



HOUSE OF LORDS

Revised transcript of evidence taken before
The Select Committee on Communications
Inquiry on

**BBC CHARTER RENEWAL:
PUBLIC PURPOSES AND LICENCE FEE**

Evidence Session No. 7

Heard in Public

Questions 112 - 123

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11 am

Witnesses: Jenny Baxter and Peter Johnston

USE OF THE TRANSCRIPT

1. This is a corrected transcript of evidence taken in public and webcast on www.parliamentlive.tv.

Members present

Lord Best (Chairman)
 Lord Hart of Chilton
 Baroness Jay of Paddington
 Baroness Kidron
 Lord Sherbourne of Didsbury

Examination of Witnesses

Jenny Baxter, Chief Operating Officer, BBC England, and **Peter Johnston**, Director, BBC Northern Ireland

Q112 The Chairman: Jenny Baxter and Peter Johnson, thank you very much indeed for joining us. You will have gathered that the Committee is looking at charter renewal. We are concentrating on these three headings: the public purposes, of which regions and the nations are part; we will then look at scale and scope after purposes; and we are finishing up by looking at the licence fee and the process for setting it, about which we have had a lot of evidence. Those are our big headings, and we are working our way through them. It is the first time that we have left London, so it is entirely right and proper that we should be here, and thank you very much for being here as well.

I will start with the first question. In the evidence to the CMS Committee's Future of the BBC inquiry, Northern Ireland Screen stated that, "Beyond the BBC Northern Ireland management, we have a limited sense that the public purposes laid out in the Charter are strongly applied to the day to day activities of the BBC". There have been accusations that the public purposes do not translate into the everyday activities of the BBC. People think they might be something of an irrelevance, so I am asking both of you: are the six public purposes of the BBC put into action for real on a day-to-day basis within the department you look after? The purposes have been around for 10 years. Is there any excuse for people not knowing what is expected of them after that period of time, if the public purposes are worth having in the first place?

Jenny Baxter: First, I welcome you to BBC North, and thank you for taking the time to come out of London, take evidence here and have a tour. I hope that you have a successful day.

Interestingly, in this room, just a couple of days ago, we were running one of our upfront induction courses for new recruits, and the BBC's mission and public purposes were up on the screen in the room to make sure that people know what they are and understand them. In fact, we now send a copy of the public purposes to all new recruits. Therefore there should be that general awareness. It is important to state that in everybody's day-to-day work they are most likely to be delivering to one or several of the public purposes, and their awareness of them is probably going to be about what they are tasked with doing on a daily basis. So if they are working in our digital teams, for example, they might well have front of mind the digital public purpose, but not to the exclusion of others. So they could be working on a product like iWonder, which very much plays to education and learning, for example, then if you look across to something like BBC Children, many of their staff on a daily basis are pretty much delivering to all the public purposes. If you talked to the staff, they would probably express it in terms of their day-to-day work and how it is meeting the mission and

objectives of the BBC, and they might have a particular focus on one or more of the public purposes.

The other thing to put in context of your visit today to BBC North is that BBC North has a set of benefits which link back to the public purposes, and we drive those very hard on this site and across the north and try to build awareness of what the benefits are that everybody on this site is trying to deliver. One of those benefits is that people here are part of the BBC's commitment to having a strong out-of-London presence, which of course plays back to that fourth public purpose about how we represent nations, regions and communities. The way this comes together across the entirety of the BBC is that all that knits together to ensure in a choreographed and appropriate way that the BBC is able to deliver across the whole gamut of those public purposes.

Peter Johnston: I just add my welcome and thanks for taking this interest in our work in the nations and regions; it is much appreciated, and it is good to be here. Just to reiterate something that Jenny started with, I can also give you a tangible recent example of the purposes being communicated to a diverse range of not just our staff but suppliers. We had a big launch of our TV commissioning round a few weeks ago in Belfast and that gathered together all the programme-makers from the independent sector as well as in-house producers, who work in a range of genres. The head of television commissioning used as part of her presentation the purposes that apply to that portfolio of work. She put those up and talked through them, but also connected them to the specifics in our commissioning briefs of what she was looking for and why, and gave some examples of programmes that she felt particularly reflected good examples of that work in the previous period and previous year. As Jenny has more or less said, they are quite high level and very strategic—understandably so and importantly so. Consequently, it is quite hard sometimes if you are an individual at a particular level to connect back up to that bigger thing.

I would add to what Jenny said; she says, rightly, that if you are in a very defined part of the BBC like learning, you know absolutely that your focus is about learning—it is what you live and breathe, and it is probably why you got into it in the first place. But even with the more general areas like citizenship, if you talk to any journalist, as many of you do, you will know that some of the core values that define how you achieve citizenship are at the heart of what they do on a daily basis and what drives many of them, on providing information and a wide range of information, impartiality, hearing a diversity of voices, investigation—all the aspects that make good journalism are very in keeping with an outcome that seeks to help with citizenship. One thing that I would say about our patch in Northern Ireland is that very particularly, given all we have been through and the continuing political process, some of these public purposes are very starkly to the fore of the mindset of many of our staff. For obvious reasons impartiality is a very core and important feature of our journalism. Citizenship is at the heart of what we do. In fact, to go back to that commissioning review, one of the things the TV commissioner is looking for in the next year is a big season about citizenship in Northern Ireland to look at all the aspects of what that means and how it is in the modern world as well as some of the challenges in our particular place. So those are the ways. But I understand how some people find it hard sometimes. Inevitably, with the purposes certain people with certain interests look more to particular purposes than others; I would say that the portfolio of them is important as well.

Q113 Baroness Jay of Paddington: Could I ask you, because there is a slight distinction between Northern Ireland and England, about the local identification with public purposes? Please correct me if I am wrong, but as I understand it, a large number of people from, for example, London, who were brought originally to the media centre here may not necessarily identify with this part of England culturally and personally, while in Northern Ireland there is a much stronger acceptance of people who are locally recruited. What do you think makes the difference? Is there a distinction for people here between people who are in a sense imports or expatriates or something from London, and the others? How do you try to meld that in regional terms, and what is the contrast with Northern Ireland?

Jenny Baxter: You are right to say that we have a blend of people from different areas. About a third of our staff came from London, a third came from the original Oxford Road site, then obviously, some of the people who were in scope to come from London were not able to come, which is where we had a new influx of staff. We have very clearly tried to build a community of people, I think very successfully, so it is not so much about where you came from but about what we are setting out to do here. Then what we are doing is making sure that people are very aware of the commitments that the BBC has made, what benefits we are trying to deliver, and that we are all working in concert to deliver them. So we do not tend to look back but to look forward, if that is a fair answer.

Baroness Jay of Paddington: It is very optimistic.

Peter Johnston: Can I add just one thing? On the purpose you are looking at today, for me it is very important that there are two dimensions of it. Our esteemed ex-national governor, Sir Ken Bloomfield, used to talk about the window on the world and the mirror to society. Remembering that when we look at the nations and regions purpose we are looking at creating great local content that really resonates and requires a deep understanding of the place and people and all of that. However, equally important is bringing a perspective from that part of the UK to the rest of the UK and vice versa. That has been an important feature of it. Interestingly, in Northern Ireland, many decades ago, many of the BBC's most famous journalists were sent to Belfast to learn their trade. So that mix of experience and different perspectives is a very important feature, as well as understanding the local context itself, which is crucial, too.

Jenny Baxter: To add to that, I think we need to be really clear that the content we are delivering here is about representing this region, but on-site we also have BBC Children, BBC Sport, 5 Live, which speak to the whole nation and indeed to our international audiences, which is part of our obligation. That is why, when I talked about that blended set of staff, we want to create here is a centre of creative excellence that will play out across all the BBC's audience streams.

Q114 Lord Hart of Chilton: These are two questions on the purpose remit survey, published by the BBC Trust in July this year, which showed the largest performance gap in fourth public purpose that you are talking about. What is your assessment of the finding there? The gap for representation has overtaken the previous largest gap on distinctiveness, so what has led to the widening of that gap, and what are the particular challenges in fulfilling this purpose? Two weeks ago we saw a group of young people, who said lots of things but two things that struck home with me. First, they said that they were not seeing their lives reflected back to them from the screen, so when they looked at the screen they did not see themselves or their community. Secondly, they were concerned about the lack of diversity and the lack of

emphasis on women's issues. Those two things featured strongly on what they said. Could you comment on that, too, because it is part of the same subset?

Peter Johnston: I think you have put your finger why there is this increasing gap, which is because our society across the whole UK in many different dimensions is becoming more fragmented and things are more different, if you like, than was the case before. That has a political dimension, obviously, what with devolution to the nations and in Scotland, and all that. It also has issues of ethnicity and issues for younger audiences, and so on. It is an increasingly difficult challenge in the world that we all work in, fully to reflect that increasing divergence or diversity with constrained resources at the end of the day. That is why that purpose gap has increased, I think. If you look under the bonnet you will find that there is a different picture in different parts of the UK as well, and for different audience groups. Actually, in Northern Ireland, this purpose gap has always been quite a strong one, because we are such a different place, as part of the UK. Our gap has closed a little bit in some of those dimensions in the last while, because of some of the work that we have been doing. So it is not entirely consistent, but it is an increasing challenge. Funnily enough, one of the tricks with the purpose research is to look at the measure of the audience's expectation as well as the performance. What you tend to find is that the expectation is increasing as much as anything, so you have all these audience needs that are ever more complex, and finding the right way to address them effectively is a continuing challenge.

Jenny Baxter: I agree with Peter. If you dig down into the data, prior to the last wave you can see something of a change in this gap, in a positive way. It now seems to be holding steady and in some areas is moving back slightly, in a negative direction. There are areas from which we take encouragement—for example, in that shift in the metric around the BBC being good at making programmes for people like me. That is good to see that moving in a positive direction. Like Peter, down in the depths of the data we in the north would be very encouraged by that clear shift in the metric, in the most recent wave, around representation in drama, documentary and entertainment. That is something that we have worked really hard on since establishing BBC North. What comes out really clearly is that this is something that the audience feels very strongly about. As Peter said, it looks like something that they continue to feel more and more strongly about, and the BBC has recognised that in terms of its responses to the charter, and in discussions to say that we are going to look even harder about how we represent audiences in our output and in the commitments that we make towards that. So it is seen as an important thing that the audience values; it is something that we are already seeking to address and which BBC North is set up to address. It is not something on which we can reduce our focus—we absolutely need to keep going on it.

Lord Hart of Chilton: I understand that that is the general aim, but could you be a bit more specific and tell me how you are seeking to address it? What specifically are you doing? For example, you could increase drama productions that have representations of people from minorities, and you can emphasise the role of women in society by drama. But what else in particular have you in mind for tackling that problem?

Peter Johnston: You are right. One of the reasons our purpose gap has decreased a little, although it is still a problem, is because we have increasingly made drama set in Northern Ireland, such as "The Fall"—and we have a new commission coming up in the new year, called "My Mother and Other Strangers", which is set in a little village in Tyrone in World War II, beside a US air force base. An interesting part of the reflection there is the rural community. In Northern Ireland it is a very different place; our level of BAME is less than 2%,

which is very different to a London context, for example. We have very different needs in terms of TV audiences; there is a rural and quite a young audience, which goes back to your point about youth. One of the other tangible ways in which we have done it is in how we prioritise the output. For example, we have a strand of documentaries called “True North”, which intentionally sets out to reflect very specific personal stories of people in Northern Ireland from interesting and diverse backgrounds. We have done everything from young people involved in go-karting to the experiences of the Jewish community in Belfast, which is very small, to women who are doing unusual jobs. There is another series coming up. The commission intentionally sets out to do exactly what you are asking; it is a showcase for a wider audience, for parts of our society that other people will not know or see as much, so we can understand the full diversity of our contemporary life.

Jenny Baxter: This is something which, when we set up BBC North, we had to lay out a clear set of actions, given that one of our benefits was how we were going to deliver a creative dividend to the people of the north of England and shift their view of representation on air. That was going to require a set of quite concrete actions, and it might be useful to run you through what some of those are. We talked a little about talent influx at the point of moving; that is important in terms of on-air representation. Then if you think of something like “Breakfast News” or Radio 5 live, it is beyond the on-air talent or production talent; it is about the guests that you have, the stories that you cover and the tone of the output. That has helped the shift. We know that, prior to the move north, there was a gap in the representation scores for the north of England versus the rest of England and the UK, and we now believe that that has been addressed. Obviously, continuing effort is required, but the gap has closed in a significant way. Going beyond on the two things that it has already mentioned, I shall touch about Peter’s point about drama, which is an area in which we have pushed very strongly. So we have a Head of Drama based in the north, and successful independent productions like “Happy Valley”, “Last Tango in Halifax”, “Ordinary Lies”, “The Syndicate” and “In the Club”. The great thing about that content is that, of course, it is representative of this region, but it has been fantastically successful nationally as well. So that is great to see—and that is as a result of some of those concrete measures. We have a number of other measures that are designed to attract production out of London; we run a couple of events each year—one is a comedy festival and one is a situation comedy showcase, where producers can come and showcase their ideas for new productions and encourage commissioners to come and think about those ideas and making that content here in the north. We will perhaps talk at another stage of this session around the importance of partnerships and indie collaborations. That is another very strong theme running through the north, and it helps with the representation. We are partnering and working with people and organisations who are already here and preceded BBC North and absolutely understand this region. If we work together with them, we get a stronger proposition. There is lots more to mention, but the final thing to call out for you—and this again is a story of success—is where we have attracted content to come out of London, or where there is a significant opportunity. One example is the Hull story that we were talking about only a couple of days ago, with their city of culture plans, and how the BBC is in partnership with them; we have done that successfully in Liverpool. It is about how we can get our productions going on the road so that they are not sitting here in MediaCity but moving out into all parts of the north of England and delivering benefit towards audiences, both in doing production on site and asking what tangible things we can do in the area, audience events and things that people can come to, so that they can really touch the BBC

and feel that this is part of the BBC benefit in their region. I think that we have done that with some big, successful productions, and it is something we will continue to do.

The Chairman: As a supplementary to Lord Hart's question, do you feel that the resources you have are sufficient to fully meet this purpose? Is there an argument that there are savings as well as expenses involved in devolving to BBC North, for example, and that it is not one way?

Peter Johnston: There are a number of aspects to that. You have obviously identified in the purpose gaps that there are quite strong audience needs here in this territory. Those are clear, so there is that tension about what more we could do. There are audience needs there that we could satisfy more—that is definitely true. In the BBC's submission to the Charter review process, you will have seen acknowledgement of that and the portrayal that is required and expected. But obviously, we are dealing with a fixed resource as well and, consequently, you are into the difficult prioritisation of all the pieces of the jigsaw.

You are right to allude to one of the ways: you can get optimum value from one piece of content or one project which can tick a number of boxes. That can take form sometimes in the network programmes that have moved out of London, where you get an example like "Happy Valley" or "The Fall", in our case. Those problems have been very popular with UK-wide audiences as well as disproportionately popular in their own patch. I would add that "Happy Valley", for example, and some of the drama in the north is often particularly popular in Northern Ireland as well—and Scotland, too, by the way. So I would argue that there are good ways in which you can optimise resource in some of these areas. That is another thing which we can look at and are looking at.

Q115 Baroness Kidron: This is a question for you, Peter, because it refers to a piece of evidence that was given to the Culture, Media and Sport Committee on the future of the BBC.

It came from Northern Ireland Screen, which said: "Without a strategy linked to the public purposes and targeting Northern Ireland, it is difficult to imagine how the BBC can either deliver strongly against the public purposes within or for Northern Ireland or be held properly accountable for those public purposes". I presume this is not the first time you have heard this. What I would like to know is: how effectively do you feel that you can account to the BBC through the public purposes without that strategy in place?

Peter Johnston: It is not the first time that I have heard that. I know that you have Northern Ireland Screen coming to talk to you later, so the key there is to understand exactly what that means, to be honest. It is obviously quite generic. My guess is that it partly refers to the previous question. It is about how the BBC, in all its output, reflects the full diversity of the UK. Northern Ireland, as you know, in the purpose gaps has been one of those places where the audience would often say, "We don't feel that our lives are reflected enough on network screens". I have given you a few examples where that has definitely improved in the last period, but I suspect that reference in the evidence is about more that could be done in that regard, or ways of finding how to do that more consistently and in sustainable ways.

That said, in a very important development which may or not precede the evidence—I cannot quite remember the timing—we have just agreed a formal partnership agreement with Northern Ireland Screen. That has sought to align our resources and objectives, particularly in our network output and in some of the digital learning areas and languages,

with what it does. I hope you would find, if you asked it about that, that it is a good step forward in terms of us aligning ourselves to deliver effectively and in a value-for-money way by uniting those two sets of public funding. But it is also just a reflection that life in Northern Ireland is in the furthest-flung part of the UK. It is often difficult to see it consistently reflected in the wider UK network output. That is why we have the network supply plan and other things seeking to address that, but there is undoubtedly more work to do.

Baroness Kidron: Is there anything that you would request from HQ, as it were, as Northern Ireland? Is there anything that you would demand?

Peter Johnston: Yes, if you have a look at the partnership agreement which was published, that was something I helped to broker with Northern Ireland Screen and with HQ, as you call it. It is essentially about what work the commissioners can do on many of our network objectives. As a little example, I think that in the next week or so a number of the factual commissioners from the BBC are coming to Belfast to talk to local programme-makers about how we might find observational documentary opportunities to reflect life in Northern Ireland more widely.

By the way, one of the reasons—to state what is probably the obvious—why this is quite an obsession in Northern Ireland is because it is a place that has been reflected in very negative ways for so long. Consequently, people like to see a positive celebration of some of the other aspects of our life reflected to a wider UK audience, and for them to share in that. On bringing big events, we participated very well in the City of Culture year in Derry and many of the networks—notably Radio 1, which I would particularly mention—did some fantastic work on the ground with the local young people in advance and as part of that project, so the more we can do that kind of thing the better. I can encourage my colleagues elsewhere to do that. It is an ongoing dialogue—it is open and this is happening.

Baroness Jay of Paddington: We were teasing the chair of the trust when she came and spoke to us about how “The Fall” represented a new positive aspect of Northern Ireland.

Peter Johnston: That is why I mentioned “My Mother and Other Strangers”, because thankfully there are no serial killers in it. It is pre-watershed and shows nice general, rural life and all that, thankfully.

Q116 Lord Sherbourne of Didsbury: Can I move the discussion on to the employment of local and regional talent? My first question is to Peter Johnston. In your job, which I think you have been doing for about six years now, where do you think you have been most successful in achieving employing and encouraging local talent in Northern Ireland in the last few years? Where, looking forward, do you think there is more work to be done and how will you approach that?

Peter Johnston: Let me give you a positive example first and then deal with what more can be done. As I entered this building today, literally the first person I met was a radio presenter called Sarah Brett who started in Radio Foyle, which is probably the smallest local radio station—it may not be quite the smallest in the UK but it is one of them. She started there, very much as a junior journalist, and we were able to provide her with an opportunity through Radio Foyle to develop her skills so that she became one of the main news anchors on its morning programme. She then progressed into Radio Ulster and BBC Northern Ireland and did quite a lot of work there, developing her skills further on various programmes. She is now a daily presenter on Radio 5 Live. The reason that that process happened so swiftly and

well is because of the sort of talent development mindset that occurs. On Radio Foyle, for example, over time it has been very good. You would find that a lot of the English local radio stations very much have an eye to developing journalistic talent of all types, in front of or behind the microphones or cameras, and providing them with the wider opportunity which, arguably, the BBC can uniquely do. That sort of process comes from a mindset from managers and editors of wanting to develop people, which is definitely something that we seek to encourage and is often in the DNA anyway. It then requires good communication and processes between the different parts of the BBC to enable that to flow through. So that would be a good, tangible—or literal—example of how it could work well.

There is a challenge of late with the expanding network output and beyond the BBC, with HBO and other people increasingly filming in Northern Ireland, through Northern Ireland Screen's work. We also collaborated with Northern Ireland Screen at the other end of the scale on having a talent trainee scheme called AIM HIGH, which we have worked together on for three years now to bring in talent that is completely new to the industry and the business. Behind the camera, this would be production talent that I am talking about. That is another good example of where we have created these formal training schemes. As you have seen, the DG has introduced some new examples of that with the apprenticeships in radio and that kind of thing. Those schemes can work incredibly well. I have had a look at the three generations of those Aim High trainees and where they are now and there is a remarkable picture of the opportunity they all have now. Many of them are in the BBC but not all. Quite a few have been working on "Game of Thrones", in our case, and some have gone on elsewhere in the UK. That is a good example but it is a continuing challenge.

Let me give you an area of difficulty, for example, which I am very conscious of: how do we replenish our journalistic talent? In the past we often benefited, and I suspect this to be true in England as well as Northern Ireland, from many of the journalists who came through the local newspapers. They often came to work for the BBC and went on in other ways. That natural funnel of talent is much more fragmented now. There are some interesting new ones, too, to be fair, through digital media and we have been looking at that opportunity. I have recently been going round talking to our local newspaper editors, as part of this process. A couple of them have talked to me about how we might collaborate on creating the right training for the journalists of the future. I think that is an interesting area that we need to work on.

Q117 Lord Sherbourne of Didsbury: Thank you. I also direct the question to Jenny Baxter and ask her to look at England, which comprises a number of regions, not just the north or north-west. Are there any frustrations you feel about some of the English regions where perhaps more can be done to employ regional local talent, on or off air?

Jenny Baxter: I am glad you brought us on to the subject of wider England, because I was reflecting on some of the answers. There is such a strong story to tell in the north that we have not yet had the opportunity to talk about Birmingham, Bristol and some of the other areas. In the context of this question, probably the most significant thing is to highlight the move of the BBC Academy to Birmingham. That will now become the centre of the BBC's skills training. We will also move HR so that our recruitment sits alongside the academy. I think that that is a significant shift for the long-term talent pipeline for the BBC. We have moved the academy from London to the centre of the country. All our trainees will go through Birmingham as part of their training. Our apprentices will go through there.

Therefore, I hope that will feel like a new, more accessible front door to the BBC, with people understanding that there really are opportunities in the BBC and not seeing it as something far away and difficult to touch and that it genuinely does become more accessible. Next week, the director-general will be in Birmingham, relaunching the academy there.

As part of that day, we will also be opening up a Blue Room. You will see the Blue Room as part of your tour today. It is all about showing our staff, our partners and others who work with us what future consumption will look like and how our services will have to adapt to those new consumptions. The thing that we have done with the Blue Room in Birmingham, which I hope you will have the opportunity to visit, is set that at the forefront of the BBC in the reception, so that schools, colleges and universities will be able to bring people through. They will have the opportunity to see what the future will look like in terms of consumption of public service content, but also have that first experience of being in the BBC and then maybe thinking of aspiring to have a career there. That shift to Birmingham is sending a very strong message that this is not a set of short-term tactical things that we are doing. This is about the long term and how representation will play through in the long term.

Lord Sherbourne of Didsbury: Can I just ask one quick follow-up question to that? I am thinking about some of the more far-flung English regions, such as the south-west or East Anglia, which are not close to London, or to Birmingham or the north. How are you going about trying to make sure that talent there is not neglected?

Jenny Baxter: I think this comes back to some of the things we talked about before. We cannot just sit in our bases and think that that is the job done. We have to make conscious efforts all the time to think about the wider extremities of every region, how we get to them and how we have activity there. Part of inspiring somebody to have a career with the BBC is about us not just reaching them through our broadcast and online content, but having some tangible experience of the BBC—meeting people who are responsible for its content. That can be the inspirational moment when they think, “Actually, this could be a career that I would pursue”. It is about continuing to remain on the front foot, thinking about this as one of our obligations and, as we are discussing, one of our public purposes—thinking all the time about new and creative ways to reach those people.

Just a final thought on that. We think quite a lot in the north about social exclusion as well. We have not only an apprentice scheme, but an ambassador scheme, where we take young people who are very much at entry level and offer them the opportunity to come and work with the BBC—something that they probably would never previously have aspired to do, but by dint of the fact that the BBC is here we need to think about social inclusion. There are things that we can continue to do.

Q118 Baroness Kidron: Jenny, can I ask you just for the record to explain what the centres for excellence are and where they are? My actual question is: what progress has come in their wake and what does the future look like? I know that you have touched on some things that I suspect have come out of that, but it would be very useful for us to get the policy and outcome all in the same gap here.

Jenny Baxter: What was behind the centres of excellence was, having declared that we wanted to get 50% of roles and production out of London—a target that we are now on record as having met early—“What’s the creative strategy that underpins that?”. I am most

familiar with my area, which has been about creating a sense of pull, so that we have a really strong sense in each of the creative centres about what we are primarily here for and, therefore, how we get people working to those objectives. I said in the earlier answer to Baroness Jay that the way we motivate people is to get them to do their best work on whatever output they are working on, whatever strand of output they are working in. We need them, because the BBC has to produce world-class content. We have to have them really fired up creatively.

By creating those centres of creative excellence we were saying that this is not just about a shift out of London that is ticking a box. This is about saying that we need a strong identity to these different centres. That will allow us to gather the right talent in that place to deliver that to all our audiences. That is quite a general response because I know my patch best, but what I think is tangible—I hope you will get a sense of that when you have your tour—is this idea of top-class quality: the real excellence that the BBC is known for needs to be produced at all its centres. That is where the centres of excellence have given a very strong backbone.

Baroness Kidron: Do you feel that it has articulated the purposes into that, or is it something additional?

Jenny Baxter: Obviously, we have a public purpose around cultural and creative excellence. It is absolutely speaking to that, but it comes back to our earlier answers: in many cases these things need to come together. It could be about digital learning and creative excellence together. The point is, the BBC wants to be best in class. We absolutely recognise that we need to produce the very best quality output for all our audiences. That sense that the BBC has some significant obligations as being a public service institution comes across all the public purposes. We need to strive to do our very best against all those.

Peter Johnston: Can I bring it to life a bit more practically as well? Some of this is also about economies of scale for creative centres in network television in particular, with the 50% target and all of that. What we have tried to do there is plan the in-house activity in particular, which is where it primarily applies, based on core strengths that might already exist—for example, the Natural History Unit in Bristol. In our case, network current affairs, we have one of the BBC's few centres for network current affairs because of our local experience in investigative journalism. So what you are trying to do is plan thoughtfully about how you will get a critical mass and a quality impact because of existing skills or a crossover with existing activity in the independent sector or local activity, in that case. But beyond that there are certain genres where it is important to have representation around the UK. For example, in drama we have very active drama in the north, Northern Ireland, Scotland and all around the UK. In terms of in-house production of drama, the centres are strongly rooted in London and Cardiff, where there is the Drama Village. So some of this is quite a practical, creative, critical mass type of strategy for in-house production, but it is supplemented by creative sector-based thought processes. Our partnership with Northern Ireland Screen is very focused on drama, children's programmes and factual programmes from the independent sector. Our balance and network supply tends to be more independently produced in Northern Ireland because we are trying to build on some of that existing activity.

Q119 Baroness Kidron: Do you both feel overall that the centres of excellence have spread the good by concentrating on different areas, or do you feel that it has siloed the good into particular places?

Jenny Baxter: What is clearly evidenced here, and I assume it is the same elsewhere, is that the BBC's impact on the wider creative economy when it has a very significant base is really palpable. A KPMG report that was done for the trust fairly recently made it very clear that something like the BBC coming to the north absolutely has a wider impact on the creative economy. It is not surprising, but it is good to see that in effect and delivering, not just in terms of the immediacy of those relationships with the BBC that might come through freelance activity or indies working directly with us but in creating a kind of network effect, which in the context of this site is now playing into the whole discussion around the northern powerhouse and how the creative economy of the north of England can become ever more vibrant. So I absolutely think it goes beyond the walls of the BBC. This is also very important in the context of the next charter. I know that the director-general has already spoken about how the BBC can partner more effectively with other areas of cultural and creative excellence. We have a good template for that here but it is good to see that that is something that we might evolve further in the future. I think we have a good record for it.

Peter Johnston: This is a good example of that inherent tension between reflecting and understanding the whole UK and its increasing diversity, and value for money and investment. Clearly, in an ideal world you would have multiple centres of everything, everywhere, to try to suck out all the stories and talent and everything else. But with a finite amount of money to spend, you have to find sensible ways to aggregate your resources and create critical mass, and some genres require it more than others, I would argue, such as natural history compared to factual programming or drama perhaps.

Baroness Kidron: I have been struck throughout this evidence session by your sense of responsibility and community and skills-building and so on, which we do not always hear loud and clear. Do you think that because you are not London-based, because you are regional, that is a bigger part of your remit?

Peter Johnston: It probably just happens naturally, I guess, because you are closer to the front line with audiences generally. Somebody talked about the farthest-flung parts of the UK—Radio Foyle is the farthest flung, just about; maybe there is one in Kenny's patch in Scotland that is further flung. If you go to visit Radio Foyle, it is absolutely at the heart and core of that society. Consequently, not much happens in that area of the north-west of Ireland that Radio Foyle does not cover. So you are naturally very close to those things and I think it just happens naturally, for obvious reasons. You then have to find self-correcting mechanisms for others to experience that. That is why the example I gave you of commissioners coming to the patches to talk directly to local people and producers is a very important part of addressing the imbalance that might be there.

Jenny Baxter: We have as one of our objectives and benefits the whole issue of representation, so we are going to be strongly on the front foot in trying to deliver this and being accountable for it to the National Audit Office in terms of our four key benefits. It is important to stress that we work very strongly in partnership with the content and output areas in London. So we are not delivering this in isolation; what we are often doing is working in partnership with them to say, "If you are thinking about this production, you can come and do it here", and they are open-minded about that. That is the only way that this can work. This is something that the BBC feels right throughout its organisation. We are very well placed, because we are out of London, to say, "How can this be effective in this particular area?", but that might well be by working in concert with others, from London or from across the UK.

Q120 Lord Hart of Chilton: I am sure that it is very much part of your jobs that you are self-critical before the rest of the pack swoops in on you. I am very interested to know whether, in taking that critical look at yourselves, you think that you have the scope and balance of your production output right in national and local terms or whether you think that there are areas of work that you could reduce or increase the production of. I know that that must take a long time to programme into the future, but I would be very interested in hearing a little bit about how you see that. What do you do, when looking at yourselves, to think, “The balance should be recalibrated a bit there and this work is not as important as it used to be and this work is of increasing importance”? You have touched on some of those things in answers to earlier questions but I would like to hear a little more on that.

Peter Johnston: When people ask about this topic, they tend to think about the big moves of stopping a service or a whole genre or that kind of thing. My personal view is that if you think about that for a moment and think through our services and the range of genres, it is very hard to identify areas that you cannot see a purpose for, if you are going back to public purposes—although I would say that, wouldn’t I? The harder decisions tend to come in the framework of how you spend the money within those services or genres, or the balance between genres, perhaps. It is very difficult, and personally I cannot see a justification for us not to do any particular genre, because of the range of purposes and audiences we are trying to serve.

An example I can give you, when I was the head of TV and the television budget was my patch—and it is now shaped very differently from when I started—one of the things I did was to commission many more individual documentaries, but in order to do that I had to reduce something somewhere else, so we stopped doing some of the longer-running strands that we were doing at the time on television. That was painful for the audiences who loved those things; some of them had been running for a while. For some of the people who were making them, obviously it was difficult. But that freed up the capacity to create more documentary formats, which we judged at the time was important—going back to your very first question—in reflecting different experiences. In a strand you might not quite have the opportunity to do that, although something like “The One Show” sets out to do that, for example. So those hard choices tend to come in choices about the individual strands, slots and programmes, and the balance of that across the whole UK and within an individual region or nation I genuinely find very difficult. We saw what happened when there was a threat to 6 Music. The audience of that service was up in arms. It was the most successful marketing strategy ever, probably, because that audience is now very significantly higher.

It all comes from the definition of the purposes, from what we are asked to do as the BBC to serve all our audiences. To do all those kinds of purposes, you need that range of services and genres. Over time, and we have done this occasionally, other delivery platforms may well be prioritised so there may be certain genres where, frankly, you can deliver the effect of the purpose more effectively through digital means rather than through linear radio or television. Learning would arguably be a good example of that, to a degree, where at one time in our history we would have done schools radio broadcasts in all the nations and beyond. Now much of that is delivered through things such as Bitesize, which is very successful and effective. That is a good example of a significant shift of resource—stopping something and starting something, essentially—but it is still serving the same purpose and broadly the same target audience.

Jenny Baxter: It is a good question and Peter has touched on the fundamental issue here, which is the balancing between linear and digital. The director-general has talked about us currently riding two horses. We absolutely need to remain committed to our linear services while at the same time thinking through really carefully how we follow the audience to where they are looking for content in the digital space. In any content area, such as the ones I know best—sport, children’s, 5 Live—they are constantly recalibrating their offer to audiences and thinking about how to take the resources they are given and work them even harder to ensure that they can reach the audiences wherever they are; often this is about getting more for slightly less money or the same money. For example, 5 Live is working hard on its digital offer, with a thing called In Short. BBC Children’s has recently announced a whole new “Big Digital Plan” because so much of its audience is moving into the digital, non-linear consumption patterns. Then, of course, occasionally there are market forces which affect us; for example, when you are talking about how the BBC’s offer changes, obviously sports rights can have an effect on what we are able to offer back to the audience. All the time, people are thinking, “How do I use the resource I have most effectively to reach the audiences where they are with this really top-quality content?”. These are judgments that are being made all the time, both day to day and strategically as we look ahead to the next few years—where do we best place our resources?

Q121 Lord Hart of Chilton: In terms of innovation, you obviously saw that the director-general was talking about you making partnerships with local newspapers and other national institutions. What would you like to tell us about that?

Peter Johnston: As we have seen, some of the reaction to that has not been positive from some of the news organisations themselves.

Lord Hart of Chilton: Yes, we heard from the National Union of Journalists.

Peter Johnston: Yes. One thing I would say about my individual patch is that we always had a recognition that some of the news markets are very different in different parts of the UK. The news market in Northern Ireland is very different. If you look at the Ofcom research on news, you will find that, in Northern Ireland, more people use more news sources and consume more news on all platforms than anywhere else in the UK, which is probably unsurprising in some ways. There is quite a healthy, and often quite plural and vibrant, news market in the main. Some of the newspapers will tell you that they are facing pressures, but we have on our patch what is, I think, the oldest newspaper in the western world: the *Newsletter*. There is still a strong presence there. Therefore, the solutions to what are seen as the problems might be different in different places.

What I have been doing about it, as I alluded to earlier, is talking to the news editors of newspapers and other media on our patch about what would be helpful from the BBC. That touches on what I said earlier about journalists and the flow-through of talent. An example of that is the Local Live experiment, which you may have seen on the website. Certainly the newspapers on my patch have found that to be very good and positive. Their message to me is that they do not feel that some of the ideas that were pitched are right for our patch; others will say whether they are right in other places. But there are other aspects of some of those ideas which may well work. Consequently, as we have said in the document, we are consulting with those kinds of players to see what would be a useful partnership-type intervention, like Local Live or mutual training initiatives, to see what we can do. But I think

that the solutions, if there are other solutions elsewhere, might be different for me in Northern Ireland because of the different market with its different dimensions.

Jenny Baxter: Just to pick up on the non-news partnerships, I think that this sounds like a very exciting idea. The BBC has unique public access that other institutions can benefit from if we work in partnership with them. That their expertise and artefacts can be brought before a wider public is a really interesting idea. We have touched on the partnership work that we have done here in North. If that can play more widely through the ideas service that is being started and which we have talked about, that could be very positive. I am looking forward to seeing how the BBC is going to pursue that. I hope that we can very much be part of that thinking.

Lord Hart of Chilton: Can you give us some specific examples of those partnerships?

Jenny Baxter: Do you mean here in North?

Lord Hart of Chilton: Yes.

Jenny Baxter: I talked earlier about the partnerships that we have run; for example, with the cities of culture. That is one example. When we do things like the Great North Passion, which was run up in Newcastle, we partner with other organisations. When we did Cue Sheffield, we took the world snooker championships, which were based in Sheffield, and worked with other organisations, including the city, to see how we could reach the widest possible number of people, make them aware that this is happening in this place and open this up to new audiences. It often comes with something that has production at its heart—a single production potentially—but then we look into that region to see who the obvious people are that we can work with to make this more of a success story and amplify it to the public.

Q122 Baroness Jay of Paddington: You mentioned news provision quite often in your replies. As Baroness Kidron said, you have already demonstrated how involved many parts of your organisation are with the local community. But can we look specifically at news and the importance of news to the local communities that you serve. I think we all probably know anecdotally that that is very important to local communities, but could you expand on that and explain how you measure that impact, particularly given all the different platforms you mentioned, Peter?

Peter Johnston: We measure it every day, I suppose, in lots of different ways. There are the basic audience research tools that look at consumption patterns, which is an important dimension of news because what you are seeking with your news content is to reach the widest possible audience. For example, on my patch, as part of the diet of news provision in Northern Ireland, Radio Ulster delivers about three times the amount of news to the audience in Northern Ireland compared to that mechanism in any other part of the UK. It is some of those basic measures, but we also then look at quality and editorial measures. We have a range of different surveys that look at attitudes to that and people's response to things like impartiality, accuracy and the range of news content. So on a regular basis we will look at that information as well. In my news room, on a daily basis, there is an ingrained discipline of review. All the programmes do a review on a daily basis of what they have done that day. You will not be surprised to know that—certainly on my patch, and I am sure it true in other places—we get a lot of feedback spontaneously from various people, including opinion formers and politicians, but also the general public, through various mechanisms.

We have also got in the nations the audience councils. Very recently, we had exactly this discussion about the range of our news content.

Baroness Jay of Paddington: Is that published? Is that something we can access?

Peter Johnston: They publish their minutes online, and you could probably get those. The trust has obviously done reviews of news output as well, and there is one ongoing, as it happens. I can give you a tangible example of one of the impacts that all that analysis taken together had. One difficulty for us that we constantly look at, to give you a tangible editorial example, is the balance between the politics coverage, the issues of the past that continue to haunt our society and looking at contemporary issues, such as business, the environment and rural affairs. It is about getting the balance of that—everyone I meet has an opinion on whether we have got the balance right or wrong depending on who they are and where they come from. We use all that analysis to look at that, and we identified that there was a gap in our business and economics coverage. Therefore, we shifted money around to increase the business unit that we have and we have introduced a new radio business programme. That is trying to give a platform to business people in Northern Ireland to have a discussion about those kinds of things. That is a good example of where all those bits of information go, such as audience research, with input from councils and others, and anecdotal evidence. As we considered these things, we had a session explicitly on this and brought in a range of business leaders to talk about what they thought. If you had them in front of you, perhaps they would let me admit that it took us a while to finally do it, because these things take time. But we have now shifted the resource and have had very positive feedback. Funnily enough, I would argue that news is probably the one that gets most reviewed and analysed, because it happens naturally on a daily basis in news rooms anyway and there are so many different measures that we get coming in.

Q123 Baroness Jay of Paddington: Peter, you have obviously very clearly spoken about the specific issues in Northern Ireland and its history, but I wonder whether, from a more general point of view, Jenny, there are ways in which BBC news coverage at a local level could be improved? For example, you both mentioned that some training possibilities are drying up because of the situation for local newspapers. Are there things that you would like to reflect to us about that?

Jenny Baxter: I think I need to be clear about my remit, which does not cover news. Those questions are probably best directed to the director of news, who has the responsibility for news in the English regions. The thing I can speak to is the academy, which I have already touched on, and the ability of the BBC to provide great training, not just to its own journalists but, particularly in the digital world, to think about how we make those training resources available to the wider industry. Therefore, even if somebody is working not in the BBC, we could be responsible for helping them on that journey to becoming a great journalist. That is somewhere we can be effective

Baroness Jay of Paddington: I realise what you are saying, Jenny. I said that, anecdotally, we all know that local news is supposed to be very important. But does that continue to be so, even in a non-difficult situation, as opposed to what Peter has accurately reflected in Northern Ireland?

Jenny Baxter: We believe that local news remains very important to the audiences. The figures are that about 6.7 million a week tune in to local radio; around 2 million of those do

not listen to any other BBC radio. They are getting news through their local radio stations. I would need to check this figure, but I think that the unique browsers for the local news websites are well above 10 million a week. I do believe that there is an appetite, and I think that Peter spoke very articulately about the feedback they get and how that is constantly evolved to meet audience need.

Peter Johnston: I can probably give you a tangible example of that. The 6.30 pm news slot is still the most watched TV news slot in the UK. I think I am right in saying that that is correct across the whole UK. You will get variations in different nations depending on the circumstances.

Baroness Jay of Paddington: Is that Newsline?

Peter Johnston: Yes, that is right. Some would argue that we probably have too much interest in local news in my patch compared to others. In all the research I have seen, when we ask which of these topics is most important in news output, local and national news tend to be fairly neck and neck, with local news tending to be just above because of that evidence of the audience. However, it is very close. That is the problem and the challenge: most people want both. As alluded to in the document, in some patches, getting the balance between network UK news stories and local news stories melded together in the appropriate way for all different types of audiences is a real challenge. We have some new ways of doing it through digital, but it does not seem to be either/or; it is both.

The Chairman: Sadly, we have come to the end of our time. Thank you both very much indeed. That was really helpful.