

REPORT OF THE INDEPENDENT PANEL FOR THE BBC TRUST ON IMPARTIALITY OF BBC BUSINESS COVERAGE

BBC MANAGEMENT RESPONSE

Introduction

Sir Alan Budd's report was published on 25th May and at the time we promised a considered response by July. We have now carefully evaluated the report and its appendices; this document sets out BBC Management's response and explains how we intend to carry out the recommendations where appropriate.

Summary

We welcome the report which we believe to be a serious and constructive piece of work. The Panel has consulted widely, commissioned insightful research and monitored hours of output. We are pleased that it finds no evidence of systematic bias and that overall it finds that most of the BBC's business output meets the required standards of impartiality.

We particularly welcome the audience research and content analysis, which contain much that is genuinely encouraging. The research shows that audiences do not believe that impartiality is in jeopardy and the content monitoring shows that the BBC has a pre-eminent position as a business broadcaster and takes business seriously in terms of airtime and resources.

We agree with the broad thrust of the Panel's recommendations - about the need to raise the business awareness and knowledge of journalists across the BBC and we agree that some of the coverage has a tendency to be too consumer focused at the expense of other angles. We also acknowledge that there have been breaches of our standards for impartiality and will work hard to prevent these happening in future. However, we regard them as undesirable mistakes and misjudgements rather than indicative of a general approach by our journalists. Indeed the Panel's research showing that the BBC is considered to provide the most impartial reporting of any business news provider is a pleasing endorsement of BBC journalism and we must ensure that that public trust continues to be well earned.

We recognise there is a real opportunity to improve further the quality and depth of our business journalism by responding effectively to relevant recommendations in the report – building the training and learning of our staff through the College of Journalism; ensuring broader perspectives are brought to our business coverage; improving the website's navigation and connection with the rest of the BBC's news site.

Responses to Recommendations

The panel made recommendations for improving coverage in three main areas and our specific responses below address each area in turn.

- 1. Addressing the lack of knowledge of business issues**
- 2. Widening the range of editorial ideas and programming about business**
- 3. Ensuring compliance in business coverage with standards of impartiality**

1. Recommendation: Addressing the lack of knowledge of business issues

Developing new initiatives to improve the level of business knowledge

The Panel cleared the BBC of any suggestion of systematic bias but it added that it does believe that the BBC is, at times, *unconsciously* partial and unbalanced in its coverage of business issues. It says this may be a result of a lack of awareness of the business world and what it terms a preoccupation with taking the consumer perspective. Some of the external submissions to the Panel questioned the level of knowledge of some of the BBC's researchers who contact them. The Panel believes this is part of a wider problem of a lack of business experience and knowledge in general programming. It acknowledged that some good initiatives were in place to address this, such as the business secondment scheme for editors to spend time in the heart of a company, but suggests more should be done.

We broadly accept this analysis and we are committed to raising the business knowledge levels of our journalists and programme makers. In our submission to the Panel we had already acknowledged that, currently, business was not the strongest knowledge area for many BBC journalists. We fully accept the Panel's recommendation to increase knowledge levels across big and small business, unions and workplace.

Ensuring the College of Journalism's programme on business training is effective

The Panel welcomed the College of Journalism's efforts in introducing some business modules and recommended that it develop a more extensive business and workplace programme. The BBC agrees that it is important to ensure that training and information reaches the right people with the right depth of learning. There is already a system in place for monitoring take-up of key training modules and this will be extended to the business programme.

Key steps:

- The College of Journalism will work closely with the BBC's Business specialists to devise new comprehensive training programmes which will be delivered through online modules, face to face sessions and through films. It is also proposing to address the language of business and economics and set up a wiki for key business facts and definitions. A core training programme will be compulsory.
- The new training modules are being devised now by the Director of College of Journalism and are planned to be launched from Winter 2007.
- All journalists who make editorial decisions will be prioritised and all the training opportunities will be available to all staff but especially to those in News, Nations and Regions, Global News and Factual and Learning.

2. Recommendation: Widening the range of editorial ideas and programming about business

Making systematic efforts to reflect more of the ways in which audiences interact with the world of business

The Panel observes that the focus on the consumer means that other important elements are secondary and recommends that BBC correspondents and editors should be

encouraged to pursue innovative ways of treating the audiences as employees, citizens and investors (direct and indirect) as well as consumers. It particularly highlights the coverage of the worker perspective as sometimes missing from national news, especially on television, and calls for more coverage of workplace and union issues.

In response, as the Panel is aware, we have now created a new Workplace reporting role following the retirement of the BBC's specialist industrial affairs correspondent whose brief encompassed some of these issues. This will be a tri-media role that gets to some of the broader issues of equality in the workplace, health and safety and equal opportunity as well as reporting of workplace disputes.

Expanding the coverage of the role of business in society

As well as workplace issues, the Panel asked that we include more on the role of business in society and on the international context. We endorse this recommendation. In the modern world, coverage of global factors in business and economic stories in the UK should clearly be part of mainstream broadcast news. With regard to global business news stories, the BBC has a network of business reporters around the world, in New York, Brussels, Mumbai, Singapore and Dubai, who appear, at present, principally on our international TV and radio services and on News 24. There is also very comprehensive international business coverage on the BBC's news website.

What is important is that audiences get a rounded picture, illuminated by developments at home and abroad. Even if the audience is drawn into the story with a consumer view, other perspectives do then need to be played in – audiences are also investors, savers, business owners and employees. The Panel said that the challenge for the BBC as a public service broadcaster was to deliver coverage that can appeal to a broad audience. The BBC would argue that the best of its programming does do that (although it is always looking to improve) and that it remains strongly committed to filling the gap in the market for broadcast business news for general audiences.

In this context, it is worth noting that the BBC produces a very wide range of business coverage across its national networks including News 24, on its extensive Nations and Regions output, and its website is the market leader in the UK. In addition to the news output that the panel focused on, there is significant specialist business coverage on radio and TV designed to be accessible to generalists as well as appealing to specialist audiences – around five hours of daily output for the UK. Five Live has two specialist business programmes, Wake up to Money and Weekend Business. Radio 4 has In Business, Nice Work and the Bottom Line and BBC 2, Working Lunch.

Broadening the range of interviewees/commentators on business issues

The Panel questioned how expert contributors are selected. Some witnesses thought the range was too narrow and that market commentators could be compromised by being too close to the events they are asked to comment on.

The Economics and Business Unit has an extensive database of commentators. The people who appear most are those who are regarded as the best informed and most trustworthy in their analysis as well as those with excellent communication skills. The Today Programme, for example, has a relatively small team of regular market commentators but that is not necessarily a negative. Nevertheless we will review our use of experts to ensure a broad range of commentators and perspectives are sought.

Improving online business news

The Panel pointed to criticism of the business website in the Leeds University content analysis. Our reading of this is that the issues were around the quality of search and navigation and the connectedness to the broader output more than specific editorial problems. We acknowledge these issues and they are now being addressed as part of the BBC's current work in upgrading the news website. It is gratifying that the audience research and some of the external submissions praise specifically the editorial content of the website.

We note but do not agree with the criticism of a blog by the Business Editor where he described his personal experience of installing the new Microsoft Vista software. The Panel called this a '*scathing attack*' on the new operating system. While Robert Peston was certainly critical, we believe that the audience is easily able to distinguish between a piece written by him as a user, from personal experience, and his impartial and fair approach to journalism, for example his reporting on Microsoft's strategy and business performance. Moreover it was balanced elsewhere on the site with straightforward and factual reporting of Vista and a streamed video which set out in very simple terms how to load it.

Key steps:

- The College of Journalism will work with the business team including the Business Editor, Robert Peston, and the Editor of the Economics & Business Unit, Daniel Dodd, to host discussion events around the country about widening editorial ideas and promoting creativity and innovation in our work which can be videoed for training purposes. There will be quick turn-round seminars on key stories and broader dissemination of Robert Peston's daily business analysis, "Peston's Picks".
- Audience focus group sessions will also be videoed and streamed through the College website.
- The College will make a series of films from different perspectives – framing one story from the point of view of four different players: a) employees' b) investors' c) citizens' d) consumers'. This to be backed up by an online interactive scenario.
- Creative workshops will be led by senior editors and the Economics Editor, Evan Davis.
- The Panel noted the introduction of a new role to report on the workplace. We anticipate that this will increase the number of stories around labour and workplace issues that bulletins run.
- The BBC agrees to broaden the range of interviewees and commentators on business news and a review of contacts will help this.
- The Panel recommended that the online business news site needed to feel more integrated with the overall offer. The BBC agrees with this. Development of the site architecture will help in enabling the hosting of more video and improving the audience experience in navigation, participation and personalisation.

3. Recommendation: Ensuring compliance in business coverage with standards of impartiality

Improving awareness of impartiality issues in business coverage among journalists at all levels

In the section assessing whether business programmes and presenters consistently meet the BBC's standards of impartiality, one of the Panel's conclusions was that many of the BBC's business news stories were framed through the consumer perspective and noted that the intention was to engage audiences by approaching stories in a way that had relevance for them. Certainly the BLINC audience research supports this consumer-led approach in terms of engaging viewers and listeners. The audience groups were looking for resonance and found the consumer angle easier to relate to than national or global causes. However, in our submission to the Panel BBC management has already acknowledged a tendency in some news programmes to concentrate too much on the consumer point of view and we agree with the Panel that as a public service broadcaster we have an obligation to provide rounded complete coverage.

The Panel's challenge to the BBC is to ensure that if audiences consume just one news programme or network that they get a full range of views over time on that one source. The management believe this to be right – we must aim for a rounded approach but clearly over the range of our output there will be different emphases. The BBC exists in a highly competitive media environment and it has a wide range of programming aimed at a very broad audience range, which means we cover stories in a different way for different audiences. We would not expect Breakfast on BBC 1 or Five Live necessarily to have the same approach in terms of style and tone as the Ten O'clock News or the Today programme. As the audience research revealed, the audience has a clear understanding that the BBC's coverage is segmented across different programmes and networks with different styles and approaches. The Panel acknowledged that the audience had *'little difficulty in deciding what approach is appropriate in each strand of output'*. Therefore it is vital that journalists marry an awareness of the issues raised in the report with an understanding of their audiences and in a context that the BBC must be impartial.

In addition to calling for all journalists to have an understanding of how impartiality applies to business news, the Panel recommends monitoring output for impartiality. We plan to monitor specific periods of mainstream output twice a year, under the auspices of the Senior Editorial Adviser for BBC News, with the findings discussed at the Journalism Board and the News Editorial Board and disseminated to the relevant editors. As with the monitoring we already carry out of Europe and of Middle East coverage, the focus would primarily be mainstream output, though specialist business programming would also be considered: Today; Radio 4 1800; Ten O'clock News; Newsnight; News 24 (1700-1800); Sky News (1700-1800); ITV Late News; BBC News Online; Business Daily (BBC World Service) and Working Lunch. As time goes on, the monitoring of the specialists programmes could be varied to include, for example, The Money Programme, In Business, Weekend Business or editions of File on Four or Analysis.

Increasing the number of business specialists at a senior level

The panel calls for an increase in the number of business specialists at a senior level. The BBC believes this is unnecessary and, rather, better use can be made of the existing senior team.

Addressing on-air breaches of impartiality

Turning to the role of presenters the Panel had two main concerns:

1. Presenters giving their personal opinion of products and companies
2. Sycophantic or aggressive interviewing

The panel listened to a large amount of Five Live coverage and noted that occasionally some presenters and reporters gave their personal views and preferences for particular commercial products. Although these were occasional it is clearly a breach of the BBC's guidelines which require an objective discussion of products, preferably in the context of the marketplace and what comparable products are available.

Editors will be reminded of the guidelines and how delicate a line we tread between allowing presenters to appear well rounded and 'just like us' and erring into product endorsement.

The Panel also picked out a couple of examples of what it felt to be overly aggressive interviews. While we acknowledge that there have been some lapses in tone, the audience research on this is interesting as it reveals that audiences expect the BBC to challenge. Indeed the value of Today is partly about 'getting at the facts' and robust interviewing is seen as essential to that. And part of the value of Five Live lies in being an advocate for the listener – being 'on my side'; the audience appears to allow the network some latitude in language to aid the debate and does not regard this as undermining impartiality. But clearly presenters do need to be conscious of the BBC's guidelines, uphold them, and understand their responsibilities.

Finally, the Panel suggests that extra care needs to be taken with programmes which report on controversial commercial issues and which may be seen to take a campaigning line. In particular it criticises Bank Robbery, The Money Programme broadcast in December 2006, for lacking impartiality in this regard:

"In our view this programme crossed the line when it actively intervened in the campaign on which it was reporting. For example, the programme arranged for an activist from one part of the country to address a meeting elsewhere. The programme's website also appeared not just to report on events but actively sought to influence them by providing a sample letter of complaint to send to the banks."

It is a pity that the Panel did not wish to interview the editor of The Money Programme on this subject as we were not able to explain our view that this edition did not break guidelines on impartiality. Indeed, the programme was made in close consultation with Editorial Policy. Firstly when the programme took Stephen Hone to Bovingdon we were reporting on his campaign and it should also be remembered that his campaign was an internet one and therefore accessible nationwide; the fact he lived in Plymouth was not relevant. Secondly, The Money Programme put up the "how-to-claim" letters as a public service – again approved by Editorial Policy. Although there were other sites with similar templates many were charging 20-50% of the claim as a fee. The page received a million hits in the day after transmission and now five months later continues to get around 40,000 hits a day.

That said, the BBC agrees with the wider point of principle made by the Panel, that care needs to be taken in the coverage of controversial commercial issues not to jeopardise our credentials as an impartial broadcaster.

Key steps:

- The findings of the report and the BBC response will be distributed to all journalists.
- There will be monitoring of key mainstream output twice a year, with the results discussed at Journalism Board and BBC News Editorial Board.
- Presenters will be reminded of the editorial guidelines on product prominence and the need to avoid off-the-cuff remarks which appear to give personal endorsement of individual commercial products.

Whilst not covered by the Panel directly, in discussion at the Executive Board it was also noted how important innovative programme formats on mainstream channels like “The Apprentice” and “Dragon’s Den” can be in engaging a wide audience in business issues and entrepreneurialism.

We intend to report back to the Trust on progress about the implementation of the recommendations in six months time in January 2008.

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