



The Rt Hon Lisa Nandy MP – Secretary of State
Department for Digital, Culture, Media & Sport
100 Parliament Street
London
SW1A 2BQ

6th August 2026

Dear Secretary of State,

BBC advertising on third-party platforms – impact on audio

We are writing to you as a coalition of commercial media and content businesses, including broadcasters, audio producers and publishers that invest in the UK audio and advertising sectors to raise our concerns about proposals within the BBC Charter Review Green Paper to allow the BBC to carry advertising around audio content on third-party platforms.

Following your appearance before the Culture, Media & Sport Committee on 13th July, we welcome your acknowledgement that introducing advertising around BBC content could cause significant harm to the wider broadcasting ecosystem and risk changing the nature of the BBC. BBC Director-General Matt Brittin also noted before committee during its inquiry that “*The impact of the BBC taking advertising would be to take it away from others, and that would have a devastating impact on the economy.*”

The concerns you identified regarding advertising apply with particular relevance in audio, given the BBC's unique position in the market. The BBC remains dominant in UK audio, and its spending on audio content exceeds that of the rest of the sector combined. Consequently, even relatively limited changes to the BBC's activities can have a disproportionate impact on commercial and independent providers.

New independent economic analysis by Compass Lexecon has assessed the two hybrid funding models for audio proposed in the Green Paper: advertising around BBC audio content on third-party platforms (such as Apple Podcasts or Spotify) and limited advertising around archive content on BBC Sounds. The analysis finds that these proposals would generate only marginal revenue for the BBC, while causing disproportionate harm to the wider UK audio market.

Compass Lexecon estimates that advertising around BBC audio on third-party platforms would generate £5-7.5 million a year, while commercialising archive content on BBC Sounds would generate a further £1-2 million. Even if pursued together, the proposals would yield less than £10 million annually – equivalent to only around 0.2-0.3% of licence fee income. Set against the BBC's overall funding, this is negligible.

However, the harm to the wider sector would be disproportionate. The UK podcast advertising market is small and still developing – worth around £104 million in 2025. The BBC's entry into the market would add substantial new advertising inventory without necessarily increasing overall advertiser demand. Instead, it would spread existing demand more thinly and drive down advertising prices across the market.

In practice, this impact would fall particularly hard on smaller, independent podcast publishers and producers. These businesses often operate on tight margins, depend on a relatively small number of programmes and rely on advertising revenue to invest in new content and talent. Larger commercial audio companies – which are themselves major investors in UK audio, journalism, talent and technology – would also be directly affected by a publicly funded BBC competing for the same finite pool of audio advertising revenue, stifling growth and investment.

The potential negative impact on licence fee uptake must also be considered, as even a slight reduction in licence fee uptake could wipe out any financial gain earned from advertising revenue. Public polling from More in Common suggests there is a real risk of audience loss: almost two-thirds of the public oppose advertising around BBC content on top of the licence fee.

Taken together, the evidence is clear that this is a high-risk, low-reward proposition. The limited and uncertain revenue available to the BBC does not justify the disproportionate impact on the UK's growing and dynamic independent audio sector. **We therefore urge the government to explicitly rule out advertising, sponsorship and other commercial messaging around BBC public service audio for UK audiences, wherever it is distributed and however it is produced.**

We would welcome a discussion with you and your officials at the earliest opportunity.

We look forward to hearing from you shortly,

- Advertising Association
- Audio UK
- Audioboom
- Bauer
- dmg media
- Global
- Goalhanger
- Guardian Media Group
- Iconic Media Group
- Newsquest
- News Media Association
- News UK
- Observer
- Podmasters
- Professional Publishers Association
- Radiocentre
- Reach
- Telegraph