

# BBC ROYAL CHARTER BILL [HL]

## EXPLANATORY NOTES

### What these notes do

These Explanatory Notes relate to the BBC Royal Charter Bill [HL] as introduced in the House of Lords on 7 June 2016 (HL Bill 34).

- These Explanatory Notes have been prepared by Lord Lester of Horne Hill, the Peer in charge of the Bill in order to assist the reader of the Bill and to help inform debate on it. They do not form part of the Bill and have not been endorsed by Parliament.
- These Explanatory Notes explain what each part of the Bill will mean in practice; provide background information on the development of policy; and provide additional information on how the Bill will affect existing legislation in this area.
- These Explanatory Notes might best be read alongside the Bill. They are not, and are not intended to be, a comprehensive description of the Bill.

## Overview of the Bill

- 1 This Bill makes provision about the establishment, independence, funding and governance arrangements of the British Broadcasting Corporation.
- 2 Clause 1 sets out the BBC's independence and its role as a public service broadcaster in the United Kingdom and overseas in performing the functions of informing, educating and entertaining the diverse peoples of the United Kingdom, its nations, regions and communities.
- 3 Clause 2(1) provides that the BBC is a body corporate established by Royal Charter and that it will remain independent in all matters concerning the content of its output, the times and manner in which this is supplied, and in the governance and management of its affairs. Clause 2(2) and (3) seek to protect the BBC from interference by Ministers and other public authorities in the United Kingdom.
- 4 Clause 2(3) requires the Secretary of State to make sufficient funds available to the BBC to enable it to function effectively in performing its functions as public service broadcaster.
- 5 Clause 2(5) provides that the licence fee is to be used to fund the BBC in the performance of its functions and public purposes. Subsections (6) and (7) of Clause 2 provide that the licence fee must be index linked and increased in line with the Retail Price Index, and that public expenditure must not be transferred to the BBC by the Secretary of State.
- 6 Clause 2(8) provides for a new independent regulator to be given responsibility for the oversight of the BBC in performing its functions as British public service broadcaster.
- 7 Clause 3 provides for the Prime Minister to appoint an independent Chair and Deputy Chair and an independent Board to govern the way the BBC performs its functions. It sets out that the board will be drawn from across the nations and regions of the United Kingdom, and will include BBC licence fee payers and present or former members of staff. It also sets out that the board must carry out its functions in an open and transparent way.
- 8 Clause 4 provides that both Houses of Parliament must approve the BBC Charter and amendments to it.
- 9 In the view of the Peer-in-charge of this Bill, the Bill is compatible with Article 10 of the European Convention on Human Rights (freedom of expression) and the Human Rights Act 1998.
- 10 Clause 5 of the Bill provides that it comes into force two months after Royal Assent.

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