Broadcasting and devolution: Radical future?

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Abstract
The mismatch between political devolution in the United Kingdom and the apparent retention at the centre of responsibility for broadcasting policy, particularly in relation to the BBC, is examined, and the anomalies therein explored. The article argues that, despite the constitutional position, in practice devolution of broadcasting policy has proceeded, albeit unevenly, and more systematic devolution may follow. That process might have to be accompanied by a restructuring of the United Kingdom politically.

Keywords
BBC, Scotland, devolution, television policy

Of the three devolved parliaments in the United Kingdom, one, the Northern Ireland Assembly (Stormont), has existed in different forms since 1921, but the Scottish Parliament (Holyrood) and the Welsh Assembly (Senedd) date from 1999. Some basic facts on population, and the balance of power in the three parliaments, are given below Table 1.

There are clearly variations in population size and marked contrasts politically. The raison d’être of the Scottish National Party (SNP) remains the establishment of an independent Scotland. The Welsh nationalist party, Plaid Cymru, may have a similar desire but it does not currently occupy the dominant position in Wales that the SNP has in Scotland. At Stormont, there is a huge gulf between the two power sharing parties – the Democratic Unionists and Sinn Fein – on the desirability of a united Ireland (Keating, 2021; Mitchell, 2009). Because the current Westminster government is a Conservative...
majority one, there is no political alignment between it and any of the devolved governments.

Constitutionally, the United Kingdom now operates under what can be described as ‘asymmetrical quasi-federalism’. It is an awkward phrase, but it does characterise the current situation, in that there has been significant devolution of powers from Westminster to the three national assemblies. That devolution is not uniform, so is asymmetrical. There is no English parliament, but Westminster does at times behave as if it were such a body, for example, when dealing with education and health. Although the SNP bloc of Westminster MPs, for one, has sometimes declined to vote on exclusively English matters, there has been no formal attempt to date to reconstruct the Westminster parliament so that it is able to act as a pan-UK body for much of the time and, where appropriate, to act as if it was an English parliament. It currently performs that dual function, and in that sense, Britain operates under quasi-federalism.

When Ron Davies, the Welsh politician, described devolution as ‘a process, not an event’, he was talking about the United Kingdom as a whole, whether deliberately or not (Towers, 2017). He was also stressing that the devolution settlement of the late 1990s was a departure point, not an end point. It is therefore no surprise that the powers of both the Welsh and Scottish governments have been augmented in the intervening years.

This evolving context is the one in which the issue of broadcasting and devolution needs to be examined.

**Broadcasting background**

Ofcom’s 2020 report, ‘Small Screen: Big Debate’ presents some stark facts (Ofcom, 2020a). Net advertising revenue declined for the public service broadcasting (PSB) channels in the period 2014–2018 by 3.8% per year (public service channels include BBC channels, ITV, Channel 4 and Channel 5). Net BBC revenue over the same period declined by 4% per year. In the case of ITV, Channel 4 and Channel 5, it is generally agreed that the decline is due to competition for advertising revenue from commercial operators and from the online world. In the case of the BBC, the crucial factor was the imposition on the Corporation by Chancellor of the Exchequer George Osborne of responsibilities for various broadcast undertakings, such as the World Service, which had previously been financed in other ways. This was followed by the decision to require the Corporation to take responsibility for funding free television licences for over 75s, or for those members of that group which the BBC feels able to exempt from payment, a change in the policy introduced by the Labour administration in 2000, and at that time paid for out

| Population | Government |
|------------|------------|
| Scotland   | 5.4 m      | SNP government in power sharing arrangement with Scottish Greens |
| Wales      | 3.1 m      | Labour led |
| Northern Ireland | 1.9 m | Power sharing |

Table 1. Population and governance of UK nations.
of general government revenue. The truth of the matter is that, although it has now exempted those in receipt of pension credit, the BBC cannot afford this loss of income.

Despite their financial difficulties, the five main PSB channels do still account for 52% of viewing in Scotland and in Wales and 51% in Northern Ireland. That is a significant achievement. But costs, particularly for high-end drama, continue to rise, not least because of competition from companies such as Netflix. BBC services account for around 50% of all UK radio listening, with the shares in Scotland, Wales and Northern Ireland being 41, 58 and 39% (Ofcom, 2020b).

The current constitutional situation was characterised earlier as quasi-federalism. The same might be said of the accountability mechanisms faced by broadcasters, and the super-regulator, Ofcom. But it should also be noted that, pre-dating the establishment of the Welsh and Scottish parliaments, there had been devolution of some expenditure related to broadcasting. For example, support offered to film makers from arts councils (often drawing on National Lottery funds) inevitably meant support for the production of some of the fictional narratives shown on television. That is now explicit in the activities of Northern Ireland Screen, the Senedd’s Media Investment programme and Screen Scotland (currently located within Creative Scotland). All provide funding for projects which are aimed primarily at the small screen or appear there after cinema exposure.

The figures currently look something like this Table 2:

| Region          | Amount (£ m) | Notes                                      |
|-----------------|--------------|--------------------------------------------|
| Scotland        | £20 m        | Excluding BBC Alba (£20 m) and BBC Scotland (£30 m) |
| Wales           | £30 m        | Excluding S4C (£83.5 m)                    |
| Northern Ireland| £18 m        |                                            |

The figures have been derived from documentation published by Northern Ireland Screen, Creative Scotland, S4C and the devolved administrations. They relate to the years 2017–2018 and 2018–2019 and should be regarded as indicative rather than definitive. They are tricky to interrogate. In addition to direct funding tabulated in the left hand column, in the right hand column are, for example, the costs of BBC Alba, the Gaelic language television service, funded on a two-thirds/one-third basis by the Scottish government and the BBC. In addition, there is the free-standing BBC Scotland channel launched in 2019 to extend the range of programming available to viewers north of the border. This is funded by the Corporation centrally and from the existing BBC Scotland budget. Regardless of the actual expenditure figures, which suggest per head of population expenditure that varies widely, the devolved governments are now spending money on broadcasting projects. There is a sharp contrast between how BBC Alba and the Welsh language channel S4C are financed. As noted above, the former now derives most of its funds directly from Holyrood, while S4C, having been previously financed jointly from the licence fee and by the UK government, is moving to being funded entirely from the licence fee.
In Scotland, there has been a long running discussion regarding the percentage of the licence fee raised there actually spent north of the border. The point of view that Scotland is short-changed was articulated most forcibly in Chapter Nine of the White Paper issued by the SNP Government prior to the 2014 referendum on Scottish independence (Scottish Government, 2013). According to a 2017 report commissioned from Creative Scotland by the Scottish government (Creative Scotland, 2017) the relevant figures for licence fee spend in the three nations are Scotland, 55%; Wales, 95%; and Northern Ireland, 75%. But these figures do not take account of the contribution from the BBC centrally to the budget of the new BBC Scotland channel nor of the increase in contributions from the BBC licence fee to S4C, mandated by the UK government. In its 2019–2020 annual report, the BBC offers rather different figures—85, 118 and 113% (BBC, 2020).

This leads into quite a complicated discussion. It can be argued, for example, that locating the production of long running drama series Dr Who and Casualty in Wales, although it ups the spend in the principality and provides work for Welsh personnel, does not significantly augment the Welsh presence on Welsh and UK screens. In Scotland, the fact that the current affairs discussion programme Question Time is now supposedly based north of the border does not do much to address the issue of the licence fee spend either. Any thorough examination of the issue – something beyond the scope of this essay – needs not only figures like those set out above but also realistic costs for the provision to the three nations of the BBC’s pan-UK services, such as BBC1’s non opt-out programming and Radios 1–5.

**Devolving broadcasting**

Although it is not formally devolved, both Holyrood and the Welsh Assembly have taken clear interest in broadcasting policy. In 2020 the Culture, Welsh Language and Communications Committee of the Senedd began an inquiry into whether regulation of broadcasting should now be devolved to Wales. Thirteen years earlier, the SNP minority government set up a Broadcasting Commission, the final report of which recommended the establishment of a new non-BBC channel at a cost of up to £70 m per year (Scottish Broadcasting Commission, 2008). All the Holyrood parties supported this idea, but no cash was offered. An arm’s length government fund on the model of Telefilm Canada might have been one option, but instead other sources were suggested, including the licence fee. No progress was made at that juncture. It can be argued that the new BBC Scotland channel is a cut down version of what the Commission suggested, although like BBC Alba, it is firmly within the Corporation’s ambit, which is not what the Broadcasting Commission proposed. In 2013, the Northern Ireland Assembly debated the devolution of broadcasting powers and split along predictable nationalist/unionist lines (Ramsey, 2015).

Quasi-federalism is reflected in how the BBC now presents its annual reports and accounts, the mechanisms being specified in the current charter. The reports must be presented to the relevant ministers in all four jurisdictions and to the parliaments/assembleys. The annual accounts too must be presented to the devolved institutions. The Corporation is also obliged to respond to requests to appear before the assemblies, to give evidence to them, and to submit reports. And with charter renewal, the UK
government is required to consult the relevant ministers in the devolved governments on the terms of reference, and the drafts of the proposed new charter and accompanying framework agreement it proposes to implement. It is also now the case that when the UK government appoints members of the BBC Board who represent Scotland and Wales, and the corresponding Ofcom members, it has to seek the agreement of Scottish/Welsh ministers. The same presumably will apply to representatives from Northern Ireland now that Stormont is functioning again.

As is stated in Ofcom’s 2018–19 annual report, ‘(the) Annual Report and Accounts is sent to the DCMS [Department for Digital, Culture, Media and Sport], which lays copies of it before both Houses of Parliament and in Scotland, Wales and Northern Ireland’ (Ofcom, 2019: 80). Furthermore, ‘our offices in each of the UK’s nations allow us to engage directly with governments, elected representatives and local stakeholders’ (Ofcom, 2019: 46). Ofcom has similar duties to those set out for the BBC when it comes to appearing before committees of the devolved parliaments.

Alongside these moves, though, there has been a rather startling loss. No replacements for the BBC’s Audience Councils, which had in turn replaced National Broadcasting Councils in 2007, have been established. The members of these bodies were appointed by the Corporation but from outside and were meant to represent audiences and to offer external advice. The failure to replace them is a mystery. After all, the United Kingdom’s super-regulator, Ofcom, has advisory committees for each nation.

Instead of Audience Councils, there are now sub-committees of the BBC Board, with no non-BBC representation on them, other than the government appointed member for each of the four constituent UK nations. It really is passing strange that as political devolution has proceeded, the BBC has gone in the opposite direction. I spent a number of years on the selection panel which recommended members for the then Broadcasting Council for Scotland to the Board of Governors in London. During my time as a member, and latterly chair, of this panel I was conscious that we were looking for people of standing who would be critical friends of BBC Scotland, willing to advise, argue and, where necessary, defend, not least in debates with the London management. Senior executives, in my experience, derived much useful input and support from this body. I assume that was also the case in Wales and Northern Ireland. Why the abolition of the successor bodies to the Broadcasting Councils, the Audience Councils, has not provoked a political backlash, given that it is completely contrary to the spirit of devolution, is a real puzzle (Tables 1 and 2).

There is another crucial issue which needs to be explored. Suppose that all the presentations, consultations and discussions laid down in the current charter and engaged in by Ofcom take place, but the BBC or Ofcom at UK level, and/or the Westminster government, find themselves at loggerheads with one of the devolved governments on a particular issue. At that point what mechanisms exist to mediate between the two positions? Will the view of the centre always prevail? It would seem that the establishment of an arbitration system is necessary. Otherwise, a dispute about broadcasting might provoke a much wider constitutional clash.
Moving on

This discussion is about resources, and also about the age-old problem of the relationship between centre and peripheries (Hutchison and O’Donnell, 2011). Even if the nations were showered with more cash – highly unlikely, given what has happened to the licence fee and the pressures on the other PSB organisations – it is doubtful if that would get over the problem of reconciling the metropolitan outlook and national aspirations and perceptions.

That disjunction manifests itself in matters like the 10 p.m. UK news bulletins’ agendas, and presentation. In the early days of the COVID pandemic, for example, the BBC One bulletin led with pronouncements regarding Coronavirus which were presented as if the remit of the UK (English) health minister extended to all the nations of the United Kingdom, which it certainly does not. That approach was only modified as it became clear that significant policy differences were emerging from the governments in Cardiff, Edinburgh and Belfast.

Looking back on the whole devolution process, it can be argued that the BBC in particular could have got ahead of the game. It could have reinvented itself as a genuinely federated organisation. That would, though, have entailed dealing with the ‘England problem’, when the problem had yet to be addressed properly at Westminster. Admittedly, this would have been a politically tricky course of action, but one which could have been worth the effort and risk.

Genuine devolution of broadcasting would involve both finance and accountability, such that the Welsh, Scottish and Northern Ireland governments would be dealing directly with broadcasters and regulatory frameworks, as independent ‘actors’. That might be easier with the BBC, but less so for the other PSB national channels, not one of which is federal (although ITV used to be, the company north of the border, STV Group, is not owned by ITV). And would Ofcom, whose remit appears to be in a state of constant expansion, have to be federated too? None of these questions are impossible to answer but the process would be complicated.

There is a very important issue however which needs to be addressed by those sympathetic to going down the federal road. That is the power of the UK broadcasters, particularly the BBC, to resist political pressure. At present, politicians happily lean on broadcasters to modify how they present their activities, and that pressure is not always successfully resisted. Would it be easier for politicians, or others, to pressurise federated units and a weakened hub – if there still was a hub – at the centre? What is the size of the critical mass needed at the centre to ensure such pressure can be effectively resisted? How might that mass be maintained while at the same time moves were made towards a genuine federation?

We need also to remember not only the competitive pressures which PSBs now face from Netflix and other online providers but also the serious problem of the loss of younger audiences (Jigsaw Research and Ofcom, 2020). We also need to be mindful of the unending pressures on the licence fee generated by the Westminster government, the latest example being the suggestion that evasion should at some point be decriminalised. This idea has been shelved pending an overall review of public service broadcasting, but the threat remains relevant (BBC News, 2021). And we need to remember the pressures on advertising revenue from cyberspace. An additional complication is the appointment by
the UK government in November 2020 of an advisory panel on PSB, which is charged with considering whether public service broadcasting is still needed in Britain, and if so, how it should be financed and delivered. The panel, whose membership is drawn from the broadcasting industry, was scheduled to ‘meet six times over the course of a year…. Meetings will normally last up to 2 hours’ (UK Government, 2020). The announcement in July 2021 of a government consultation on the possible privatisation of Channel 4 put further pressure on PSB (UK Government, 2021). As far as finance is concerned then, would it be wise for a federated BBC to seek to stick with the licence fee or go for direct government grant (on the BBC Alba model) or audience subscription?

Norway has recently moved to an income tax charge, and Sweden to a public service tax to finance PSB. There are voices within the BBC who concede that there may have to be some modification of the licence fee system, even though it is a relatively simple way of acquiring the necessary revenue. It also avoids the dangers which might arise if it were replaced by an annually agreed – and contested – government grant, such as that which partially finances the Canadian Broadcasting Corporation

This essay has argued that devolution – or rather, further devolution – of the responsibility for broadcasting is perfectly possible, but it would not be a straightforward matter, and to work properly might well need to be accompanied by substantial change in the current UK constitutional arrangements. The problem of England would have to be addressed. A unitary England with its own parliament may now be necessary. The country might even be sub-divided into regional polities. Whatever the preferred option, change appears to be inevitable if the United Kingdom is to remain just that, and not to see one or more of its constituent nations deciding to bid farewell.

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