

## BBC White Paper heralds more cuts

The spin surrounding the BBC White Paper was that the corporation had got off lightly. BECTU disagrees.

**B**ECTU has expressed major reservations about two key aspects of the government's BBC White Paper which was unveiled on 12 May.

Culture Secretary John Whittingdale MP claims that the government plans no changes to the scope or scale of the BBC. BECTU says the truth is exactly the reverse.

The reality is that damage is being done to the BBC's scope and scale with every passing day. Today, here and now, there are departments across the BBC whose projects are at a standstill because of uncertainty over future funding.

As the White Paper was published, BECTU General Secretary Gerry Morrissey commented: "We reject the suggestion that today's White Paper gives the BBC certainty. The BBC is set to lose 20% of its income – £750m – by 2020 and the creation of BBC Studios will have a fundamentally destabilising effect on the corporation. To say that certainty is being offered against this backdrop is false. The government is being dishonest with the licence fee payer when it says that our principal public service broadcaster will not be harmed by its policy."

### FREE LICENCES MEAN SERVICE CLOSURES

How can it be possible to expect the BBC's operations to remain intact when it is set to lose 20% of its income due to the government's decision to make the BBC bear the cost of free licence fees for the over-75s? To date the cost of free licence fees has been met from the welfare budget.

In the 2010 licence fee settlement, the government froze the licence fee for a five-year period and forced the BBC to take on responsibility for the funding of S4C, the Welsh language channel and the World Service. The result has been less innovation, substantial production cutbacks and the loss of services not only at the BBC but at S4C and the World Service. Thousands of BBC jobs have been shed since 2010.

This recent experience demonstrates the bad practice of setting the licence fee settlement, as was done last July, and then deciding on what the BBC is required to do. Surely the most effective way to plan, honestly, for the BBC's future is to set the BBC's responsibilities by way of the Charter Review and then decide on the funding needed to deliver on those responsibilities. As things stand, the BBC faces

major funding cuts with no transparency about future audience services.

### HIGH RISK STRATEGY

The government's backing for the creation of BBC Studios as a wholly-owned subsidiary by 2017 is another high-risk strategy which sets alarm bells ringing for anyone who cares about the future of the BBC. There is currently a mixed production economy at the BBC in which a minimum of 25%, up to a maximum of 50%, of BBC output for television is produced by the independent production sector. The plan to put 100% of output for BBC TV up for competition by 2028 will have a destabilising effect on BBC production. Production talent at the BBC can compete with the best. However will there be a level playing field when the loudest calls are for more commercialisation at the BBC? The proposal also risks squandering the BBC's assets as returns on the commercial exploitation of BBC programmes would no longer be the property of the BBC, returned to the corporation for the benefit of the licence fee payer.

"We have no confidence that the creation of BBC Studios will be in the interests of the BBC or of BBC staff", said Morrissey. "The BBC's record on the creation of wholly owned subsidiaries is a tale of misery with privatisation, job losses and squandered opportunities being the result. This move threatens to turn the BBC into a diminished publisher/broadcaster rather than the distinctive, popular, licence-fee funded producer/broadcaster loved and respected at home and abroad".

The licence fee payer is being let down by BBC management and by the government, neither of which is fully committed to our great public service broadcaster. The public is massively supportive of the BBC and yet their views are being ignored. The government says it wants the BBC to produce more programming for children and yet the plan is to put 100% of both Children's and Sports output out to competitive tender by 2019. The government's thinking is muddled and wasteful and the audience is being overlooked as politicians meddle with the BBC's future.



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"It's also clear to us that the BBC hasn't trusted licence fee payers, or the general public, who are greatly supportive of the BBC. In its tussle with government, the BBC has conceded ground it should never have conceded to the independent sector and for its trouble it still faces a massive further 20% cut in its income," Morrissey said.

The BBC Love It or Lose It campaign, launched by BECTU and subsequently embraced by all unions in the Federation of Entertainment Unions, reflects some of the strength of feeling in support of a well-resourced and independent BBC. Over 25,000 people have signed the petition and public events have met with enthusiastic support. The campaign will continue as the White Paper is debated in Parliament.

### MORE CUTS

Although the publication of the BBC White Paper was spun to suggest that the BBC had 'got off lightly' and that Charter Review was all about securing the organisation, a new round of cuts

began within days of the announcement, with 40 jobs put at risk after an Online Creative Review resolved to save £15-million.

The BBC says the savings will need to be found by April 2018. Whilst redundancy consultations have yet to start, BECTU is restating its opposition to compulsory redundancies and expects the BBC to do everything in its power to achieve any cuts by voluntary means.

Equally worrying are the signs that the BBC's supposed new investment in online appears to be being reversed. Earlier this year BBC Three was closed and moved online. These proposals to save £15-million would be achieved with the closure of the iWonder website (launched just last year with much fanfare), the *Newsbeat* website, the *Newsbeat* App, News Magazine Online, the Travel and Food sections of the BBC website and Local News' Index Pages. Perhaps critically, development spending on BBC iplayer, a hugely successful BBC service, will no longer be protected from cuts from April 2018.

BECTU asks, if all these services are to be closed to save £15-million, what level of cuts is going to be necessary to meet the £750-million annual saving which will be needed by 2020 to meet the cost of free licence fees for the over-75s? BECTU is aware that work in several online teams has been at a standstill since 1 April as managers wait for budgets to be approved. Fixed term contract staff are engaged subject to one month extensions. BECTU is urgently seeking clarity on the treatment of these particular staff.

Morrissey said: "The BBC is contradicting itself. One minute it's investing in online, the next cuts are being proposed. Sadly we only expect more of this to come as the BBC faces up to the cuts imposed by government. What's clear to us is that if the BBC audience values a service, it has to protest and seek assurances on no cuts."

## Are you making BBC AVCs?

Members of the BBC's Career Average Benefits 2011 pension scheme may have lost hundreds of pounds a year due to an information error relating to additional contributions. The BBC has admitted that guidance on additional contributions "could have been made more explicit".

Alan Murdey, a keen-eyed BECTU member based in London, had discovered that the BBC were not making matching payments on his additional contributions to the scheme. In an email the BBC has admitted that the website (run by Friends Life) which purported to guide staff through the process contained very poor quality information. As a consequence it was very easy for the individual to make their contributions on the wrong kind of earnings. This would result in the BBC not making any matching contributions.

The BBC has since made a payment of £900 into the scheme to make up for the member's missing contributions.

### MATCHING PAYMENT

Alan Murdey said: "I think that there may be more BECTU members (and potential members) who have incurred the same loss as me. Anyone in the same situation, thinking they are receiving a matching payment, could potentially receive an "apology" payment from the BBC."

The Career Average Benefit (CAB) pension scheme was set up in 2011 to replace the previous scheme CAB 2006. Alan joined the scheme when it was set up and decided to make additional contributions into the LifePlan Top-Up. He believed that the BBC

was matching his contributions but only discovered in March 2015 that because his payments came from non-pensionable earnings and not pensionable earnings, the BBC was not making any matching contributions.

affected. If you are making your additional contributions from your "pensionable earnings" (as defined by the scheme) then the BBC is required to match them. If you are making additional contributions from



Luckily Alan had retained the original documentation from 2011 and was able to use it to show that the guidance was unclear and misleading. Alan made a formal complaint which led to a response from James Hacker, senior HR for pensions, acknowledging that the website "could have been more explicit" and offering a substantial payment to Alan's Friends Life account.

Assistant General Secretary Luke Crawley added: "We have contacted the BBC and they are trying to identify affected members. If you are a member of the CAB 2011 scheme and in the LifePlan Top-Up you should check that the BBC is paying the matching contributions that you expect. If not, you may need to make a complaint. After all, this is money that you will be depending upon in your retirement".

### ARE YOU AFFECTED?

If you are in the BBC CAB 2011 pension scheme and have been making additional contributions to the LifePlan Top-Up scheme you may be

non-pensionable earnings (as defined by the scheme) then the BBC is not required to match them. The problem has arisen because the original documentation and micro-site provided by Friends Life was confusing and meant that you could have inadvertently made the wrong choice.

### WHAT YOU NEED TO DO

The BBC is trying to identify affected members but if you think you may be one of them then you should contact the BBC Pension Scheme yourself on 02920 322811 (internal: 01 22811) and ask about the matching contributions from the BBC. If the BBC is not making the matching contributions that you expected and you believe that the information on the Friends Life micro-site misled you into making the wrong choice then you should make a complaint and email it to [mypension@bbc.co.uk](mailto:mypension@bbc.co.uk). If you are a BECTU member, login to our website to download a pro forma letter to help you draft a complaint.