

## **BBC Scotland response to evidence presented to the Education & Culture Committee on 30 October 2012**

The evidence presented to the committee on 30 October, by representatives of NUJ and BECTU, contained a significant number of inaccuracies and contentions unsupported by factual evidence. This document offers a detailed response in respect of the points raised during that meeting and recorded in the minutes thereof.

### **Background**

The freeze on Licence Fee has resulted in a need to reduce BBC budgets by £700m over the remainder of the current Licence Fee period, to 2017. That equates to a 20% cut in budget, across the board, though that figure allows for 4% reinvestment. In Scotland, the cut, over the next four years, will equate to a total of 16% of local budget, approximately £16.1m. BBC Scotland chose not to undertake a 20% cut, with 4% reinvestment, as that would, in the first instance, have resulted in an even larger number of post losses (of approximately around 25 to 30), before any potential re-investment.

### **Evidence to date**

When the BBC response to the Licence Fee freeze was announced, all MSPs were emailed with details of BBC Scotland's response (on 6 October 2011). BBC Scotland provided evidence in person (on its plans to deal with the budget reductions) to the Education and Culture Committee on 24 January 2012 (with evidence from Head of News and Current Affairs, John Boothman, and with supporting paper also presented to the committee) and on 29 May 2012, with evidence presented in person by the then Director General, Mark Thompson and the Director, BBC Scotland, Ken MacQuarrie.

The Director, BBC Scotland, Ken MacQuarrie (and the BBC National Trustee Bill Matthews) also covered aspects of this topic in evidence to the Scotland Bill Committee a year ago, on 25 October 2011, shortly after the announcement on the Delivering Quality First strategy proposals.

A paper detailing BBC Scotland's approach to the latest phase of the Delivering Quality First strategy was provided to members of the committee in advance of the meeting of 30 October 2012.

In addition, MPs have been briefed, as have MSPs, via one-to-one meetings, group meetings, in correspondence, etc.

## **Response to specific elements of evidence presented by NUJ and BECTU: 30 October 2012**

As confirmed in the paper to committee (for the meeting of 30 October 2012) there will be no drop in hours in BBC Scotland news and current affairs output, as a result of the required cuts in budget (or for any other reason). In fact, radio news hours have increased as a result of recent schedule changes.

**1. Scale and breadth of output**

Contrary to the contention of Peter Murray (NUJ), cutbacks in News staff numbers have not had “a damaging effect on the kind and scale of output” – we are producing more investigations, more televised debates, more radio news hours than ever before and the 1830 Reporting Scotland attracts a nightly audience in excess of 500,000 viewers, making the most watched TV news programme in Scotland. Those facts alone effectively counter accusations that any cuts in staffing have had or will have “a detrimental effect on the breadth and depth of output that is possible from the BBC Scotland newsrooms.”

**2. Peter Murray: It is important that the committee understands that the cuts are not uniform across the newsrooms.**

That is correct. All parts of the BBC are experiencing cuts in order to deal with the reduction in Licence Fee funding. However, as the Head of News and Current Affairs told the Committee (on 24 January 2012), a number of services have been protected, including BBC Alba, our local radio services in Scotland and online news services and the team that services network news coverage from Scotland. The News Department is targeting its resources and spending at our audiences, whilst continuing to fulfil our public service obligations.

**3. Peter Murray: the programme for which I used to work in radio news and current affairs has had a staff cut of 60 per cent—not 15 or 20 per cent, but 60 per cent or more—over the past couple of years.**

This is simply not true. This claim, made by Mr Murray (who left the BBC more than a year ago, and has not been involved in any negotiations with BBC Scotland since then) is a claim that the Union has not made to the management before or since.

**4. Peter Murray: The cuts are not even. They do not reflect BBC-wide cuts, which are the BBC’s wider response to the cuts in the licence fee.**

That is correct. The cuts in Scotland are of a lesser magnitude than they are across the organisation as a whole.

**5. Peter Murray: ...the fixed term funding sought (for coverage of the Independence Referendum) is outwith the timeframe of the current...savings.**

That is correct and it is appropriate. The response to the Licence Fee freeze is as determined in the Delivering Quality First approach, which is designed to deal strategically with an immediate funding deficit; the work

currently in hand to secure specific, targeted, fixed-term funding will ensure that BBC Scotland is resourced appropriately to cover the Referendum, from later in 2013 up to and for a period beyond the 2014 Referendum result. The savings in News will be achieved before the fixed term funding is available; there is no overlap between the two.

**6. Peter Murray: (BBC Scotland) should seek more money from the BBC centrally to reflect the scale of the constitutional change that could happen rather than accepting that less money should come into Scotland.**

It would be inappropriate - to say the least - that we should seek more money on the basis of what "could happen": we are in the process of determining resourcing levels for coverage of the Referendum. That is appropriate.

The reduction in operating budget is affecting all parts of BBC, as it is affecting the public sector at large. As noted above, we will ensure that BBC Scotland is resourced appropriately to cover the Referendum (and the Commonwealth Games).

**7. Peter Murray: The BBC talks about it just being business as usual in the run-up to the referendum.**

This is a quote, taken completely out of context, from a meeting which Mr Murray did not attend.

In a discussion with the unions, the Head of News said that the actual event of the Referendum ie the day and the count etc., will be treated as we would treat an election. That is factual and the point was made to explain how the actual event itself would be approached, taking full account of the usual pending period etc. In that way, very specifically, it will be "business as usual". Up to, during and beyond the Referendum itself BBC Scotland will produce significant amounts of additional programming, across broadcast platforms, and we will work in conjunction with network BBC TV, radio and online to ensure comprehensive coverage of Referendum issues.

The point was also made at that meeting that the Commonwealth Games was an event that lasted 11 days and that we would be working with BBC Sport to deliver that 11 day event. That was contextualised with details of our aspirations for broadcasting across the year of 2014. What we did say, categorically, was that the money for both the Referendum and the Commonwealth Games would not be available now to offset the post closures that are currently required.

**8. Peter Murray: Simply to regard that as something akin to a by-election is, to be frank, irresponsible.**

What is irresponsible is to suggest that BBC Scotland is approaching overall coverage of the Referendum in such manner.

No-one in the BBC has ever suggested that our Referendum coverage

would be 'akin to a by-election'. In 2012, BBC Scotland offered extensive coverage of the Referendum debate, of both issues and process, across all of our broadcast platforms and with in-depth analysis on our Referendum website – far more than any other broadcaster. We will announce future plans when it is appropriate to do so.

**9. Staffing, output and quality**

Contrary to the contention of Paul McManus, we would contend it is possible to reduce staff levels and increase output (which we have already done) and maintain quality.

**10. Paul McManus: The BBC simply cannot deliver the same level of output in Scotland as it has done in previous years.**

This is incorrect - we are delivering more output, in news and across the board in television.

**11. Paul McManus: (Alleged contradiction in the BBC Scotland contention that) “There will be no drop in hours in News and Current Affairs ... in fact there will be an increase” (yet) “The overall number of local TV programmes will reduce”.**

There is no contradiction in this contention. The hours of NCA output have increased in radio. That is a fact. Local TV originations will reduce in number as a result of the required budget cuts. That is also a fact.

**12. Paul McManus: The BBC cannot lose 17 staff from the news and current affairs department and deliver the same levels of programming.**

We accept it is challenging; nevertheless we believe we can.

**13. Paul McManus: On television production more broadly, the BBC in Scotland is producing more, but that is done entirely with freelance and contract staff output.**

This is not correct. There has, in recent years, been a significant increase in broadcast production in BBC Scotland, partly as a result of the digital broadcast resources and facilities available to us at Pacific Quay and partly as a result of the BBC's Network Supply Review. To meet that increased workload, in addition to our in-house production teams we operate a mixed staffing model of continuing/fixed term contracts/freelance work. Underpinning that model is a detailed process of resource planning, which takes into full account the need to retain core skills within the organisation. All work, whether it involves in-house teams or freelance/contract workers, boosts the Scottish economy.

**14. Paul McManus: The BBC is gilding the lily to a great extent in trying to make people believe that it can deliver a greatly enhanced service, particularly given the challenges of the Commonwealth Games and the Referendum. The BBC simply cannot deal with those challenges with the staff that it has in place.**

As stated, we are in the process of finalising budgets for coverage of the Referendum (and, separately, the Commonwealth Games). We have in

place draft plans of our proposed approaches to broadcast coverage of these and related events (with flexibility built in to adapt accordingly as both events approach). Additional resources will allow us to employ staff as required. We will also work with colleagues across BBC networks to ensure a joined-up approach to BBC coverage of both.

15. **Paul McManus: The BBC has had numerous opportunities to give assurances that there is a commitment to a BBC base in Edinburgh, but it has refused to do so.**

Coverage of the parliament, of course, remains at the heart of our politics output and there is an on-going BBC Scotland commitment to the BBC in Edinburgh. Our on-going property review strategy ensures that all of our properties are kept under review.

16. **Paul McManus: BBC in Scotland cannot give such an assurance, because it does not control the situation—London controls the situation.... It is at the whim of London.**

We completely reject such allegations.

17. **Paul McManus: Currently, in Edinburgh, the BBC cannot put three people together in a room to interview them, so such interviews have to be done from different locations. That is a shocking indictment of the BBC in Scotland, given that the Scottish Parliament has been here for a number of years and given the debates that are coming up and the Commonwealth Games.**

This is a situation we do not recognise. BBC Scotland has state of the art radio studios in the Tun, a fully functioning multi camera television studio in the Tun, a small studio facility in the Scottish Parliament, camera points in the Parliament which are used regularly to interview groups of MSPs (in the Garden Lobby) and separate live camera points in the Tun reception and in the Parliamentary office.

On a regular basis we also use satellite vehicles to do live interviews with guests and groups of guests in locations all over Scotland, often outside of the Scottish Parliament. Recent investment this year in Scotland has added three more satellite vehicles to the existing capacity.

It is clear that Mr McManus is not familiar with either the facilities in Edinburgh or the technologies available to the Department.

18. **Paul McManus: On radio, the BBC talks about removing a gardening programme but says that it is retaining its commitment to gardening because it will give the subject a few minutes here and there in somebody else's programme. That is not a commitment to high-quality programming; it is a make-do-and-mend approach.**

We do not accept that argument. There will be 15-20 minutes of gardening clinic (with expert input) on the Friday Fred MacAuley programme, to be reviewed if we feel more time is needed; there will also be a podcast made available of content; for four months of the year *The Kitchen Café* will become *The Kitchen Garden* for the summer and it will focus more on

people growing their own produce – in that respect it will be much more about gardening than food; and the Aberdeen rural team (which produces Landward, Out of Doors, etc) will be charged with developing new programmes on science, environment, horticulture, agriculture, etc.

19. **Paul McManus: ..the hidden cost of the cuts is that the vast majority of staff are being expected to work hours off rota. Now that the BBC has got rid of the prep time, all the raw footage is taken into the edit suites and when the staff run over time at the end of the day and have done their 10 or 12 hours of editing, they then have to go on and do another three, four or five hours, because they have not had time to prepare the footage.**

This is simply untrue. The suggestion that staff do ten or twelve hours of editing, then have to do another three or four or five hours, because they have not had time to prepare the footage is another assertion that we do not recognise. In a digital newsroom, all content is available on desktops in the newsroom after it is ingested into the system for staff to view, log and edit.

20. **Paul McManus: Ever-greater numbers of people are going off sick and complaining that they are being expected to work longer and longer hours that are not recorded on the rotas because of the pressure that they are under to deliver programmes with insufficient numbers of staff.**

This is simply not true. The statistics prove it to be untrue. In 2011, 4.5 days were lost per person for media industry UK-wide (*source: Xpert HR*): for BBC Scotland, based on an average capacity of 1,194 employees, our numbers equate to 3.9 days per person in 2010 and 3.5 days per person of BBC Scotland working days in 2011.

So 3.5 days BBCS for 2011 can be compared to 4.5 industry-wide. In short, on days lost through illness, BBC Scotland is demonstrably better than the industry average.

21. **Peter Murray: The (BBC Scotland newsroom) staff's morale is pretty much at rock bottom. People say that it is no longer a pleasant place to work. They are fearful for their jobs, naturally. They are fearful of speaking out publicly, which is one of the reasons why I am here today, rather than one of the NUJ representatives.**

We accept that, in a time of change, staff will understandably be worried about the future, which is why we believe it is proper to act quickly and appropriately to end any uncertainties.

Peter Murray was not there because staff "are fearful of speaking out" – he was there because the BBC NUJ representative, Paul Holleran, was on holiday...

22. **Peter Murray: The BBC is supposed to be a model employer, not a terrible employer. At the moment, people are saying that it has become a terrible employer.**

There is no evidence that this is a widespread view across the organisation, though it may well be a view among those to whom Peter Murray has chosen to speak.

- 23. Peter Murray: I was told about one reporter who worked 27 days on the trot, without a break, and was then asked to come in to cover for someone else who was not available. That pattern of excessive workloads seems to be becoming the norm, and senior managers now expect that of people. That is a consequence of the front-loading process that is going on.**

We, and the reporter concerned, do not accept that the reporter worked '27 days on the trot'. This is a gross misrepresentation of the facts and the reporter in question has now secured an apology from Mr Murray for his use of the information before the committee.

In the letter to Mr Murray, the reporter notes the following: "The evidence was taken out of context"; "my reasons for working in that way were not as described. I was so happy to do it and be given the opportunity. I volunteered to do it!"; "when you used my words to discredit those who have helped change things, in my view, for the better, then I felt utterly wronged."

- 24. Peter Murray: If the management spreads the cuts over a longer period, staff morale might be improved because the cuts could be made less painfully through the use of natural staff turnover—which is around 12 or 15 per cent anyway—and the BBC would be able to put in place the kind of programme schedules that we think it should have during such a major political debate.**

We disagree. We firmly believe that spreading the cuts out over a five year period is much more damaging to staff morale than is trying to achieve the savings up front and we will undertake the process fairly and with proper planning, consultation and with regard to the impact on staff.

As noted above, we have in place draft plans of our proposed approaches to broadcast coverage of the Referendum (with flexibility built in to adapt accordingly as the event itself approaches). Additional resources will allow us to employ staff as required. We will also work with colleagues across BBC networks to ensure a joined-up approach to BBC coverage, in News, in other programme genres and across all broadcast platforms.

- 25. Peter Murray: The front-loading process might make things easier for the BBC management, but it makes it much harder for the staff to cover those sorts of issues.**

We are not doing more front-loading in Scotland than is being undertaken across the rest of BBC and we are not out of line with other parts of the BBC, such as Network News, which is also making its savings in this way. It is important to note that the BBC has to make the largest part of the overall savings requirement by 2013/2014, ahead of taking on the new

funding commitments which have been placed upon it, including the World Service, S4C, etc.

In such circumstances it is appropriate that we deal with this issue as quickly and as efficiently as possible, in particular in Scotland to ensure it does not impact negatively on our preparations for coverage of key events in 2014, including the Commonwealth Games and the Referendum. We would also note that, in consultations with our staff, they have told us that they would rather the cuts be made in such manner that the process is not unduly prolonged, allowing any uncertainties to be quickly alleviated.

## 26. **Measuring quality**

**Paul McManus: The BBC would point to audience figures: if they were good, it would say that it was doing well; if they were not good, it would find some way of defending that. You have to dig deeper than that, and staff surveys would be one way of measuring the quality of the output in terms of how staff perceive it.** There are mechanisms that are recognised and accepted across the broadcasting industry to measure quality of output. Audience figures are a universally recognised indicator of audience interest in, and appreciation for, programme output, on television and radio. Staff surveys, clearly, are not. And, while it is important that we, as programme makers, constantly scrutinise, interrogate and challenge our own output, of paramount importance is the need to listen to our audiences.

Evidence of appreciation of our output, in News, is reflected in the increase in audience share for *Reporting Scotland* over the past three years, to a level higher than it was 10 years ago, and a continued increase in audience appreciation for the programme (measured by our Pulse Audience Panel Survey). Traffic to our News Online sites continues to increase year on year. And on radio, in 2007, the audience share for *Good Morning Scotland* was 10.8%; in 2012 (to date) it is 10.9%.

Recent productions, across genres, which have attracted strong audiences have included in their number *Operation Iceberg*, *Mrs Brown's Boys*, *Prehistoric Autopsy*, *The Harbour*, *The Scot Who Shot the American Civil War* and forthcoming productions include *Addicted to Pleasure*, *Shetland*, *Bob Servant* and *Field of Blood 2* in the coming months.

Industry recognition in the quality of our output is reflected in the fact that earlier this month we collected three of a total of eight UK-wide Grierson awards for our factual documentary output; we won seven Scottish BAFTAs (on Sunday, 18 November 2012), a number of them in categories where all nominations were from BBC Scotland; and on Monday 19 November 2012, in New York, we collected an International Emmy for Best Documentary for *Terry Pratchett: Choosing to Die* (Keo North for BBC).

These statistics do not suggest audiences are turning away from BBC



Scotland, because of range, quality, ambition or for any other reason.

27. **Paul McManus: The BBC would say, “We can chuck out a trainee with a hand-held digital camera—in some cases, a mobile phone—and people will watch the programme, so what is the problem with the quality of the output?”**

This is a baseless contention and quite insulting to our audiences to suggest that we would regard them in this way.

28. **Paul McManus: In radio news programmes, there has been an increase in the number of repeated items over the course of the day simply because there are not enough staff around to bring in new material.**

This is not true. Where news items are repeated across the day, this is normal practice, particularly where audiences change across the course of a day (on 24 hour news channels, across the world, news is often repeated in 15 minute cycles). Repeated items result from editorial choices, not from reduced staffing; repeat use of materials, as appropriate, is evidence of better use of resources and therefore better use of Licence Fee.

29. **Paul McManus: RAJAR figures....show a dip in certain areas of Radio Scotland’s audience, which is worrying and may suggest that people are voting with their feet. The listeners are seeing the changes and think that it is not good enough.**

This is not true. In terms of audience numbers, the recent Rajar trends for Radio Scotland have been relatively stable and any recent fluctuations in audiences is more likely to be impact of a drop in radio audiences for live football output, with Rangers no longer in the SPL and consequently with no live commentary coverage of their games; additionally, the big TV audiences for Olympics also are likely to have impacted on overall listening figures during the summer period in question.

While we will not know the impact of recent Radio Scotland Saturday schedule changes until next year, approval scores for the station are high.

30. **Peter Murray: ...staff have expressed strongly to me their concern that the staff cuts are being obviously targeted at certain individuals—our members—whom management has decided it does not want to be there any longer.**

**Many members of staff look at the current process of interviews to select people for redundancy and say that it is unfair or irrelevant, or that it deliberately targets certain individuals. ....front-loading is being used as a way of clearing out people whom management regards as no longer fit to work there, for whatever reason. It is extremely worrying that management is using the redundancy process as a way of clearing out people whom it no longer wants. This is an allegation which has no factual basis. We believe that our Selection for Retention process is completely fair and transparent and it is**

fully in line with industry practice as well as BBC policy & practice.

- 31. Peter Murray: ...in the past, there has been a pattern whereby the BBC and many other organisations have got into a revolving-door redundancies or budget cuts that have resulted in people leaving the organisation, only for them to come back a matter of months later. We are concerned about that.**

There will be no 'revolving door' in the current process. However, in full agreement with the unions, the BBC has agreed to amend its original 12 month bar on redundant staff returning to the BBC on any form of engagement. Redundant staff may now return on very short (usually up to a maximum of six weeks) casual or freelance engagements after at least three months out of the organisation. The 12 month bar remains on redundant staff returning on temporary or continuing employment contracts.

- 32. Peter Murray: If new money is to come into BBC Scotland through a different route to cover the referendum and the debate around it, we see absolutely no reason why the present members of staff should not be the ones who provide that coverage.**

As noted at point 7, in discussions with unions we have clearly made the point that the money for both the Referendum and the Commonwealth Games would not be available now to offset the post closures that are currently required.

- 33. Paul McManus: The BBC in London expects every area of the BBC to deliver 20 per cent cuts year on year.**

This is simply not true. The BBC has, across the business, to deliver 20% of cuts by 2017, not year on year. In Scotland, we will deliver 16% across that period.

- 34. Paul McManus: BBC Scotland should be in a position to deliver in-depth coverage of such events regardless of the situation.**

We will be.

- 35. Peter Murray: It seems that STV recognises the need to bring in and train young journalists at a time when the BBC's local coverage may be suffering as a result of what is going on.**

BBC Scotland is heavily involved in skills training, which includes:

- the recent launch of a media apprenticeship scheme, in conjunction with John Wheatley College in Glasgow's East End and Skillset. Ten apprentices (chosen from 700 applicants) have been working with BBC Scotland and with the college, and in industry work placements, to equip them with skills (and an accredited qualification) that it is hoped will allow them to be able to provide some broadcast output for the Commonwealth Games. The first course began in September 2011 (in preparation for the Olympics) and a second course is currently under way. It is hoped that two more such courses can be offered, to August

2014;

- we are involved in the Drama Training Initiative (DTI) which has been running for the last two years in collaboration with BECTU, Union Learning Fund, Creative Skillset and Skills Development Scotland. The aim of the training is to develop the depth of producer skills in Drama, with a view to production input on Network Drama;
- we are currently exploring a training programme that encourages Black and Ethnic Minorities (BME) to enter the creative industries. We are working with a range of partners to develop this programme with a view to enriching the industry and diversifying the demographic mix across the industry;
- and in terms of work experience - in 2011/12 BBC Scotland offered 350 work experience placements across Scotland, including a taster week for 14-16 year olds and longer form placements.

- 36. Peter Murray: One of the concerns of staff is that the BBC management has not explained why it is doing this. It has not explained to us as union reps; it has not explained to staff why it is making those cuts.**

Again, this is simply not true. Following the Licence Fee announcement in October 2010, the BBC undertook an extensive consultation exercise with staff across the entire organisation in order to identify where savings could be made. This began in January 2011 and the conclusions and recommendations were published in October 2011. A public consultation, undertaken by the BBC Trust, then ran until December 2011. Only following those consultations were the Delivering Quality First proposals finalised and approved by the BBC Trust. Since then, there have been several emails and presentations to staff, and to external organisations and key stakeholders, explaining what the BBC (and BBC Scotland) is doing and why.

In News, the detailed proposals have been outlined to staff and unions on a number of occasions and have been the subject of detailed discussion and negotiation with the appropriate trade unions. There were five meetings with management and unions between August and October 2012.

- 37. Peter Murray: There have been two major open staff forums and, on both occasions, management has said only why it is making the cuts. This directly contradicts Mr Murray's own assertion, above, that BBC management has not explained why it is making the cuts...**

- 38. Peter Murray: It has not said what opportunities are presented by this current period.**  
Our focus, at this time, is in ensuring that we are able to make budget cuts, while maintaining the quality thresholds across our output.
- 39. Colin Beattie MSP: ...if inflation runs at 2.5 per cent, there will be another 7.5 per cent real-terms cut over that period. What will be the impact of that? Will it mean further job losses?**  
**Peter Murray: Yes.**  
This is not correct. The DQF process is set, as are the savings requirements against it, to 2017.
- 40. Paul McManus: The BBC needs to save 16 per cent of its annual budget every year until 2016-17.**  
This is not correct. The 16% savings requirement (for BBC Scotland) is across the period to 2017, not year on year.
- 41. Joan McAlpine: Mr Thompson told us that he expected to spend more on the referendum than was spent on the Olympics.**  
No he didn't. What he said was: "the resourcing for any referendum campaign, whatever it is about, will be different from that for any election campaign. We recognise, however, that the story will need substantial resourcing by the BBC – I meant what I said on that. It will be a large-scale story for us. We will end up broadcasting the story in at least 30 languages for our global news division as well as in Welsh and many other languages beyond English and Scottish Gaelic. One obvious issue that we are working through is that we will need the right level of journalistic effort in Scotland and at UK level. We want to think about that carefully now, as we are making staff reductions, so that we do not end up having to rehire people for that big event. The referendum will be one of the largest domestic stories the BBC has covered in recent years and it will be properly resourced." (Col 1156, Minutes of the meeting of the Education & Culture committee, 29 May 2012).
- 42. Paul McManus: I see no reason why it could not set out the budgets for the referendum, the Commonwealth Games, the Olympics and so on. Figures are bandied about quite openly in the industry and they are well known, but whenever information is requested, we get a great deal of secrecy.**  
As noted by the Director General, and as recorded in the minutes of the meeting of the Education & Culture committee, 29 May 2012 (column 1146), - "We are an editorially independent broadcaster and we think the public very strongly wants us to remain independent. We do not want individual programme prices to become the subject of political lobbying...nor do we want to get drawn into an attempt to influence politically the editorial choices that the BBC makes. That is not true just in BBC Scotland but throughout the BBC. We do not discuss individual programme prices."

BBC operates in a commercial environment and it would not be

appropriate publicly to discuss funding bids. Programme plans will be announced at the appropriate time.

43. **Peter Murray: ... one effect of the cuts will be less coverage of Scottish affairs by Scottish reporters and producers.**

This is not true. We have done the opposite, and increased our coverage of Scottish affairs.

44. **Peter Murray: One of the dangers in what is happening is that BBC Scotland will have to rely on people from outside Scotland to cover what is going on..... It does not look as if the BBC is taking the process that seriously.**

This is an assertion with no basis in fact. The BBC's coverage of the Referendum will be authoritative and comprehensive, it will be properly resourced and it will involve BBC journalists and news teams across the organisation, working in tandem to bring the highest quality coverage to audience on TV, radio, the web and via mobile broadcast platforms.

45. **Paul McManus: In our discussions with the BBC, it has made it clear to us that the referendum on independence—what you call it depends on your political affiliation—is a one-off event. The minute that the vote is finished, the BBC is out of there and the job is done... the BBC views it as a one-off event, and from its point of view the ideal way to staff it—or resource it—is to get resources up from London for a couple of months or to hire fixed-term contract staff. In order to support the argument for that approach, the BBC needs to get rid of its permanent staff now.**

As noted at point 7, this is a quote taken completely out of context. In a discussion with the unions, the Head of News said that the actual event of the Referendum ie the day and the count etc., will be treated as we would treat an election. That is factual and the point was made to explain how the actual event itself would be approached, taking full account of the usual pending period etc. In that way, very specifically, it will be "business as usual". There will be detailed analysis undertaken and broadcast debate on the key constitutional issues up to, at and beyond the Referendum itself. As the Director General said (point 41 above): "The referendum will be one of the largest domestic stories the BBC has covered in recent years and it will be properly resourced."

46. **Peter Murray: The big concern of staff is that the BBC management does not want to entertain any alternatives. Anecdotally, I am told that people have proposed making suggestions about how they might be able to deal with these things differently in news and current affairs, but they have simply been brushed off and told, "This is what we're going to do. I'm not going to hear anything else." It is worrying if the management is not prepared to entertain ideas from the staff.**

This simply is not true and it is disappointing Mr Murray should characterise the management position in this way. The management continues to engage constructively with the trade unions during this

process and has made a number of concessions as part of that process.

Paul McManus acknowledges this in his evidence to the committee, when he notes: “At some levels, the BBC has taken on board arguments and said, “Okay—we accept that we can keep one of the two people we proposed to get rid of.””

**47. Paul McManus: The (BBC) approach is to say, “We have to deliver cuts of 16 per cent this year—let’s get rid of 16 per cent of the workforce and worry about next year when next year comes. This is not true. We are not getting rid of 16% of staff and the cuts have been planned, carefully and strategically, to ensure, going forward, that we are properly equipped to meet the demands of the news agenda.**

**48. Paul McManus: In the current round of cuts, the BBC tells us that the skill sets of people in production management are too generic and that it has not trained them specifically enough. That has been repeated in a number of areas. We have pointed out to the BBC that, when it told us three years ago that the skill sets were too specific; we told it to put in place training programmes that would allow people to deliver output across a range of specialities. The BBC failed to do that and, three years later, people’s skills are too generic, because the BBC got rid of all the people with the specialist skills that it now wants. We are constantly going round in a circle, because of a lack of strategic planning.**

We have this year successfully over-delivered against our Network Supply Review spend target of 8.6% of BBC network TV budget, achieved five years early, drawing on BBC Scotland in-house production teams and independent broadcast production companies. However it is important to note that, in achieving this, the programme mix has had to change and so, too, has the skills mix.

To give an example, BBC Scotland has become the supplier of high-end Specialist Factual programmes such as *Volcano* and *Operation Iceberg*. These programmes require people with specialist, long-developed skills which allow them creatively to deliver these programmes. Many complex and challenging programmes such as these are co-produced and require people who have demonstrable skills in co-production and knowledge of other territories. Staff who have only delivered local, magazine programmes, for example, would struggle to realise these programmes and would not have the buy-in of the commissioners to deliver them. This is in no way intended to say that those working on local productions are in any way inferior; they just do not simply have the required experience.

However, it must be noted that we have very successful network genres based in BBC Scotland. They are staffed by a mix of people – some who have worked only in BBC Scotland; some who have worked outside BBC Scotland but not outside Scotland; some who have worked across the UK in independent production companies, in the BBC and with other broadcasters.

We have supported skills changes with training and development. To suggest the BBC has no strategic planning in this area is inaccurate. We have strategically moved people around the UK to help sustain the Creative Hubs across the UK. As part of this strategy, the BBC Head of UK Arts Production and the most senior UK Creative post within in-house Factual programme-making (Controller, BBC Factual) are both now based in Scotland.

49. **Peter Murray:...(the BBC) could look at the situation now, examine the skill sets that its staff have, and see whether there is a way to retain staff by redeploying them in an area that is not a million miles from what they do now.**

That is exactly what the BBC is doing. Redundancies will follow only where it does not prove possible to match those skill sets within a redeployment exercise.

50. **Peter Murray: One alarming thing, which I heard only yesterday, is that the network component of Commonwealth games coverage, which you spoke about, will be done from Salford—the BBC unit in Manchester, which is the home of its sport department.** That is a perfectly sensible approach. BBC Sport will cover the Commonwealth Games for the whole of the UK and further afield, in partnership with BBC Scotland for Scottish, UK and international audiences, across the BBC's networks.

51. **Paul McManus: One of our concerns about the quality of output is that, as Pete Murray said, the BBC's approach has been to say, "Salford will cover this and the UK will get blanket coverage. Scotland will get whatever we decide to send up from London to deal with it."**

This is an assertion with no basis in fact. In the same way that the Olympic Games was covered by staff in Salford, BBC Scotland will provide additional coverage of the Games and programme output for audiences in Scotland, the UK and further afield.

52. **Peter Murray: ... the BBC does not seem to understand that making a 60 per cent cut in staff on daytime radio and no cut in the output simply does not make sense.**

This is simply not true. The BBC is not making a 60% cut in staff on daytime radio.

53. **Paul McManus: I want to make it clear that, particularly as we undergo these cuts, the vast majority of people who work in the BBC are light years behind everybody else in industry in the world that they work in. People work 12, 13, 14 and 16 hours a day, six days a week for months on end to produce the programmes that you watch on the BBC, and they are told that that is the nature of the television industry. For example, people work 12 or 14 hours a day, six days a week for three, four or five months at a time to produce "River City".**

**That is typical of what happens across the piece. News cameramen and journalists are on call for eight, 10, 12 or 14 hours a day. The hours that people work across the television industry are horrendous, and these cuts are being imposed on top of that background. It is absolute nonsense to suggest that the service can be improved on the back of these cuts.**

It is ridiculous to suggest that ‘the vast majority of people who work in the BBC are light years behind everybody else in the industry’. BBC Scotland works to the agreed scheduling guidelines that have been negotiated with the Unions. We do not recognise Mr McManus’ contentions, nor have they been brought to the Management’s attention by the Union. Where there have been concerns regarding scheduling, we have met timeously with the Union and addressed the concerns.

- 54. Paul McManus: I have no doubt that Ken MacQuarrie and his management team believe passionately in high-quality public service broadcasting, but they do not have the tools to deliver it. They are working against the background that, regardless of what they believe in, they must deliver the cuts that are being demanded of them and they have to dress what they are doing up as an improvement in the service.**

At no point has BBC Scotland described or represented the necessary cost reductions as “an improvement in the service.” The cuts are difficult to undertake, which is why we are doing so with care and in discussions with staff and unions. However we are determined to ensure that the quality of output will not suffer as a result of the cuts.

- 55. Peter Murray: ...we should expect at least a rough sketch of what management has in mind and what kinds of programme strands are being considered. We are not asking for details about what is going to happen on referendum night or even what is going to happen 18 months from now. However, if we knew, for example, how many jobs it is expected will be created by the new programme streams, we could calculate how many of those new jobs we could redeploy current staff into.**

We will announce programme plans when it is appropriate to do so.

- 56. Paul McManus: At the last meeting we had, the BBC indicated that it would expect those discussions about funding that would be available for the referendum and the Commonwealth games to take place with London towards the latter half of next year.**

As earlier noted (point 7) the agreement on 2014 programming is something that we continue to discuss with colleagues across the BBC and this is dialogue that will continue. To date, a number of funding discussions have already taken place and draft programme schedules have been constructed as we look to cover both the Referendum and the Commonwealth Games. We will announce our programme plans when it is appropriate to do so.



57. **Peter Murray: ...for the BBC to be saying now that it will take a year or less to have those discussions and make the programmes is stretching things.**

This is simply not true. We have never said this. In fact, specifically in terms of the Referendum, a BBC Referendum Steering Group was established in October 2010, under the chairmanship of the Director, BBC Scotland, to ensure a co-ordinated and properly resourced approach would be taken to coverage across all of the BBC's networks and broadcast platforms.

58. **Paul McManus: That highlights our concern about the BBC's position—as stated to us—that news coverage of the referendum and the Commonwealth games will be “business as usual”. People are starting to work on the Commonwealth Games preparation packages just now, but they should have been doing so for a while. That level of work should increase over the coming months. The BBC is saying, “We'll just need to deliver that out of what we've got just now, and at some point next year we might get extra money to ramp up production for those events in 2014.” The approach is very last minute and slapdash; it should all have been thought through long before then.**

These contentions are baseless, completely untrue and do not reflect the discussions we have had with the Joint Unions.

59. **The Convener: You state (in your letter) that it was suggested “that both the Commonwealth Games and Independence referendum were “one-off events”; that “the referendum would be over in one night”; and that—as you noted earlier—“it will just be business as usual”. Can you confirm that those are direct quotations of comments that were made to staff?**

**Peter Murray: Yes. Those quotations are comments that were made to Paul Holleran, the Scottish secretary of the NUJ....They were made by senior managers at the BBC to union reps when we were discussing the whole process of budget cuts. That is how those managers described those processes and events to us.** As noted at point 7, these quotes have been taken completely out of context. In a discussion with the unions, the Head of News said that the actual event of the Referendum ie the day and the count etc., will be treated as we would treat an election. That is factual and the point was made to explain how the actual event itself would be approached, taking full account of the usual pending period etc. In that way, very specifically, it will be “business as usual”.

The point was also made at that meeting that the Commonwealth Games was an event that lasted 11 days and that we would be working with BBC Sport to deliver that 11 day event. That was contextualised with details of our aspirations for broadcasting across the year of 2014. What we did say, categorically, was that the money for both the Referendum and the

Commonwealth Games would not be available now to offset the post closures that are currently required.

- 60. Paul McManus: I was at the meeting, so I can give you the context. The statements were made in the context of a management-union negotiation. I suggested to the BBC that those statements would be very dangerous if they were aired publicly, because they could be taken as offering political views on political events. I suggest in all honesty that the context was that the BBC was arguing strongly to downplay the amount of resources, effort and money that would be required to cover the items.**

Mr McManus is completely wrong. To suggest that the BBC holds or espouses particular political views (or that we would make statements that would, in reasonable circumstances, be open to such interpretation) is a contention that is completely without substance. It flies in the face of our Editorial Guidelines, our basic values and the conduct required of us, as an independent broadcaster, under the terms of our Royal Charter.

Further to suggest that we are intent on 'downplaying' either the importance of the Referendum or the Commonwealth Games, or the resourcing that will be required to cover them, is yet another contention without substance.

### **In conclusion**

Following the most recent request to the Director General and the Director, BBC Scotland, the BBC decided not to appear before the committee, principally for two reasons:

- (i) it was felt that, having appeared before Holyrood committees three times in the space of just 8 months, with written submissions also provided to committee members, covering, in detail, the BBC's response to the freeze in Licence Fee and the approach taken through the Delivering Quality First proposals, there was little else to add to what had already been said;
- (ii) and it would have been quite inappropriate to engage in debate on, and/or to contest, industrial relations issues in such a forum. This is borne out by the nature of the submissions to the committee from the representatives of NUJ and BECTU and the subsequent requirement to offer response to, and to correct, as herein, many of the contentions they placed before the committee on that day.

**ENDS**