Chapter 7

A question of value or further restriction?

Public value as a core concept

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Abstract

Inaugurated by the British Broadcasting Corporation (BBC), a systematic assessment of a new service with regards to its public value is part of the governance system in public service media. The concept was applied throughout Europe over the past decade, in combination with the ex ante test. The procedure exists in 14 European media systems and just under 90 services have been reviewed. This chapter critically analyses the conceptual understanding of public value and addresses how public broadcasters define the key term in practice. Four case studies illustrate the variability of the concept. In particular, the issues of a decreasing value and the effect of a proposed service to previously approved services are difficult to address. Based on a systematic inventory of the institutional responsibilities, public broadcasters and decision-makers are at the centre due to their negotiations of pros and cons of launching a new service, particularly in cases where the public value has been considered insufficient compared to its market impact.

Keywords: public value, ex ante evaluation, public interest test, public service media, PSM, market impact assessment

Introduction

Budget cuts, structural reforms, and threats to the freedom of media challenge the future viability of public service media (PSM). The origins of such controversies stem from attempts to reduce costs, increase accountability, and simultaneously deliver distinctive programmes of high quality, establish new services, and consolidate existing broadcasting channels (Herzog et al., 2018; Humphreys & Simpson, 2018; Schweizer & Puppis, 2018). To satisfy all these requirements in times of high competition and an audience with changing viewing habits, public service broadcasters (PSBs) emphasise public value as a core concept. It sets standards for publicly-funded corporations, guides key stakeholders on a normative and practical level, and helps them to implement new services (for
an overview, see Moore, 2017; Gonser & Gundlach, 2016; Martin & Lowe, 2014). However, European competition law, or, more precisely, guidelines for state aid, require PSBs to respect the standards of fair and effective competition. Furthermore, most PSBs are legally bound to pass an ex ante test as a form of horizontal accountability (Campos-Freire et al., 2019). The procedure serves as a mechanism for weighing public value against market effects of either a modified existing or a newly created one. It determines, following a long and complex procedure, whether a negative impact is offset by the public value it is expected to deliver (Donders & Moe, 2014).

Although half of the European member states have implemented an ex ante test and over eighty proposals have been assessed, there is still insufficient transnational analysis of the interpretation of public value as a concept. There is a research gap on smaller media systems and the sampling of cases remains biased. This chapter examines all European countries where the procedure was implemented by the end of 2018.\footnote{Given its rapid changes, comparing the European media landscape is a methodological challenge. Each media system has its own structures, internal organisation, and policies with different rules, settings, and stakeholders – it is the universal validity of PSBs which unites them (Humphreys, 2012; Puppis & d’Haenens, 2012; Schweizer & Puppis, 2018; Van den Bulck et al., 2018).}

In addition to the British case as the background sample, three countries – Austria, the Dutch-speaking region of Belgium, and the Netherlands – are discussed in detail because the public value concept is applied stringently within these governance systems. All four case studies spell out a series of criteria to define the key term and develop methods for applying them. Therefore, the number of countries which actually applies both the ex ante test and public value as a concept has diminished over the last five years (Moe & Van den Bulck, 2014).

Its implementation can be manifold. Public value may be part of the remit, provide a basis for evaluating the programme, or act as a pillar in the accountability system. Public value has attracted criticism for its market-oriented perspective that cannot be considered separately from the need of PSBs to prove their added value to society (Goodwin, 2014; Moe & Van den Bulck, 2014). Comparative academic studies and commissioned studies (for an overview, see Gransow, 2018) examine the implementation of the procedures but focus on the actual results of the assessments. Raats and colleagues (2015) conducted a benchmark-related analysis with a focus on range and target audiences. Moe and Van den Bulck (2014), Neumüller and Gonser (2013), and Wippersberg (2010) lay the groundwork for researching public value conceptually. These authors demonstrate the PSBs’ effort to set up their public value concept in practice by continuous monitoring and reporting to the management and key stakeholders. This chapter expands their previous research by asking the following questions: If a PSB emphasises the public value concept, which are the central universal values serving the democratic, social, and cultural needs of the society? How are they
measured and by whom? Under which circumstances is the audience involved? What exactly is a material change of an existing service? What are the arguments to reject a proposed service? Does a proposal approved for its public value have an impact on other services or activities which are permitted by an ex ante test?

The comparison is organised along three central themes: 1) legal framework and remit; 2) set-up of the ex ante test and its public value assessment; and 3) the results of the decisions, which have been made in the last five years (2015–2019). The first section comprises a systematic inventory of the institutional responsibilities and classifies the case studies according to their use of the public value concept. In the second part of the chapter, the case studies are presented and analysed.

Public value as a concept in public service media

Academic debate about public value is contentious and the perspectives are manifold. Hence, the concept itself has proven to be near elusive (for an overview, see Martin & Lowe, 2014; Moe & Van den Bulck, 2014; Benington & Moore, 2011). In media studies, public value operates as an insurance and the ambition of PSM is to create public goods or services of high quality and to satisfy the needs of a society (Mitschka, 2013). The application of public value as a “lens for assessing PSM” (Martin & Lowe, 2014: 23) and as an “analysis tool” (Sorsa & Sihvonen, 2018: 11) are far from consistent. Proving the contributions to fulfil the remit and being part of a professionalised and independent monitoring is a complex matter (Donders, 2012; Trappel, 2014). From another perspective “public value has become a vehicle for more top-down management approaches, extensive and increasingly bureaucratic assessment procedures” (Moe & Van den Bulck, 2014: 61), in terms of the ex ante evaluation.

According to Gonser (2013), the term has several dimensions and is measurable with a range of qualitative and quantitative methods. Nevertheless, the main challenges are to define the scope of its components precisely and to set appropriate methods of measurement. Public value cannot be detached from its normative and ideological dimensions, which can provoke a conceptual overstretching PSB with its universal claim, standards, and remit to shape the respective understanding of the concept (Collins, 2011; Hasebrink, 2014). The different models of European media systems and the long-standing conflict between the European Commission and national decision-makers provide the framework for implementing the term and the procedure (Moe & Van den Bulck, 2014). O’Neill (2016: 173) draws attention to two essential problems by asking “which values are public values” and highlighting that “it is often left unclear whether public value is what the public actually value, or what they ought to value (but may not)”. 

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The discourse on the distinctive ex ante tests is closely related to the divergent perspectives defining and measuring public value (Gonser & Gundlach, 2016; Lis et al., 2017). The question remains to what extent this argument has been adequately taken into account by the decision-makers and in the assessment itself. According to Campos-Freire and colleagues (2019: 12), the assessment of new media services act as a “double-edged weapon” in terms of increasing “transparency and participation in decision-making processes, legitimating the activity of public media, or as a hostile tool designed for its control and restriction, strongly in favour of commercial interests.”

Research design and methodology
Taking the characteristics of comparative analysis into account, research on PSM is complex. It requires a reasonable selection of criteria and indicators to overcome difficulties in interpreting the concept of PSB, contextualising the special features of each media system and categorising different models of organization and contextual factors (Karppinen & Moe, 2012; Raats & Pauwels, 2011). Drawing on literature review and document analysis, and the study taking Moe’s and Van den Bulck’s (2014) critique into account, the analysis of the public value concept calls for an extensive collection of texts. In each case, the use of public value as a key term and how it is operationalised was examined. If the term does not occur, a different value-based approach guides the governance and accountability system (see Table 1). The research covers a pan-European overview and the last twelve years, but we focus on the last five years because some of the governments have reviewed their legal basis.

Table 1. Classification of case studies

<table>
<thead>
<tr>
<th>Application of Public Value</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>AT</td>
<td>DK</td>
<td></td>
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<tr>
<td>BE/VG</td>
<td>FI</td>
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<td>NL</td>
<td>DE</td>
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<tr>
<td>UK</td>
<td>IE</td>
<td></td>
</tr>
<tr>
<td></td>
<td>NO</td>
<td></td>
</tr>
<tr>
<td></td>
<td>PT</td>
<td></td>
</tr>
<tr>
<td>Application of an ex ante test</td>
<td></td>
<td></td>
</tr>
<tr>
<td>BE/CF</td>
<td>HR</td>
<td></td>
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<tr>
<td>HR</td>
<td>HU</td>
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<tr>
<td>HU</td>
<td>LV</td>
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<tr>
<td>LV</td>
<td>SE</td>
<td></td>
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</tbody>
</table>

Source: Gransow (2018) supplemented by own research
Status quo of ex ante evaluations and decisions
Since 2015, over 20 proposals have been assessed by an ex ante test – five have been declined, three are currently pending. To understand the arguments of the different decision-makers, the procedure can be categorised: With the exception of the German media system, either the regulatory authority or a political agent takes the final decision to approve a new service (see Table 2).

Table 2. Institutional responsibility for ex ante tests and applications to date

<table>
<thead>
<tr>
<th>Application of the procedure</th>
<th>Board of the PSB</th>
<th>Regulation authority</th>
<th>Political agent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>Germany Broadcasting Councils (50 / 2 / 1)</td>
<td>Austria KommAustria (4 / 4 / 2)</td>
<td>Belgium (Flanders) Government (0 / 1 / 0)</td>
</tr>
<tr>
<td></td>
<td>Denmark Radio and Television Board (3 / 0 / 0)</td>
<td>Finland Administrative Council (4 / 0 / 0)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Portugal Regulatory Authority for the Media (1 / 0 / 0)</td>
<td>Ireland Ministry for Communication, Climate Action and Environment (3 / 0 / 0)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>United Kingdom Ofcom (6 / 1 / 0)</td>
<td>Netherlands Ministry for Education, Culture and Science (3 / 3 / 0)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Norway Ministry of Culture (2 / 0 / 0)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>No</td>
<td>Hungary National Media and Infocommunications Authority</td>
<td>Belgium (Wallonia) Council of Media</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Croatia Agency for Electronic Media</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Latvia Council of Media</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>Sweden Government</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Comment: Results from the ex ante tests (based on data from October 2019) are shown within parentheses (approved / rejected / pending).

Source: Adapted from MPRT (2017, 2015) and RTR-GmbH (2014) supplemented by own research.
In the Austrian media system, the regulator KommAustria guarantees the independence of the procedure. In the Netherlands, the education minister has final decision-making powers. In both cases, only half of the proposals were approved (see Tables 4 & 6). Discussing the reasons for a refusal is important for the analysis. In the British case, the BBC Trust completed five public value tests before 2016 (see Table 3). Along with the renewal of the Royal Charter and Framework Agreement, major organisational and procedural changes have been implemented. The Office of Communication (Ofcom) is in charge of all decisions and has to carry out a public interest test (PIT). It already performed the PIT twice. The same provisions are found in the Danish, Hungarian, and Portuguese media systems, where the regulation authority has decision power.

The last three cases are part of the group which also includes Croatia, Finland, Ireland, Latvia, and Norway, where the political agent has approved the proposals. In Flanders and Sweden, the government takes the decision and the regulator conducts the procedure (see Table 5). The 14 case studies demonstrate heterogeneity in both institutional responsibility and application of the ex ante test. If a government acts as a decision-maker, its political influence on PSM must be criticised (Bardoel & Vochteloo, 2012; Donders & Pauwels, 2012).

Indeed, five media systems legally formulated an ex ante test, but none of them have any experience assessing services. With the exception of the French-speaking part of Belgium, none of these countries completed a state aid procedure. One point of criticism is the procedure itself. In the Latvian case, the Council of Media never formulated a concrete procedure. In Sweden, the government intends to open up the ex ante test to interested stakeholders who request a service to be evaluated (MPRT, 2018). Taking these arguments one step further, it enables third parties to question each proposal developed by a PSB and to call for an ex ante test. Even more problematic is the limitation of PSBs’ innovation capacity, and therefore its universality, especially in media systems where the level of regulation is much higher and political independence is lacking. This requires a detailed analysis and classification of the latest developments in assessing new services and products of PSBs.

Characterisation of case study findings
Each case illustrates the variability of the concept. In particular, the issues of a decreasing value and the effect of a proposed service to previously approved services are difficult to address. With that in mind, the findings reveal that research still need to provide insight on evaluating public value in the context of different media systems.
A QUESTION OF VALUE OR FURTHER RESTRICTION?

The United Kingdom

Table 3. Concluded proceedings in the UK

<table>
<thead>
<tr>
<th>Date</th>
<th>Proposals</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>01/08/19</td>
<td>BBC iPlayer</td>
<td>Approved</td>
</tr>
<tr>
<td>26/06/18</td>
<td>BBC Scotland</td>
<td>Approved</td>
</tr>
<tr>
<td>25/11/15</td>
<td>BBC Three, BBC One, iPlayer and CBBC</td>
<td>Approved</td>
</tr>
<tr>
<td>31/07/09</td>
<td>BBC Local Video</td>
<td>Rejected</td>
</tr>
<tr>
<td>24/01/08</td>
<td>BBC Gaelic Digital Service</td>
<td>Approved</td>
</tr>
<tr>
<td>27/04/07</td>
<td>BBC HDTV</td>
<td>Approved</td>
</tr>
<tr>
<td>31/01/07</td>
<td>BBC on-demand proposals</td>
<td>Approved</td>
</tr>
</tbody>
</table>

Source: Gransow (2018) supplemented by own research

In November 2017, the BBC published its concept for another Scottish television channel, BBC Scotland. The expansion was justified with its contribution to the mission particularly providing impartial news and information according to BBC’s public purposes (BBC, 2017a). After carrying out a PIT, including a review of the public value, Ofcom permitted the launch of the new service (Ofcom, 2018a, 2018b). The purpose of Ofcom’s assessment was to ensure that it “made a compelling, well evidenced and methodologically sound assessment of the public value” (Ofcom, 2018b: 1). Therefore, the regulator identified a number of impacts that are strongly connected to public purposes. One of them is personal value. Its level depends on the ability of the BBC to “deliver creative and distinctive output” for all viewers (Ofcom, 2018b: 10).

Some aspects are problematic: The broadcaster again applies a broad definition for the key terms and revises the existing definition of public value. The assessment suggests a strong public value and a strong contribution to the public purposes and mission of the BBC. It also concludes that BBC Scotland would generate a personal value on a medium to high level. To measure a possible public value that justifies the impact on the market, the PSB runs qualitative deliberative workshops and a quantitative research project. The BBC board consults the public for six weeks and accepts responses from other stakeholders or citizens. Commissioned consulting firms analyse and model the results (BBC, 2017a). BBC used this mixed methodological approach because “it is not possible to put a monetary value on the different elements which contribute to public value” (BBC, 2017a: 34).

Despite the positive arguments, the regulator points out that the “BBC Board will […] consider closely the wider effects of other BBC services [BBC Alba] and third parties of any further expansion to the proposal” (Ofcom, 2018b: 27). Ofcom doubted that the new channel compensates for the lost public value of
the already existing television channel (Ofcom, 2018b). The ties between exist-
ing and new services create a general problem and makes it difficult to quantify
the changes. Therefore, BBC has to be aware that any proposal linked to other
services approved by an ex ante test will change their public value.

With the relaunch of BBC Three as an online-only service, the formalities
are changing as well. This new format has financial and strategic effects (BBC
Trust, 2015b). As Ramsey (2016) argues, the reasons for change have to be
convincing and confront challenges. This is particularly important in the case
of a leading PSM organisation such as the BBC. Most recently, the BBC in-
tends to reinvent the iPlayer by extending the time period of box sets and other
programme content available by using personalisation options in steps with
changing audience habits and needs (BBC, 2019). Ofcom calls on the need to
support PSBs in the digital age and supplies the BBC as a cornerstone of the
global media markets which have to be well-funded and reach its audience,
especially the younger age group (Ofcom, 2018c). Regarding the proposed
changes, the regulator approved a services extension of up to one year. However,
the adverse impact on rival services is a concern. To justify the positive ruling,
the BBC has to specify the extent of the iPlayer’s impact. There is a need to
clarify the maximum number of available content and to filter data by different
categories and genres (Ofcom, 2019). The BBC is not the only broadcaster that
is taking steps to improve their services, but this broadcaster explicitly makes
an effort to take on a trailblazer role.

The Netherlands

Table 4. Concluded proceedings in the Netherlands

<table>
<thead>
<tr>
<th>Date</th>
<th>Proposals</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>31/08/2018</td>
<td>NPO Soul &amp; Jazz TV channel</td>
<td>Approved</td>
</tr>
<tr>
<td>19/08/2016</td>
<td>NPO Plus</td>
<td>Approved</td>
</tr>
<tr>
<td>05/04/2016</td>
<td>NPO FunX Turkpop</td>
<td>Rejected</td>
</tr>
<tr>
<td>05/04/2016</td>
<td>Npo3.nl</td>
<td>Approved</td>
</tr>
<tr>
<td></td>
<td>NPO News and Events</td>
<td>Withdrawn</td>
</tr>
<tr>
<td>8/2010</td>
<td>Revising of NPO Services</td>
<td>Rejected</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Temporary approval until January 2012</td>
</tr>
<tr>
<td>4/2009</td>
<td>New NPO Service proposal</td>
<td>Rejected</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Trial until September 2010</td>
</tr>
</tbody>
</table>

Source: Gransow (2018) supplemented by own research
The Dutch stakeholders still highly prioritise the concept of public value as its self-promotion. The term is specified in Dutch media law and is part of the remit. Legally integrated as a concept in 2008, its status has increased over the years. In 2016, the government reformed the legal requirements for the Nederlands Publieke Omroep [Dutch Public Broadcasting] (NPO). Safeguarding the future of PSM and the commitments as set out in the agreement have to comply with public values (NPO, 2016). The recommendations of the Council of Culture as an advisory body have had an impact on ensuring a modern PSM. The policy agreement 2016–2020 states that the broadcaster seeks to generate public value and quality across programmes and genres. Its services fulfil the democratic, social, and cultural needs of the Dutch society and are measured along a number of quality criteria each year (RvC, 2014). To score the potential public value, the NPO has developed strict guidelines and a monitoring concept based on eight criteria. If a certain broadcasting service does not fulfil the expected norms, it is judged by an expert panel and can even be cancelled (NPO, 2015, 2016).

The ex ante test has been carried out six times – three proposals were approved and three were rejected. With the new concession plan, the PSB proposed four new services (NPO, 2015). NPO Plus, a commercial video-on-demand service, was permitted because it generates enough public value to justify the market impact (OCW, 2016a). Education Minister Bussemaker states that the effects may be negative because commercial providers hinder setting up comparable new, profitable services. However, many new providers enter the audiovisual market, and therefore, the NPO needs to develop pioneering services (OCW, 2016a).

In a separate request, the NPO sought permission to launch a new radio channel for pop music and traditional Turkish music to better address younger target audiences. The NPO saw the public value in a potential appeal to young Dutch people with a foreign background (NPO, 2015). The minister agreed with the council’s rejection who feared the proposal would only appeal to a rather limited audience and would only have public value if it achieved some degree of cross-promotion with the other channels. In addition, the application does not explain how a service for a specific target group matches the ambition to be a connecting force for society (OCW, 2016b).

Finally, the NPO requested approval of a new online platform for a young audience. PSBs have to respond to two major changes in young persons’ media use: their preference for on-demand services and their increasing need for interaction with the media (NPO, 2016). The project combines all the broadcasting and online content of the NPO which appeal to that age group. Moreover, it offers a space where young Dutch people can get involved. The council approved this proposal: By offering new (web-only) content, the PSB meets the needs of its young audience in terms of form, duration, and storytelling. As such, it contributes to the fulfilment of the remit. The council also suggests that the content
should be disseminated via other online and social media platforms. The minister agrees and states that it is logical and sensible that the NPO develops a range of services that match the target group and promote the remit (OCW, 2016a).

**Flanders**

<table>
<thead>
<tr>
<th>Date</th>
<th>Proposals</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>22/05/2017</td>
<td>Ketnet Jr.</td>
<td>Rejected</td>
</tr>
</tbody>
</table>

*Source: Gransow (2018) supplemented by own research*

According to the current management contract, public value has four dimensions: democratic, cultural, social, and economic. Each of them describes the connection of the programme and products to fulfil the needs of the Flemish society (VRT, 2017). The Vlaamse Radio- en Televisieomroeporganisatie [Flemish Public Broadcasting] (VRT) commits to quality understood as being socially relevant and responding to the needs of the audience. The public value concept is currently based on six criteria. Additionally, there are two characteristics for assessing functional quality. This constitutes the assessment of a proposed service and is the key factor in everything the PSB does (VRT, 2016, 2018).

The only ex ante test yielded a rejection. The idea was to expand the existing online service for children in the linear programming (VRT, 2017). According to the Media Decree of 2009, the broadcaster needs government approval. The Flemish Council of Media⁴ (VRM), acting as regulatory authority, assesses the proposal and advises the government. Rather than determining what a new service is or defining a material change as in the other case studies, the media agreement was supplemented by a wide list of existing broadcasting and online services. However, this list was so extensive that according to Karen Donders (personal interview, 3 December 2013), it was barely possible to classify a planned service as a new one. Moreover, all the services of an online platform were automatically covered by the remit. Extending the number of television channels is not part of the list. As a result, the government finally had to carry out an ex ante test. The process of assessing a proposal is not as sufficiently detailed as in the other cases. The regulator consults the public, experts, and other media companies and makes a decision.

Six months after VRT submitted its proposal in 2016, the PSB was not able to convince the government to support a new children’s channel. In their decision, the government pointed out that the assessment showed inconclusive results. These were confirmed by the partial evaluations, which did not allow a positive or negative recommendation of the new service. The impact on the
media market along with insufficient protection and promotion of the Flemish identity were the main reasons for declining the proposal. Although VRM gave a positive recommendation, the government considered the additional channel as an unnecessary addition to the existing programme incompatible with the management agreement (VRM, 2017). Therefore, the delivery of public value was not adequate to convince the government to launch a new television channel (Donders & Van den Bulck, 2014).

**Austria**

<table>
<thead>
<tr>
<th>Date</th>
<th>Proposals</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>09/05/2018</td>
<td>ORF video library “Flimmit”</td>
<td>Rejected</td>
</tr>
<tr>
<td>09/05/2018</td>
<td>ORF Youtube channel</td>
<td>Rejected</td>
</tr>
<tr>
<td>22/07/2015</td>
<td>radiothek.ORF.at</td>
<td>Approved</td>
</tr>
<tr>
<td>18/02/2015</td>
<td>Ö3-Live/Visual</td>
<td>Rejected</td>
</tr>
<tr>
<td>12/07/2013</td>
<td>TvtheK.ORF.at</td>
<td>Rejected</td>
</tr>
<tr>
<td>14/11/2012</td>
<td>Archive of Focus (Radio show)</td>
<td>Approved</td>
</tr>
<tr>
<td>21/11/2011</td>
<td>Ö1 is catching on</td>
<td>Approved</td>
</tr>
<tr>
<td>18/05/2011</td>
<td>Special-interest TV channel for information and culture</td>
<td>Approved</td>
</tr>
</tbody>
</table>

Source: Gransow (2018) supplemented by own research

The public value concept is a key element of the accountability and governance system of the Austrian PSB. Whereas the term is not legally implemented, it sets the standards for the quality management system. Österreichischer Rundfunk [Austrian Public Broadcasting] (ORF) releases a report each year which proves the variety of the services and its performance as a PSB. Its concept consists of five dimensions with 18 criteria. Each criterion is connected to one or more requirements of the remit, programme policy, guidelines, or code of conduct, and even the demands of the Protocol of Amsterdam are mentioned.

By processing a political independent evaluation procedure, the Austrian version of the ex ante test serves as a role model in Europe. The ORF is the only PSB that holds a public hearing for six weeks before the actual test is performed. The added value of the proposal can be revised before the regulator expresses any criticism. In addition to the competition authority, an advisory body as part of the KommAustria assesses the public value of a proposed service. It is comprised of media experts which represent the public interests (RTR-GmbH, 2014). The evaluation procedure is clearly described in the media law. A total of ten services has required an ex ante approval so far. The remaining propos-
als were rejected either because of their incompatibility with the remit or the potential negative market impact was higher than the presumed public value. In contrast to the other case studies, ORF’s presence on the Internet is more limited than other PSBs.

In their last decision, KommAustria denied ORF’s proposed presence on YouTube for several reasons. Other providers of video-sharing websites were disadvantaged. The online channel should extend the accessibility of the broadcaster’s programme. The regulator confirms the need for ORF being present on media platforms and sees potential to fulfil the remit. However, it is not reasonable to pass over the legal requirements, which include a weakening of the PSB’s own platform (KommAustria, 2018a). In another recent decline, the PSB wanted to launch its own video-on-demand service in order to be more accessible for those age groups who watch online television content (KommAustria, 2018b). The rejection was based on the uncertain financial sustainability such as in the media law requested (KommAustria, 2018b). The council supports the proposal because since it has only been in operation for a short while, it does not provide public value in the sense of a publicly funded service. The same applies in the case of its own YouTube channel. Being innovative and relevant to young audiences is important for PSBs in order to deliver public value for all. It is the broadcaster’s responsibility to ensure coherently worded proposals that meet a variety of legal requirements (KommAustria, 2018a; 2018b). More recently, ORF requests an approval on two new services that focus on news and fiction.

Discussion: Rise and fall of public value

A range of services and products require an ex ante approval. Common proposals include content-specific and high-definition channels, on-demand-services, and various mobile apps. The evaluations are predominantly tailored towards specific age groups or language minorities. The few proposals which have been declined either lacked public value or could not be implemented for legal, financial, or technical reasons. During the first wave of procedures, the PSBs were establishing themselves in the world of online services. Currently, it is more relevant to develop on-demand catch-up services which allow (especially young) audiences to watch a programme anywhere at any time. The challenge is to make the new services compatible with the requirements of media law. Martin and Lowe (2014) remark that it is important to invest public money in services and products that promote public value. Therefore, PSBs must be enabled and trusted to expand their boundaries beyond the existing requirements, as they are facing a number of urgent issues. It has become clear that the ex ante test is not an overarching response because of its costs and time-
consuming organisation, but in terms of transparency, it is an important step towards their engagement in progressive services.

Three aspects are crucial in public value assessment. It is still difficult to apply all different values. The question remains if they can accurately be separated from one another. Values such as independence, diversity, innovation, and universality avoid the danger of overlaps, subjective determination, and overvaluation. No matter what the concept concentrates on – a new service, improving an existing one, or activities as a whole – the values are still normative. Even if the PSBs execute an order by the government, the application of public value does not exempt them from being aware of, refining, and evolving their services continuously.

This comparison emphasises the indispensability of a public value framework. The concept raises PSBs’ awareness of their specific key values, how they relate to their remit, and helps to assess a new service. Essentially, the democratic, social, and cultural structure of a country is crucial to determining public value. The key stakeholders are responsible to discuss the characteristics of PSM in depth, in particular which studies are important for its evolution. For some, it is essential that their PSBs are present in social media, break down the digital shift by having their own commercial on-demand-service, or intensify cooperation with other institutions. For others, it is more difficult to provide these services.

However, what are the strategic plans of a PSB board to convert an existing television channel to an Internet service? It is necessary that a PSB reacts to the challenges – including covering all demographic groups – with services to suit their needs and ensure the existing broadcasting services in its own interests. Relaunching BBC Three is one step in the right direction, but Ramsey (2016) argues that the quota is only one important pillar for being distinguishable from commercial television, and with the exclusive online service, these percentages are omitted. It remains unanswered which production quotas are obligatory for a service like BBC Three. Ramsey also suspects that other television channels will go online, but the discussion relates to financing and the concept of production quotas. However, what happens if the impact of an online-only service offers too little in terms of added public value?

In recent years, public value has become an important argument for the PSBs fulfilling their remit and for assessing new projects. The issue of decreased value of a service needs be addressed, particularly whether the services, which are launched without prior approval, have sufficient public value. In spite of the public value approach, it is doubtful that a range of key values is enough to convince democratically elected parliaments that their services have value for society. Certain warning signs, such as the increasing political control of public institutions or replacing the financial model, linked to the weakening of PSM and restricting the mission, cannot be ignored. Citizen support is essential and contribution to PSM is a sign of democratic health. To underline their value
to societies, PSBs need to consult with the people who pay for the services and show them concrete evidence of their value. However, statutory provisions and saving public expenditure are setting the development of PSM.

Another crucial issue remains unsolved: To what extent, if at all, are PSBs allowed to stream their content online? With popular streaming services such as Netflix and Amazon Prime, and Disney+ coming up, it is outdated to maintain old regulations. Instead, the flexibility of using publicly financed content needs to be increased. Politicians are called to finally conform the remit to the developments of the media market to highlight the importance and indispensability of PSM. In times of fake news and drastic changes in the media sector, the existence of PSB is more urgent than ever to audiences and societies, even if they may not always be aware of this. A further concern relates to the purpose of the second wave of ex ante tests. It is not assessed if an approved service has any negative impact on existing services. BBC Scotland is predicted to have a negative impact on BBC Alba and BBC Two in terms of the number of viewers. Their Scottish content will also decline, which reduces their public value. Based on Ofcom’s assessment, the changes to the iPlayer will have an adverse impact on the media sector in the UK. These omissions will have to be addressed.

Conclusion: The reform of the remit is a matter of urgency

Based on the three different types of decision-making, 14 cases have been categorised according to their application of the ex ante test. There is no standardised procedure to assess a new service or change an existing service. Each country defines their way of expanding the range of PSM individually. All case studies have a concept of the value of PSBs’ services; however, public value is not the preferred evaluation criterion in their accountability system. Only four PSBs assign the concept. The other cases, such as Germany and the Scandinavian countries, determine the democratic, social, and cultural needs of their society based on a genres-related approach. The findings reveal that the specific meaning of public value depends on its legal status in the media system.

Audience demands are in constant flux, and so are the contents of PSM. In the age of Internet and media giants, politicians need to support PSM even more as a unique feature of democracy that strengthens pluralism and enriches the increasingly fragmented nature of media markets. PSBs must be given the opportunity and the money to invest in new online streaming formats or receive a political mandate in order to be innovative and appeal to all different demographic groups. Using the full potential of its universality is key to ensuring that all generations value public broadcasters. It is an ongoing process between PSBs and key stakeholders of media policy to predict future purposes of PSM and to deliver online and linear services with values determined by the remit. For both parties, it is
not expedient to serve the status quo in combination with a time-consuming procedure. Conflicts with private media companies due to the ineffectiveness of the procedure, such as in the Irish and Finnish cases, do not solve the problem. Neither does rejecting new services. The revision process is far from complete and many challenges need to be addressed, but not at the expense of the audience.

Notes
1. The countries included were: Austria, the Flemish and French part of Belgium, Croatia, Denmark, Finland, Germany, Hungary, Ireland, Latvia, the Netherlands, Norway, Portugal, Sweden, and the UK.
2. This includes media laws, decrees, management contracts, government agreements, reports published online by PSBs and regulation authorities, guidelines, and outcomes of previous evaluations.
3. Raad voor Cultuur (RvC).
4. Vlaamse Regulator voor de Media (VRM).
5. Two exceptions from this pattern are the assessment for leasing a PSB’s studio or the provision of an information service for public facilities and transport.

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A QUESTION OF VALUE OR FURTHER RESTRICTION?


