summarised in Table 1 which is amended from that first set out in Creigh-Tyte and Lepper (2006).

**Table 1**  
**POTENTIAL SOURCES OF PUBLIC VALUE IN CLASSIC LITERATURE**

Source	Ruskin	Mill	Sidgwick	Pigou
<b>Markets:</b>				
Externality issues		√		√
Market existence			√	√
<b>Information:</b>				
Limitation of fraud, etc. i.e. trust.		√	√	√
Consumption technology provision	√	√		√
Reduction of uncertainty			√	
<b>Ethics:</b>				
Protection of the vulnerable		√	√	√
Reducing physical or moral harm			√	√
Preventing the supply of undesired commodities			√	√
<b>Distribution:</b>				
Safeguarding commons		√	√	
Representing future generations		√	√	
Reducing market power			√	√
Spreading benefits of scale and scope economies			√	√
Supplying merit goods	√	√	√	
Guaranteeing supply			√	√
Provision of public goods			√	

Once the possible sources of public value have been listed in this way a number of features of the nature of public value become clear. Three are of particular relevance for broadcasting policy.

First, the sources of public value can be tapped in a variety of ways. Depending on how they are exploited the value that is yielded can be more or less publicly available. Hence, at any time there is a range of degrees of “publicness” of public value which itself may be changed in the future. For example, most civilised countries have decided that certain types of TV programme such as those containing pornography or violence will not be generally available. However, a wide variety of standards over content and

timing are exercised in different jurisdictions. Hence, what is regarded as wide dissemination in one place would be regarded as highly restrictive in another.

Second, public value emerges from the interactions between people, between people and institutions and between institutions. In the complex flows of goods, services, energies and power that make up the fabric of society emerge outcomes which are publicly worthwhile. However, the degree to which those outcomes are valued depends on a number of factors. It may be what people are willing to pay for them, or the time they are willing to give up for them, or an expression of general consent about their continued existence, or even the tacit acceptance of them. All such measures raise the issues of how the views or actions of one person or institution should be weighed against those of another. Hence, the valuation of those interactions and so of the public value created within them depends crucially upon the distribution of those valuable interactions within society.

Third, intimately related to the concept of public value is the issue of the process of valuation which is attached to it. The relative importance of the sources of public value is likely to vary between different parts of society and between different periods of time. Thus, it is unlikely that a single system of measurement of public value will yield accurate results in all parts of a society at for all times. For example, is it sufficient to merely state that “public value is what the public values” and thereafter rely upon market research of democratic processes to elucidate that quantum? Or alternatively, must the process of valuation be designed to adapt to the changing nature of public value.

#### **4. PUBLIC VALUE OF PUBLIC SERVICE BROADCASTING**

In this section the definition of public value developed in the course of the Eighth BBC Charter Review process is set out, the governance arrangements by which it will be assessed are discussed and the process of valuation which has been adopted is reviewed.

#### 4.1 WHITE PAPER DEFINITION

The BBC originally identified and the Government accepted that public service broadcasting taps five distinct types of public value:

*“Democratic value:* the BBC supports civic life and national debate by providing trusted and impartial news and information that helps citizens make sense of the world and encourages them to engage with it.

*Cultural and creative value:* the BBC enriches the UK’s cultural life by bringing talent and audiences together to break new ground, to celebrate our cultural heritage, to broaden the national conversation.

*Educational value:* by offering audiences of every age a world of formal and informal educational opportunity in every medium, the BBC helps build a society strong in knowledge and skills.

*Society and community value:* by enabling the UK’s many communities to see what they hold in common and how they differ, the BBC seeks to build social cohesion and tolerance through greater understanding.

*Global value:* the BBC supports the UK’s global role by being the world’s most trusted provider of international news and information, and by showcasing the best of British culture to a global audience”.

(BBC, 2004, p.30)

In terms of the typology developed in Table 1 above the BBC’s typology suggests that the BBC creates a relatively limited range of public values. The first, third and fourth are related to the provision of information and the second and fifth relate to the provision of “merit” or “public goods”. However, even here there might be questions about what is included in the list. For example, it might be argued that the three elements of the information group do not constitute separate categories of public value ,but are rather different aspects of a single value source; namely, the creation

of consumption technology in its widest sense which is available to all. In addition, they clearly include elements of individual value which are not related to social relationships and which are amenable to valuation through market mechanisms. It might also be questioned whether global value is not simply a catch-all term to describe a set of individual values relating to the ability of British citizens to export their commodities and influence to other countries and so not an element of public value at all.

While the BBC Trust has characterised the five purposes as all “Helping to deliver the benefit of emerging communications technologies and services and Digital Britain” BBC Trust (2012) p.12. The five major purposes show a surprising narrowness in the BBC’s envisaged contribution to public value. The list of potential sources of public value which it has not declared it may tap into include:

- ⇒ Market existence: ensuring that the market for broadcasting is active and open.
- ⇒ Safeguarding commons: protecting common goods, like electromagnetic spectrum, so that they are used sustainably.
- ⇒ Representing future generations: safeguarding the needs of future generations, for example, to ensure access to appropriate technology.
- ⇒ Spreading benefits of scale and scope economies: making sure that the economies of scale and scope accruing to the BBC are used to the benefit of citizens and not just the employees of the organisation.
- ⇒ Guaranteeing supply: providing guaranteed access to public service broadcasting to all citizens.

The omission of these sources of public value is surprising given that they hold out the prospect for relatively precise articulation and measurement certainly compared with the five broad types of value proposed by the BBC. This is even more surprising given the possibility that the approaches which have been adopted by excluding these factors will potentially lead to the *underestimation* of the public value of the BBC.

Finally, it should be noted that there is nothing inherent in the structure or funding of the BBC which is uniquely associated with the nature of its contributions to public value. The types of public value which

the BBC aspires to deliver can, and are, delivered by privately owned and controlled companies reliant on privately generated funding. It may or may not be that investigation will show that the BBC delivers more public value more effectively than its private sector rivals. However, it is on the basis of such painstaking analysis that the public value of public service broadcasting can and should be judged.

#### **4.2 GOVERNING FOR PUBLIC VALUE**

The BBC's main objective has always been to promote its public purposes through the provision of information, education and entertainment. From its inception, the BBC was governed by a Board of Governors appointed by the Crown to represent the public interest. The Governors appoint and hold accountable the management of the BBC but are separate from it. To some extent they act as an ordinary Board of Directors in that they are ultimately responsible for approving the strategy adopted by the BBC. They are also responsible to Parliament for the dispersal of the proceeds of the Licence Fee and act as the regulatory body overseeing the BBC. The BBC is subject to value for money audits by the National Audit Office (NAO). The Governors are also guided by a network of advisory committees which have been set up for Scotland, Wales, Northern Ireland, the English regions and the areas covered by local radio stations. In addition there is a Central Religious Advisory Committee.

Prior to Charter renewal in 2006 this structure of governance had come to be regarded as too complex to be understood, dominated by management, obscure to outside observers and having multiple and conflicting goals. It was also believed that the complaints procedures were obscure and difficult to access. Finally, it was believed that the BBC regularly used its dominant position in the broadcasting market to overwhelm competitors.

Thus, the 2006 Eighth Royal Charter includes a new system of governance of the BBC which aims to ensure that the BBC is managed to maximise public value. The BBC is governed by a new body called the BBC Trust. This body approves the strategy of the BBC and ensures that it is run so as to maximise public value. The Trust reports annually to Parliament on

the operations of the BBC. It is separate from the BBC Executive which develops the business plan for approval by the Trust and operates the business.

Each of the 27 BBC services (9 TV, 16 radio the online and red button services) operates under a Service Licence against which it will be held accountable by the Trust, and individual service reviews are intended to evaluate each service at least once in every 5 year period. The network of advisory bodies has been extended and strengthened. Finally, a new, more transparent system of dealing with complaints was introduced.

### 4.3 VALUING PUBLIC VALUE

When the BBC Executive proposes changes to a public service and those changes are “significant” the Trust will subject them to a Public Value Test (PVT). The PVT incorporates two elements:

- A Public Value Assessment (PVA) of likely public value
- A Market Impact Assessment (MIA) of the extent of any impact on markets relevant to the proposed change.

Only those services which show the prospect of positive public value in excess of market impacts will be approved.

Since the PVT only relates to proposals which are “significant” rather than routine or minor changes which the BBC Executive wishes to make, the Trust must form a judgement regarding the significance criterion. The relevant considerations as set out originally in Clause 25 of the BBC’s Framework Agreement with DCMS (of July 2006) were:

- impact of the change on relevant users;
- financial Implications in terms of incremental costs, etc.;
- novelty in terms of new /untested areas of activity;
- duration of proposal or its permanency.

However, late in 2011 the Office of Communications (Ofcom - the UK’s independent regulator and competition authority for the



communications sector) and the BBC Trust agreed to take advantage of Ofcom's understanding of the wider communications market by inviting Ofcom to give its view of the "impact on others" such as providers or potential providers of alternative products/services of a proposal to aid the Trust in forming its view on the significance of a proposal. Nevertheless, the final decision on potential significance remains that of the Trust alone.

The PVA is produced by the Trust Unit itself and includes appropriate public consultation. Usually the assessment will include:

- ☞ the value of that the proposed change would deliver to society as a whole via contribution to BBC's Public purposes;
- ☞ the value licence payers would place on the change as individuals;
- ☞ the value for money of the change and its cost (including implications if the change was not made).

The extent to which the proposal promotes the BBC's public purposes is fit for purpose and creates public value is usually assessed with reference to 4 key drivers of public value namely:

- ☞ quality and Distinctiveness in terms of quality of outputs proposed and their distinctive character in relevant markets;
- ☞ reach in terms of projected usage over a given time period;
- ☞ impact in terms of *consumer benefits* to license fee payers as individuals and *citizen benefits* towards a better functioning democracy etc;
- ☞ cost and value for money.

Evidence may be gathered from a wide range of appropriate sources including qualitative and quantitative sources and trials, pilots, market research, juries etc.

Ofcom's MIA assesses the effect of the proposed service on the wider market both currently and in the future i.e., in both static and dynamic terms. Broadly the MIA is likely to consider agreed markets, identified impacts and competition effects.

The third stage in the process is for the Trust to consider the final PVA and MIA reports and satisfy itself whether any likely adverse impacts

on markets are justified in terms of likely public value to be created bearing in mind the BBC Trust's broader duties under the Charter, the Agreement and competition law.

Having consulted on its provisional conclusions the Trust then publishes its final decision either to:

- approve;
- approve with conditions;
- reject the proposal.

Together with a summary analysis of all the inputs from public consultation along with any resulting new/amended service licenses etc.

Finally it is important to note that proposals for the introduction of a new service are actually subject to a procedural veto by the DCMS's Secretary of State and the PVT Test conclusions are accordingly passed to the DCMS for consideration.

By 2012 some 4 PVTs had been completed and published by the Trust covering:

- on Demand Television (the first PVT to be completed);
- Gaelic Digital Service;
- High Definition Television;
- Local Video.

The measurement of public value has been primarily addressed as if it were another problem in contingent valuation. Such a procedure is widely used to measure the benefits and costs of policy alternatives when market valuations cannot be found. It involves enquiring about the public's willingness to pay for a number of policy alternatives.

The validity of its use to measure public value depends upon the assumption that the public value embodied in social relationships is experienced sufficiently clearly by individuals for it to be fully-enough reflected in the utility functions of those individuals and, hence, in the prices determined on the markets they enter. But if that is the case why should

it be necessary for public value to be separately measured? Can we argue, with Pigou, that the gap between the sum of individual values and public value is sufficiently narrow for it to be ignored for practical policy purposes?

Whatever the answer to the latter question the cocktail of individual and public value in broadcasting means that contingent valuation alone seems unlikely to be enough. We have already seen that public value concerns the worth of alternative distributions of costs and benefits. For this reason, it is quite unlike social or private net products which are related to the quantum of real production. By contrast, public value allows different types and patterns of distribution to become part of the valuation. Hence, in computing public value contingent valuation methods may have to be supplemented perhaps by those of experimental economics so that the distributional consequences of different policy options can also be valued.

#### **4.4 MANAGING FOR ENHANCED PUBLIC VALUE IN BROADCASTING?**

For the British Government the key question for broadcasting policy is how to ensure that virtually all citizens have access to high quality public service broadcasting at reasonable cost. This aim has within it a number of measurable targets for a series of outcomes including wide coverage, protection from pornography, false or misleading information and other undesirable messages and the presentation of content which interests people. It is also clear that these outcomes are to be achieved within a well-defined budget constraint or restriction on the ability to exploit the spectrum for private profit. This much is already well-established.

When set against this clear set of policy aims the public value approach still needs further development. The definition of public value to be used in the case of the BBC may appear rather narrow by historical standards. The new structure of governance installed at Charter Renewal is focussed on the need to operationalize public value. However, the systems used for measuring public value will be crucial, especially in the increasingly tight financial framework within which the BBC is operating now and in the medium-term.

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