



# Independent Review of BBC News 24

By Richard Lambert

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## Section 1: Introduction

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- 1.1 The terms of reference for this independent review of BBC News 24 were set out by Tessa Jowell, Secretary of State for Culture, Media and Sport, on March 21, 2002:

*The independent reviewer shall:*

*Consider whether, in delivering its News 24 service, the BBC is acting in accordance with the facts and assurances upon which approval to proceed with the service was given;*

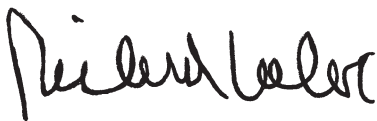
*Have regard, in reaching any conclusions, to:*

*a) The BBC's own report on the performance of News 24 and to any subsequent evidence provided by the Corporation; and*

*b) Views submitted by any other interested parties in response to the BBC's report;*

*Submit a report to the Secretary of State, in publishable form, by the end of June 2002, setting out his conclusions and, if appropriate, making any recommendations he believes necessary to ensure that News 24 is operated in line with the original approval.*

- 1.2 To start the review process, I wrote to some 116 individuals and organisations that might have an opinion on the subject, and asked them to express their views. I am most grateful to those who replied: their names are shown in Appendix A.
- 1.3 In addition, I read the background files, together with the public statements made by the BBC over the past decade on its plans for the digital future, and other relevant public documents. I spent time at Television Centre and at BBC news centres outside London, and I visited Sky, ITN and other interested parties. To get a wider range of opinions, I commissioned MORI to interview 152 "opinion leaders" – politicians, business leaders, trade unionists and the like. Their views on the channel are attached in Appendix B.
- 1.4 Finally, I watched a sobering amount of television news.
- 1.5 Everyone I have approached on the subject has responded generously and patiently, for which much thanks.



RICHARD LAMBERT

## Section 2: Brief Chronology

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- 2.1      **1989:** Sky News launches.
- 1992:** The BBC proposes the introduction of a 24-hour television news channel as a strategic objective in its document *Extending Choice*.
- 1993:** This goal is repeated in the BBC's response to the Government's Green Paper on the future of the BBC.
- 1996:** More specific plans for the channel are set out by the BBC in its document, *Extending Choice in the Digital Age*.
- 1997:** In February, the BBC issues a public consultation document, *The Digital Service Proposition*, and in June it publishes its response to the consultation. In March, the BBC obtains approval for the launch of a first phase of new digital television services on digital satellite. Those new services include a 24 hour news channel. In October, the then Secretary of State grants the BBC a further approval for the carriage of BBC News 24 on analogue cable. BBC News 24 is launched in November.
- 2000:** Chris Smith, then Secretary of State for Culture, Media and Sport, announces plans in February to open the BBC to more external scrutiny. He says the Government would carry out a programme of reviews of all the current BBC digital services. "We propose that a priority for such scrutiny should be News 24." In August, ITN launches its own dedicated news channel – the ITN News Channel.
- 2002:** Tessa Jowell, the present Secretary of State, launches this inquiry in March.

## Section 3: The BBC's Commitments

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3.1 The Government's main concerns in considering the BBC's plans for the new digital channel were to ensure that:

- It was compatible with the BBC's primary public service role.
- It provided a universal coverage of services.
- It was compatible with financial prudence.
- It would be received by licence fee payers without additional charge.

3.2 In its request for approval, the BBC said:

*The channel will focus on delivering comprehensive coverage of events as they happen locally, nationally and internationally, in widescreen. It will cover a broader agenda than any other news broadcaster. Drawing upon the BBC's regional newsgathering base, it will provide more news from around Britain than any of our competitors can offer. In addition, the BBC will deliver a comprehensive and in-depth coverage of world affairs. Whenever possible, it will carry breaking news live. The final design of the services is being planned to allow maximum sharing of programmes and resources with BBC World.*

*24 Hour News will offer a fresh and innovative approach to continuous news on television. It aims to convey the excitement and immediacy of the newsroom and will take viewers to the news wherever it is happening.*

*The proposed channel will offer –*

- *A dip-in service, giving regular updates of breaking stories.*
- *Context and analysis of the key stories.*
- *Extensive live coverage.*
- *Widescreen broadcasting.*
- *More accessible and engaging presentation.*

*The strong regional coverage will be on the basis of "opting in" rather than opting out, featuring regular visits to the BBC's regional newsrooms across the UK for live reports and comment.*

*The world news will draw upon BBC Correspondents and bureaux worldwide to provide in-depth global coverage. There will be regular opportunities for BBC Correspondents around the world to talk to viewers and to give a world context to events and underlying issues.*

*Other features will include:*

- *A comprehensive news bulletin each hour – from the heart of the newsroom – including sport, business and weather updates. Where major live events cannot be broken into, this service will be in text at the bottom of the screen.*
- *A news summary on the half hour.*
- *Business and personal finance updates each hour from the business desk or live from location.*
- *An hourly sports desk – broadcast from the Sportsroom.*
- *A clear and comprehensive hourly weather service – from London and live throughout the UK.*

*Continuous news will bring financial benefits. The news channel will take full advantage of shared resources, planning and economies of scale across all BBC news operations:*

- *Planning across multiple networks will minimise duplication of effort.*
- *Co-siting, and the computerised versioning unit, using ENPS and file server technology allows single journalists to produce items for several outlets.*
- *Substantial financial synergies – for example, quick reversioning of material, simulcasting and co-production with BBC World.*

*There will be synergies with existing analogue news services and simulcasting with BBC World, which will help control the annual operating cost.*

- 3.3 No business plan for the channel was submitted to the Government. Such detail was, and is, considered to be the responsibility of the Governors. But the BBC did undertake that the cost of the new channel would be “reasonable”.
- 3.4 For the purposes of this inquiry, the problem is that all these criteria are extremely subjective in nature. There are no rigorous benchmarks against which the BBC’s performance can be measured without leaving room for debate.
- 3.5 So the BBC, in its submission to me, argues that it has fulfilled all its commitments with flying colours. The only hint of self-criticism comes when it discusses its regional coverage.
- 3.6 Sky, by contrast, claims that the BBC has failed on just about all of all these counts, and on some others besides.
- 3.7 My comments, by necessity, will also be subjective in nature. They will, however, be backed up by audience figures and market research.
- 3.8 I will start with an account of what has happened to the channel since its launch nearly five years ago. I will then give my views of its strengths and weaknesses, and suggest some ways in which its performance might be assessed more rigorously in the years to come.

## Section 4: A Brief History

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- 4.1 In its submission to my inquiry, the BBC gives a glowing account of the channel's performance to date. But Richard Sambrook, director of BBC News, concedes in his introduction that: "This success and reliability did not come instantly".
- 4.2 This is an understatement.
- 4.3 News 24 was launched in November 1997, and could hardly have got off to a worse start. It immediately ran into serious problems with technology, with its style and presentation, its news concept, and with its organisation. Although these have now been corrected, the channel has had to fight hard to win hearts and minds within the BBC and to build its reputation with the viewing public.
- 4.4 The production process was built from the start on digital systems – which enabled the channel to keep staff numbers down and create a structure that would last into the future. But the attempt to introduce three different computer systems along with new working practices inevitably led to serious technical problems.
- 4.5 For the first few months, the main concern seems to have been not so much about the quality of programming, but more about simply staying on air.
- 4.6 A second problem came from the style and presentation of the programme. The BBC was determined that the new channel should appeal to younger audiences who had been turning away from its flagship news bulletins. Despite the fact that it had been specifically warned in its public consultations earlier in the year that viewers did not want an informal style of presentation, News 24 was designed to look very different from the established news bulletins. The idea was to take the camera into the heart of the newsroom.
- 4.7 The outcome was unhappy. The News 24 set, according to one insider, looked like a car crash in a shower room. Viewers were not enthusiastic about news presenters in shirt sleeves whom they had never seen before: they just did not seem to have the necessary air of authority.
- 4.8 In addition, the whole concept of the new channel turned out to be flawed. It was based on the successful formula of Radio Five Live, but what had worked for radio did not work for television. The emphasis of Radio Five is on live news programmes more than on rolling news summaries. Its average listener tunes in for eight hours or more a week – much longer than the average viewer of rolling television news. And it does not repeat material through the day, which is again unlike the 24-hour television news channels.
- 4.9 Working from the Radio Five approach, News 24 began with separate production teams for different parts of the day. Editors tended to start their shifts looking for new ideas rather than rolling forward with the agenda that had been set earlier in the day. There seems to have been uncertainty about whether the main priority was to cover live events or to run frequent headline news summaries. This meant that viewers would not always get the news at the expected time.



- 4.10 News 24 had its own breakfast programme, in competition with BBC ONE.
- 4.11 In organisation terms, News 24 was put alongside Five Live in a group called “Continuous news”. The flagship news programmes of BBC ONE and TWO were separately organised in “Daily news”. Among other things, this meant that the main network news bulletins were extremely reluctant to cross promote the new rolling news service.
- 4.12 It is not surprising, given all the circumstances, that there was open hostility within parts of the BBC news organisation to the new channel. Star correspondents were reluctant to appear on it, and executives outside London tended to regard it with something close to despair. It was also difficult to attract important guests, especially on the political side where Sky News had already established a strong reputation.
- 4.13 Inevitably News 24 spent the first few years of its life in a state of almost permanent reorganisation. The set was redesigned in a way that brought put News 24 into line with the rest of BBC news. Presenters today wear suits, and the set is in the red and cream colours of BBC news. The opening credits and the overall branding are also aligned with the rest of BBC television news.
- 4.14 In response to the viewing figures, the emphasis of News 24 shifted towards breaking news and regular headline summaries. Whereas in the early days there had been efforts to include on a regular basis stories about the regions, health or science, now such items had to make their way on to the air on their own merits in competition with other stories. Producers became more willing to break into live events or scheduled programmes to announce breaking news.
- 4.15 Perhaps the biggest change came in 2000, when the Five Live approach to news programming was finally abandoned. Now the day is built on the concept of a continuous stream of information, as opposed to being broken up into different segments with rather different objectives. And News 24 was put alongside the flagship news bulletins of BBC ONE and TWO in organisational terms.
- 4.16 People within BBC television news say that as a result of these changes the channel has really started to work well within the last 18 months or so. Today it certainly gets a reasonable share of heavyweight guests, and star correspondents also appear frequently. BBC people in newsrooms around the regions and nations say that communications with the channel have improved significantly.
- 4.17 All this seems to have been noticed by viewers. According to its own internal research of around 800 adults, only 3.4 per cent rated News 24 as “best for news and current affairs” in the first quarter of 2000. For comparison, 8.8 per cent chose Sky News. By the first quarter of this year, again according to the BBC’s figures, News 24 had moved a little ahead of Sky News with a rating of 10.3 per cent.
- 4.18 However, the question is whether News 24 has moved far enough towards delivering the kind of service that it promised back in 1997. And that is the issue to which I now turn.

## Section 5: BBC News 24's Performance Against the Approvals Given

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- 5.1 After a poor start, News 24's performance is satisfactory in all areas, and better than that in some. Its audience ratings have improved, as I will show later. And market research undertaken for this inquiry shows that it is highly regarded by a range of senior opinion formers.
- 5.2 However the channel is not yet as good as the BBC claims it is, or as good as it could be. Public self-criticism is not the BBC's style, and its submission is based more on unsupported assertion than on measurable data. The criticisms that follow are intended to be constructive, and start from the premise that BBC News 24 has a very important part to play in public service broadcasting.
- 5.3 Most of my comparisons are with Sky News. This is because its approach is much closer to that of News 24 than ITN's, which is primarily a low-cost headline news service. Sky News sees itself as a full line news channel, in head to head competition with News 24.
- 5.4 I will comment on the criteria in the order presented by the BBC in its submission.

### World Coverage

- 5.5 This is obviously one of the comparative advantages of the BBC, given the extraordinary breadth and depth of its newsgathering operations around the world. News 24 provides high quality coverage of major international events as they happen, usually with live coverage and often with the support of experienced specialist correspondents.
- 5.6 However, its submission overstates its superiority over Sky News in this and other areas, despite the fact that it overwhelmingly outguns its competitors in terms of resources. The channel has developed into much more of a continuous news operation than was envisaged at the start, which means that the emphasis is on big breaking stories — where its advantages over Sky are less clear cut.
- 5.7 Such stories are often set piece events — a summit or a central bankers' meeting — which can be planned in advance. Or they take place in major international centres or hot spots where the BBC's competitors also have people on the ground.
- 5.8 After watching both channels for some time, it became clear to me that News 24 did not choose to broadcast very many world news stories which were not also covered in a competitive fashion by Sky. The BBC can do well when major unexpected events happen in a remote part of the world — a natural disaster, for example. It has also developed a number of scheduled programmes that shed light on international regions or themes.
- 5.9 But its concentration on the events of the day means that the choices it makes for the bulk of its international coverage are not very different from Sky's. For example, you would be unlikely to find a forward-looking piece on the coming German elections, or an analysis of media ownership in Italy.

- 5.10 The result is that its service is not as distinctive as it could be, given the breadth of its resources.
- 5.11 In its submission, the BBC shows the results of a monitoring exercise which it undertook last summer, and claims that the channel covered 50 per cent more unique international stories than both Sky News and the ITN News Channel in the period under review. What is striking, though, is that the bulk of that lead was made up of international business stories, which are not a priority for the commercial channels. If these items are excluded, the story count for the three channels looks much the same.
- 5.12 News 24's stories tend to be rather longer than Sky's, but they are not noticeably richer in terms of context or analysis. Again, this is because the channel is responding to the evidence that most viewers are looking for a quick ten minute view of what is going on in the world, rather than a better understanding of why it is going on.
- 5.13 There are three questions for the BBC to answer:
- Should News 24 consciously seek to broadcast a wider range of international news stories than its commercial rivals, and to provide greater depth as well?
- Can this be done as part of the regular news programming without turning off viewers?
- Or is it better left – as now – to scheduled programmes outside the rolling news agenda?
- 5.14 My answers to these questions are yes, yes, and no. The great challenge for News 24 is to inject breadth and depth into its rolling news schedule.

## Regional Coverage

- 5.15 This is an area where the BBC is performing better than it was but recognises that there is still much more to be done. In his introduction to the submission, the BBC's chairman Gavyn Davies concedes that there is still room for some improvement in the channel, "particularly in our regional coverage".
- 5.16 That is certainly true if you take the BBC's submission at its face value. It states: "Most of the time the channel's principal focus is to tell Britain about itself from across Britain." That is a long way from the actual viewing experience. If your view of life in the UK were based solely on what you saw on News 24, it would be distinctly lopsided.
- 5.17 Again, the starting point is the extraordinary strength of the BBC's overall news-gathering operations, with hundreds of journalists spread across the nations and regions. This has been significantly increased by investment in the new channel, with more satellite trucks spread around the major centres as well as dedicated reporting resources.
- 5.18 But here too, the channel has had to recover from its poor start. In the early days, it hired a lot of relatively inexperienced journalists for its regional operations, and had to cope with a high staff turnover. The channel met with open hostility from some of the BBC's regional newsrooms. Unsuccessful attempts were made to build regular regional slots into the hourly news round, and to run a scheduled programme on stories from around Britain.

- 5.19 All news organisations face a challenge when they attempt to cover the regions and nations in a way that will interest the whole of the UK. Stories that may be of great interest in Glasgow may seem irrelevant in Cardiff. Breaking news from Manchester may well get displaced by bigger stories from, say, Madrid.
- 5.20 There is a real risk that the stories that are most likely to make the grade are particularly nasty traffic accidents, crimes, or court cases. This should not be the main agenda for a public service broadcaster.
- 5.21 The BBC has recognised this risk, and made big efforts to improve the communications between its news centres around the UK. This is a crucial first step, because it is the only way to develop a creative news agenda.
- 5.22 There are at least four different types of news in this category. News 24 is getting much better at the first two, but has work to do on the third and fourth.
- 5.23 The first is a big event that just happens to take place outside London. Nelson Mandela's visit to Glasgow is a recent case in point.
- 5.24 The second is a national story which can be best illustrated by a regional example. A story about nurses' pay is much stronger if it is illustrated with different reports from around the country.
- 5.25 The third is the sort of theme story that can only be generated by close communications among editors around the country. For example, regions might pool their resources to explore whether there is a shortage of secondary school teachers across the UK.
- 5.26 Finally, there are developments in one part of the country which have special relevance in other parts. Obvious examples would be decisions made by the Scottish Parliament or the Welsh Assembly to develop policies that are different from those that apply in England.
- 5.27 I chose to monitor a day at random from 9am to midnight, tracking the regional coverage. A summary is attached as Appendix C, which gives a fair impression of how the channel is developing in this area. It confirms that efforts are being made to meet this agenda – and that there is more to be done.
- 5.28 In terms of sheer volume, News 24 is probably ahead of the competition when it comes to the output of regional news. But its agenda is not particularly distinctive. It does not try hard enough to illustrate the rich diversity of life across the UK today. Nor does it seek to show what the world looks like from outside London by, for example, giving a perspective from Northern Ireland on the day's most important stories from around the world. It is more a question of London broadcasting to the UK than of any kind of broader national dialogue.
- 5.29 This is an area where News 24 would be helped by much clearer performance targets. Obviously its editors need maximum flexibility on an hour-to-hour basis, in order to respond to breaking news. But there are other possibilities to consider: hourly quotas would not make sense, but weekly targets could be a different matter.
- 5.30 The BBC should give fresh thought to developing scheduled programmes from around the nations and regions. These could include set piece interviews of all kinds.

- 5.31 It should seek every day to illustrate as many national news stories as possible with regional examples, and every week to broadcast an increased number of regional theme or trend stories.
- 5.32 It should develop other ways of telling “Britain about itself from around Britain”, and of giving a regional perspective on national and international news.
- 5.33 More thought needs to be given to the way that the BBC’s resources are deployed around the country. For example, if News 24 is going to be a real priority, then satellite trucks may have to be put in places which suit the channel’s needs, rather than those of regional newsrooms.
- 5.34 It is hard to think of a more important element of public service news broadcasting than this. Regional coverage is never going to be a top priority for the commercial rolling news channels. The BBC has the most amazing journalistic resources around the country, and has to find more creative ways of using them to the full.

## Breadth of Agenda

- 5.35 In its submission, the BBC rightly attaches great importance to the breadth and variety of its news agenda. However, three points are worth making.
- 5.36 Firstly, the channel’s agenda has narrowed since the early days. Then, large parts of the evening schedule were given over to different news segments. And most of the weekday “back half hours” – the second half of each hour – were also segmented, with sections committed to health, the regions, science and so on.
- 5.37 This format was not compatible with a rolling news service, and had to be heavily modified. It would have been madness to persist with an unsuccessful formula. But there is a risk that left to itself, News 24’s agenda will converge more closely with that of Sky. This might boost its market share, but at the expense of its public service obligations if in doing so it loses its distinctiveness.
- 5.38 Here again, there is a need for more clarity about what constitutes the channel’s mission.
- 5.39 Secondly, News 24 covers significantly more business stories than its competitors. There are two business news spots in each news hour, a nightly half-hour on domestic business stories and two editions of World Business, covering international business. Its coverage is acceptable, but it could be sharper.
- 5.40 There are three distinct audiences for this kind of information, all of which have separate requirements. News 24 sometimes seems uncertain about this distinction.
- 5.41 One is the general viewer, for whom business news ranks alongside politics or social affairs as a subject of broad interest. A second is the viewer whose prime interest is personal finance, which is very different from general business news. A third is the business viewer, who needs much more detailed information about what is going on in the City or industry.
- 5.42 The channel’s regular daytime slots provide a rather good service for general viewers. But they sometimes confuse general business news stories with personal finance.
- 5.43 News 24 needs to be clearer about which audience it is trying to serve here.



- 5.44 The serious business viewer is unlikely to find the channel's daytime service of much value – and will have other ways of getting the required information more quickly and more comprehensively. The evening half-hour should be much more relevant to such a viewer, but it is broadcast at the very awkward time of 8:30pm. This will be too early for many business people, and it is also too early to catch the closing news from New York. The half-hour is a bit bland in tone, and could do with more, tougher, interviews with business leaders. At the moment there are too many pundits and not enough players.
- 5.45 News 24 should consider a later time slot for Business Today, and should accelerate its current efforts to beef up the programme.
- 5.46 Thirdly, sport and entertainment. These are the two segments where News 24 lags well behind Sky News in terms of viewers' perception. Its own market research shows that Sky is very much more highly rated in these categories. There are several possible explanations for this.
- 5.47 One is the "halo" effect that comes for Sky News from its association with sports and entertainment channels. Another stems from the fact that Sky gives greater prominence to sports and entertainment stories. The BBC will usually carry the same stories, but further down the running order.
- 5.48 A third explanation may be that Sky simply does a better job than the BBC in these areas.
- 5.49 Senior news executives in the BBC believe that they should not throw heavy resources at sports and entertainment in a bid to catch up in the ratings.
- 5.50 They should be encouraged in this viewpoint. The channel cannot excel in everything, and needs to establish clear priorities for its role as a public service broadcaster.
- 5.51 Within its existing resources, however, the channel needs to provide a first class sports and entertainment news service. My impression is that sports news and sports events are divided into rather separate empires.
- 5.52 The BBC should consider whether its sports service is organised in a way best suited to a competitive rolling news channel.

## Breaking News

- 5.53 It is a fair bet that anyone who walks around a newspaper office where televisions are turned on the whole time will find them tuned to Sky News rather than to News 24. The same applies to government offices (including the Department for Culture, Media and Sport).
- 5.54 This may be because Sky has been around longer, or it may be a legacy of News 24's bad start in life. But Sky has a strong record of being first with the news, especially when it comes to domestic politics. The fact that its style is rather snappier and a bit less discursive than News 24's probably also helps.
- 5.55 These impressions are supported by the MORI research report.
- 5.56 The BBC submission suggests that it is more concerned with accuracy than its competitors, which sometimes makes it hold it back on news stories. This suggestion has not been made by anyone else in my inquiry. On the basis of my experience, all the continuous news channels take a very responsible view of their job.

- 5.57 My impression, however, is that News 24 has become more competitive in breaking news over the last year or two. The fact that its reputation has improved *within* the BBC news organisation is obviously important here. Interviews which in the past may have been held back for one of the flagship news programmes on BBC ONE or TWO are now made available to the channel almost as a matter of routine, and star correspondents will now put themselves out to give the channel a competitive edge. Channel producers have also rightly shown themselves willing to tear up all their plans in order to accommodate important news stories as they happen.
- 5.58 An absolute determination to be the first to break accurate news must be at the heart of everything the channel does. It does not matter how sophisticated its analysis may be if news seekers are tuned in somewhere else.
- 5.59 A sign of the BBC's growing confidence in News 24 is its willingness to run the channel on BBC ONE when a really big breaking story is developing. The first time this happened was when the Concorde crashed in July 2000. The following year, BBC ONE took the news channel on 12 further occasions, including September 11.
- 5.60 This obviously makes a great deal of sense. One question is why it only happens for *unexpected* breaking news.
- 5.61 The BBC should consider putting the News 24 brand on all news which breaks into the regular schedules of BBC ONE and TWO. For example, why not run BBC ONE's reports on Budget Day under the News 24 brand?

## Context and Analysis

- 5.62 A tension lies at the heart of News 24's offering. On the one hand, it aims to appeal to viewers who are only going to give it ten to fifteen minutes of their time. On the other, it wants to exploit the BBC's mighty resources to give real insight and expert analysis on major events as they happen.
- 5.63 The two cannot easily be reconciled, at least under the same format, and usually it is the analysis that has to give way. Many of the specialist correspondents, like Nick Robinson at Westminster, are extremely good at thinking and commenting on their feet. But prolonged viewing of any of the continuous news channels does not usually take viewers very far under the skin of a story, and give them a real understanding of its broad meaning.
- 5.64 The obvious answer to this problem lies in the red button – interactivity. This is already available to people who access News 24 through the Sky platform, and its use is spreading through digital cable. Viewers who want headline news can pick it up on the interactive service, leaving more space for discussion and analysis on the underlying channel.
- 5.65 The BBC should be pressing with might and main to extend interactive facilities to as many viewers as possible. It should be using those facilities to satisfy the needs of people who are looking for headline news and live events, leaving scope for more creative programming on the channel. It should be encouraging the development of technology that will allow interactive users to start at the beginning of the bulletin, rather than half way through the loop.
- 5.66 As well as its rolling news programmes, the channel also broadcasts a range of current affairs programmes which are intended to back up its live news output and fill in during the quiet

times of the week. I found most of them to be interesting, but they are more “nice-to” views than “must” views.

- 5.67 The exception is the week-nightly Hard Talk programme, which has a strong personality built around the experience and aggressive interviewing style of Tim Sebastian. It is made for News 24 and rebroadcast on BBC World, which is perhaps why so many prominent international figures are willing to submit themselves to Mr Sebastian’s verbal mugging.
- 5.68 The BBC should consider whether it could develop a clearer personality for some of its other scheduled programmes, perhaps by bringing in more big name anchors.

## News Hour

- 5.69 The BBC’s submission sums up the position. I would raise only two questions, one of substance and the other of style.
- 5.70 The substantive point is discussed in the preceding paragraphs. The question is whether generally available interactivity will allow greater creativity and flexibility within the news hour.
- 5.71 On style, there is a view both within the BBC and outside that some of the presentation could be sharpened up somewhat. I do not feel qualified to comment on this.
- 5.72 However, it is important to note that although the BBC’s range of news stories is not so very different from Sky’s, its news priorities are somewhat different. On the basis of my comparative viewing, it is much less likely to lead with a sports or showbusiness story than is Sky. Its stories are a little longer (among other reasons, it does not have to accommodate advertising spots).
- 5.73 In newspaper terms, if Sky is the Daily Mail then News 24 is one of the broadsheets. That positioning seems to me to be appropriate.
- 5.74 The BBC should confirm that this is where it wants News 24 to stand in the marketplace.

## Fresh and Innovative Approach

- 5.75 Sky makes many criticisms of News 24, some of them very sweeping in nature. However, its claim that News 24 has been derivative from the start, and has got most of its best ideas from Sky, does not go too far beyond the mark.
- 5.76 But this claim does not seem particularly relevant. News 24 spent the first few years of its life struggling to get the format right. Only now that it is on a sound footing can it turn its mind to being fresh and innovative.
- 5.77 One very important area is interactivity, which I have already discussed. Another is graphical presentation. News 24 has not been particularly original with its use of graphics so far, but it has recently installed a sophisticated new graphics suite and it will be interesting to see what difference this new equipment makes.

## Operational Synergies

- 5.78 I propose to cover these under a separate section, which will look at the costs of the channel.



## Section 6: Costs

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- 6.1 Describing its plans to launch a 24-hour television news channel in its 1996 document, *Extending Choice in the Digital Age*, the BBC said: “We can afford to supply around-the-clock news and analysis, given its relatively low marginal cost”.
- 6.2 No commitments were made to the Government about costs when the BBC applied to launch the channel, other than that they would be “reasonable”. Under the terms of the BBC’s Royal Charter, the Governors are required to satisfy themselves, among other things, that licence payers get value for money.
- 6.3 The costs of News 24 in the financial year to March have been disclosed as follows in the BBC’s annual report:
- 1997-1998:** £26.5m (the channel was launched part way through the year)
- 1998-1999:** £50.3m
- 1999-2000:** £50.3m
- 2000-2001:** £48.1m (the previous year’s figures were restated at £47.7m as distribution costs were presented separately)
- 6.4 It is not possible to make firm comparisons with rival channels, since no-one publishes enough details about the basis on which the numbers are put together. However, it seems safe to say that News 24 costs significantly more than its rivals. The costs of Sky News are put at around £35m, and I estimate that its editorial headcount is also measurably lower than the number of journalists directly employed by News 24.
- 6.5 ITN’s business model is very different. It concentrates on headline news, and on repurposing material produced for its flagship news bulletins. It has introduced desktop technology that has allowed it to run with very small numbers of production people. At a guess, its annual costs are well under £10m.
- 6.6 News 24 also has access to the BBC’s enormous newsgathering machine. And it benefits from significant cross promotion from the flagship news bulletins, for which it is not charged.
- 6.7 All this adds up to a lot more than a “relatively low marginal cost”. In very rough terms, the cost of the channel is equivalent to about one seventh of the BBC’s total spending on television news and current affairs.
- 6.8 These costs have been attacked by the Select Committee on Culture, Media and Sport. In 1999, it stated: “We find it difficult to discern the justification for News 24 in view of its huge cost and small audience. The BBC has failed totally to explain why the costs of News 24 are so high in the context either of other news broadcasters or in the context of its total news budget.”
- 6.9 Sky News also attacks the channel on value for money grounds. “This is a huge cost for a channel accounting for just 0.2 per cent of all UK television viewing and which fewer than one in ten viewers watch in any week even in the minority of homes in which it is actually received.”

- 6.10 For its part, the BBC argues that the channel is operating within its original (undisclosed) five-year business plan. There have been some significant cost savings – staff turnover has fallen, the commissioning structure has been simplified, and the separate breakfast programme has been dropped. Against that, staff numbers are higher than originally expected.
- 6.11 The channel appears to be carrying full charges for its access to the BBC news machine. For example, newsgathering costs represent the direct staff and resources costs of the channel, together with an allocation of the underlying costs of the newsgathering infrastructure of bureaux and correspondents. Corporate and local overheads are recovered by fully charging to News 24 on the basis of headcount. Other BBC non-channel specific costs are allocated on a pro rata basis to News 24.
- 6.12 So News 24 is paying its share of the Director General's limousine.
- 6.13 The costs of regional and national coverage are also substantial. They include live links coverage with edit capable trucks at eight regional centres, camera units at 14 regional centres; ad hoc camera crews and additional staff based in the regional and national centres and liaising with London.
- 6.14 Are News 24's costs "reasonable"? They are certainly generous by the standards of the competition, and much higher than an outsider might have expected on the basis of the BBC's comments ahead of the launch. Against that, the BBC is developing what is for it a new form of journalism and can hope that the viewing audiences will grow further over time.
- 6.15 Given its apparently high cost structure, the BBC should publish more information about the channel's financial performance. On what basis have the Governors determined that it offers licence payers value for money?
- 6.16 Taking a broad view, it is clear that the launch of News 24 has substantially increased the resources of BBC television news as a whole. The new channel's budget was not drawn from existing news operations: it largely represented new money. This has had a big impact across the system. To take just one example, the regions say they have benefited significantly by being able to take advantage of new satellite truck capacity.
- 6.17 This extra resource has also been of real value to the commercial news arm, BBC World. When BBC World takes content from News 24 it is charged on a marginal basis, which means that it does not pay anything unless the material is repurposed to meet its requirements. Material generated by World for its own use, such as content targeted at South and East Asia, is separately funded and does not run on News 24.
- 6.18 These arrangements are audited under the Fair Trade agreement as strengthened following the report *The Future Funding of the BBC*, published by a panel chaired by Gavyn Davies in 1999. But they are not separately disclosed.
- 6.19 In its submission to the review, ITN makes a strong case for greater public disclosure in this area. It is concerned that news operations (like News 24) which have been funded by the licence fee should not directly or indirectly subsidise the BBC's commercial activities, giving them an unfair advantage over commercial competitors. It recommends that the BBC should be required "to produce more detailed accounts showing how the 'operational' synergies between

BBC News 24 and BBC World actually work, using clear financial transparency to demonstrate a proper separation of licence fee funded and commercial services.”

- 6.20 I agree that at present licence fee payers and the BBC’s competitors have to take too much on trust.
- 6.21 The BBC should publish broad details of the financial relationships between its subsidised and commercial news activities.
- 6.22 In addition, the BBC claims that integrating the channel has brought significant efficiencies. Examples include the shared use of facilities across the regions and nations; shared production systems with BBC World and the BBC ONE bulletins; and a similar sharing of resources on international stories. BBC ONE makes some savings and offers an enhanced service by simultaneously broadcasting News 24 overnight. It also saves money on big breaking stories when it switches to News 24’s output.
- 6.23 As the main place for bringing new technology and working practices to BBC News, the BBC says that the new channel has delivered a substantial amount of expertise and flexibility to the department. The methods of working are being extended into other parts of the BBC’s television news services.
- 6.24 More generally, senior news executives claim that the existence of a 24-hour news operation has substantially improved the BBC’s whole approach to television news.

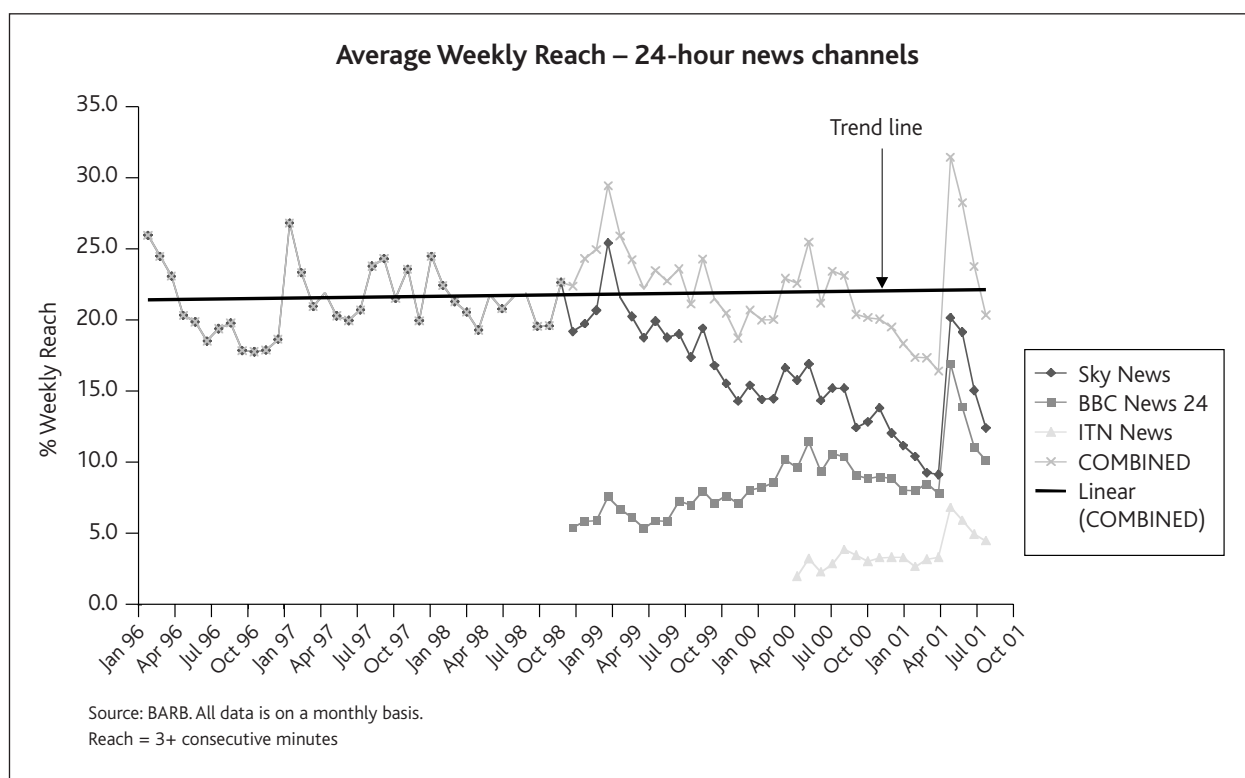
## Section 7: The Audience

- 7.1 News 24’s audience has grown steadily over the years, to a point where it is running neck and neck with Sky News. ITN is well behind in this respect, and other channels like CNN and Euronews barely register on the scale.
- 7.2 The overall audience is small, but it has risen over the years: there appears to have been a noticeable uplift since September 11. In May this year, some 5.7m viewers were tuning into continuous news channels (News 24, Sky News and ITN News Channel) every week in multichannel homes. This compares with well under 4m four years earlier. News 24 and ITN News Channel effectively account for all this increase.
- 7.3 The share for the three continuous news channels in May was 1.53 per cent, which is equivalent to 57,000 homes at any given minute.
- 7.4 Although they are working from the same industry data, the different channels make very different claims for their success with the viewing public. For example, the BBC tends to include in its data the viewers who watch the channel when it is transmitted on BBC ONE overnight, which enormously increases the total and makes comparisons with other news channels meaningless.
- 7.5 The number of multichannel homes has been growing steadily. By the end of 2001, they represented 44 per cent of all UK homes and the 50 per cent level will soon be passed. Since multichannel households are larger than average, this means that over 50 per cent of viewers have access to multichannel television already.
- 7.6 Put another way around, though, nearly half of all licence fee payers at present can only see News 24 when it is being broadcast on BBC ONE overnight.
- 7.7 Sky News is much more popular than News 24 in homes which have satellite television, while News 24 does better in cable homes, and has a clear run on digital terrestrial television, which does not carry Sky. This latter point helps to explain the recent growth of News 24’s audience compared with Sky’s.
- 7.8 So in judging the overall numbers, it is important to get a sense of the current availability of the different channels in multichannel homes.

Current availability	Cable	Satellite	DTT
Total subscribers	3.6m	5.7m	1.3m
Share of total	34%	54%	12%
News 24	Yes	Yes	Yes
Sky News	Yes	Yes	No
ITN News	Yes	Yes	Yes

Source: ITC submission

- 7.9 Television audiences can be measured in different ways.
- 7.10 Channel reach in multichannel homes is the percentage of total multichannel audiences who watch three or more minutes of 24-hours news channels per week. As the ITC points out in its submission, this is an important indicator of the impact of the channels. Many viewers dip briefly into the news channels to catch up with the news headlines, so that although audience shares overall may be low, their reach will be a good indicator of how useful the channels are as a general source of information.



- 7.11 This shows the long-term trend for total news channel reach is flat at just over 20 per cent. Before the introduction of News 24, the average weekly reach of Sky News was basically stable, but since then it has declined and the figures for the two channels have now more or less converged.
- 7.12 Similar conclusions can be drawn from the figures for average audiences and for audience share. The average viewing session for all three channels immediately before September 11 was around 12 minutes.
- 7.13 In demographic terms, the audience profiles are very similar to those for the news bulletins on the main network channels in terms of income and social category. Viewers of dedicated news channels are likely to be older than viewers in multichannel homes in general, and News 24 viewers in turn tend to be older than those who watch either Sky News or ITN News.
- 7.14 Looking at the broader picture, total viewing of television news of all kinds has been declining. In 1993, the figure was 2.26 hours per person per week. By 2000 it was down to 1.90, but last year's dramatic events helped to boost the 2001 figure to 2.11 hours.
- 7.15 What can we conclude from all this? Sky argues that News 24 has not demonstrated sufficient audience appeal to justify public funding. The BBC, by contrast, believes that taken in the round the channel offers excellent value for money.

- 7.16 Based on the audience figures, News 24 has developed into a useful source of information for a significant number of viewers. But it has not greatly changed the UK's viewing habits or brought large numbers of younger viewers back to television news.

## September 11

- 7.17 Both the BBC and Sky make big claims for their performance and their viewing figures on the day. Sky News peak audience was three times greater than News 24's. But the fact that News 24 coverage was also available on the main network channel, where it attracted huge numbers, would go a long way to explaining this difference.
- 7.18 However, two points are worth making. Sky News won a coveted BAFTA award for its reporting on the day. And as the ITC wrote in its submission to this inquiry: "The fact that in multichannel homes a significant number of viewers did turn to Sky News would tend to indicate that it has also established itself as an authoritative news source in the case of these major international events."

## Market Research

- 7.19 My observation that so many newsrooms were tuned to Sky News rather than to News 24 prompted me to ask MORI to research the views of opinion leaders on continuous news channels. I wanted to find out whether what I had seen really represented the habits of people who make the news.
- 7.20 In mid-June, MORI interviewed by telephone a sample of 152 such people – politicians, academics, senior business people, journalists and the like. This is only a relatively small group, so caution is required in interpreting the results. I was looking for broad messages, and these were forthcoming. They are summarised in Appendix B.
- 7.21 In absolute terms, News 24 was highly regarded by this sample, with around four in five rating its service as good. Sky's ratings were also high.
- 7.22 The perceived strengths of the channel are its comprehensive news coverage as well as its provision of context and analysis, and a broad and varied news agenda. It is also marginally ahead of Sky News in being the channel that the group tended to turn to first, especially on international stories.
- 7.23 On the other hand, when opinion leaders have a channel on all the time, it tends to be Sky. MORI says this trend is especially pronounced among the press, and "may be linked to the perception that Sky News is more effective in covering breaking news than BBC News 24".
- 7.24 Neither channel is rated highly for its coverage of regional news.
- 7.25 Sky News is positively regarded for providing a fresh and innovative approach, which, for some advocates of the channel, makes BBC news coverage look "old fashioned" and "boring".
- 7.26 The message is that both channels are seen to do a good job in their different ways. However, it is worth remembering that News 24 has a significantly higher budget than Sky News, and has access to the vast newsgathering machine of the BBC. On this basis, it might have been expected that News 24 would by now have developed a strong lead in the mind of the viewing public.



## Section 8: Governance Issues

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- 8.1 In their annual reports, the Board of Governors of the BBC have not had much to say about BBC News 24. Leaving aside their brief factual remarks, the sum total of their remarks has been as follows:
- 1997-98:** “BBC News 24 is finding its feet, but already the authority and newsgathering strength of BBC News are available on a 24-hour domestic television service.”
- 1998-99:** The Director General concedes that “the channel’s youthful style does not appeal to all sections of the potential audience.” But the Governors talk (briefly) about a successful launch, and say the channel’s audience reach was well ahead of Sky News – presumably by including the overnight viewers on BBC ONE.
- 1999-2000:** It emerges that the launch had not been quite so smooth after all, but that all is now well. According to the Governors, BBC News 24 is “becoming well established despite a public battering in the first 18 months.” The Director General goes on to claim that this is the UK’s most watched UK news channel, and reports on the introduction of “a new set and a clearer schedule, giving it the added authority that people expect from the BBC.”
- 2000-2001:** The annual report states that “The role of BBC News 24 is still challenged by some commercial news providers”. Yet “it was heartening . . . to see News 24 coming into its own this year. It measures up in terms of quality against any BBC service”.
- 8.2 For a channel that has so far cost around £220m and which at one stage threatened seriously to weaken the reputation of the BBC as a news organisation, these comments seem perfunctory.
- 8.3 In its review of the future funding of the BBC three years ago, the Gavyn Davies panel discussed the “problematic” position of the Governors. On the one hand, they are the main instrument by which the BBC is rendered accountable. On the other, they are often regarded as part of the management of the Corporation. When it comes to News 24, the Governors seem to have put themselves squarely into the latter category.
- 8.4 But as this report has suggested, News 24 needs a clear remit. Left to itself, it could become a public service version of Sky News. The natural instinct of good journalists is to benchmark themselves against their strongest competitor, and the newsroom of News 24 is no exception.
- 8.5 The Governors’ responsibility is to spell out the ways in which they want the channel to be distinctive. Rather than relying on the series of general assertions on which the Government gave its approval to the channel in 1997, the Governors should be setting measurable targets. Examples might include audience reach, regional coverage, and the balance between headline news, detailed reporting and scheduled programmes.
- 8.6 ITN makes a separate argument in favour of the BBC publishing a detailed remit for the channel, against which its future performance could be more clearly measured. Without such a document, it argues, commercial rivals will find it very difficult to create a functioning

business plan since they have no clear idea of what they will be up against. If they find a profitable niche in which to operate, the BBC might simply move over and crush them.

- 8.7 ITN hints that News 24 modified its programming to compete with the headline service offered by the ITN News Channel when it was launched two years ago – an idea which the BBC vigorously denies.
- 8.8 The BBC is drawing up statements of programme policy for all its channels, as recommended by the Communications Bill, but this seems unlikely to go far enough, at least in the case of News 24.
- 8.9 The Governors should consider publishing each year a much more detailed remit for News 24. This should be as precise as possible about its objectives, and about the ways in which the channel should be distinctive. It should be a working document which would help people throughout the channel to make their daily decisions.
- 8.10 There is also a broader issue for the Governors to consider. My impression is that the existence of BBC News 24 could be having an indirect – and in my view undesirable – impact on BBC ONE's news bulletins. The suggestion is that News 24 could be turning into something like the official voice of BBC's domestic news operations, allowing BBC ONE to adapt its news bulletins to attract the kind of audience that it is looking for. For example, the content of the BBC News at Six bulletin could be shaped in such a way as to make it snappier and more family friendly.
- 8.11 The Governors need to be clear about whether they are happy for BBC ONE to customise the content of its main news bulletins in order to suit the channel's target audiences.
- 8.12 A final point is worth making under this heading. The Government intends this report to be the first of a series of reviews of the BBC's digital services. I would suggest that these reviews should be made the responsibility of OFCOM once it is established. Under the Communications Bill, OFCOM will be responsible for reviewing public service broadcasting as a whole, and it would bring a proper level of professional expertise to the task.
- 8.13 The Government should consider handing responsibility for these reports to OFCOM. Where appropriate, they should be followed up by further inquiries.



## Section 9: Conclusions

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- 9.1 It was not the job of this inquiry to reopen the question about whether the BBC should have been given permission to launch News 24 in the first place. However, a number of points are clearer today than they were nearly five years ago when the channel was launched.
- 9.2 One is that the sources of news are proliferating. The Internet, text messages, and 24-hour news are now all significant news sources especially for younger people.
- 9.3 Another is that people are growing accustomed to looking for news at times that suit them, rather than the publisher or broadcaster. Especially when some major news story is breaking, viewers or readers want immediate access to what is going on.
- 9.4 A third is that digital technology is transforming the ways in which information can be relayed around the world.
- 9.5 News reporting remains at the heart of public service broadcasting, and is one of the most important justifications for its existence. It is clearer today than it was five years ago that the future of the BBC as a great news organisation would have been put in jeopardy over the long term if it had not been allowed to broadcast 24-hour television news.
- 9.6 The development of this channel has also improved the BBC's whole approach to newsgathering, making it quicker to respond to big stories as they happen. And although the financial costs have by any standards been very high, the arrival of News 24 has substantially increased the BBC's overall editorial resources.
- 9.7 News 24 is not universally available to licence fee payers, except when it is being simultaneously broadcast on BBC ONE. However, if it had been forced to wait until the available audience was very much larger, it may well have been too far behind the competition to make an impact.
- 9.8 Sky News has suffered material financial damage as the result of the arrival of a subsidised competitor. But at least the damage has not been fatal. And it is important to note that ITN chose to move into the rolling news business in August 2000, well after the launch of News 24. ITN says that it is there to make money. It identified a gap in the market, and was not deterred by the BBC monolith.
- 9.9 So although I was not asked the question, my view is that the decision to give BBC News 24 permission to launch has been justified.
- 9.10 After a rocky start, the channel is now providing a reliable and professional service. And it is one that shows every sign of improving, as journalists within the BBC begin to regard it as an asset rather than a liability.
- 9.11 But now is the time to be much clearer than has been the case so far about what the distinctive features of the service should be. What are the qualities that should distinguish a public service rolling news service from a good commercial competitor?

- 9.12 In its public pronouncements the BBC excels in high rhetoric about its mission. But this is not enough.
- 9.13 The biggest risk facing News 24 is that left to itself it will become a slightly upmarket (critics would say more boring) version of Sky News. Its journalists are competitive and committed, and they naturally want to beat the competition both in content and in audience size. They need a clear idea of their public service mission to inform the choices they have to make every day about the trade-off between appealing to the largest possible audience and providing a truly distinctive service.
- 9.14 The BBC has the richest, biggest and most professional newsgathering machine of any broadcaster in the world. It is not yet exploiting its full potential in News 24 – and it will not do so if it decides to compete on a battlefield that has been established by Sky News.
- 9.15 According to the BBC, the Governors have been actively engaged in helping to shape the service throughout its short life. But they have been more or less invisible as far as outsiders are concerned.
- 9.16 In ITN's words: "In this accountability vacuum, licence fee payers do not know what they are funding and the BBC's competitors have no idea what they are actually competing against. In short, the inevitable (and justifiable) market distortion of a licence fee funded service is compounded by unnecessary (and indefensible) market uncertainty."
- 9.17 This report has suggested various ways in which the BBC could shape News 24 as a distinctive news service of a kind that only a public service broadcaster could provide. I hope that its contribution will be helpful.

## Appendix A – Responses to Independent Review of BBC News 24

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NAME	ORGANISATION
Ray Gallagher	BSkyB
Robin Pauley	BT
Dawn Airey	Channel 5 Broadcasting Limited
Dr John Cook	Glasgow Caledonian University
Jonathan Porter	ITC
Nick Toon	ITV Network Limited
John C. Beyer	Mediawatch-Uk
Becket McGrath	Office of Fair Trading (Confidential Response)
David Edmonds	OFTTEL
Rosemary Stock	Satellite & Cable Broadcasters' Group
Dr Brian McNair	University of Stirling
Jocelyn Hay	Voice of the Listener & Viewer

## Appendix B – MORI Report on Views of Opinion Formers

### Section 1: Introduction

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- 1.1 This volume presents the results of a telephone survey conducted among senior opinion formers by the MORI Social Research Unit on behalf of the Lambert Review of BBC News 24.
- 1.2 This project aims to explore attitudes and perceptions of BBC News 24 among this group, with the specific issues covered in this survey including:
- Current use of, and preference for, digital rolling news channels;
  - Ratings of the quality of service provided by BBC News 24;
  - Barriers to watching BBC News 24 more often.

### Methodology

- 1.3 MORI interviewed, by telephone, a sample of 152 senior opinion formers between 10th – 19th June 2002.
- 1.4 The sample was designed to include a wide range of professions and organisations, while also ensuring a broad spread of respondents by region. The sample included representatives from the following groups:
- Trades Unions
  - Business organisations
  - MPs, Peers, MSPs, AMs, MLAs
  - NGOs/Voluntary organisations
  - Regional Editors
  - Think tanks/academics
  - National news organisations
  - Trade magazines
  - Captains of industry
  - Local authority Chief Execs/Leaders
  - Business correspondents
  - Political parties/campaigns
- 1.5 Data are unweighted.

### Report Layout

- 1.6 Following this introduction, this report presents a summary of key findings from the survey, followed by a more detailed analysis of the main results.
- 1.7 Appendices contain a marked-up questionnaire, and detailed computer tabulations, analysing overall results by key subgroups.

## Presentation and Interpretation of Data

- 1.8 Please note that the small base size of senior opinion formers taking part in this survey mean that caution is required when interpreting the results – findings must be viewed as indicative rather than statistically robust, especially when comparing findings across different opinion former audiences.
- 1.9 Reference in this report is made to “net figures”. This represents the balance of opinion on attitudinal questions and provides a particularly useful means of comparing the results for a number of variables. In the case of a “net good” figure, this represents the percentage who rate a particular dimension as good less the percentage who rate it as poor. For example, if a statement records 40% good and 25% poor, then the net figure is +15 points.
- 1.10 Where percentages do not sum to 100, this may be due to computer rounding, the exclusion of “don’t know” categories, or multiple answers. Throughout the volume an asterisk (\*) denotes any value less than half a per cent.
- 1.11 It is also worth bearing in mind that this survey deals with perceptions at the time of the survey rather than facts; in particular, these perceptions may or may not accurately reflect the quality of service provided by BBC News 24.

## Publication of Data

- 1.12 As with all studies we carry out, these findings are subject to MORI’s standard terms and conditions of contract. Any press release or publication requires the advance approval of MORI; such approval will only be refused, however, on grounds of inaccuracy or misrepresentation.

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June 2002

Checked & Approved: Simon Atkinson

Checked & Approved: Gideon Skinner

Checked & Approved: Jason Cox

## Section 2: Executive Summary

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- 2.1 In absolute terms, BBC News 24 is highly rated among senior opinion formers – with around **four in five rating the service as good** (including 20% who feel it is very good).
- 2.2 The perceived strengths of BBC News 24 are its **comprehensive news coverage** (including world affairs), as well as its provision of **context and analysis** and a broad and varied news agenda. Overall it is seen as a “professional” service – in contrast to the “tabloid” style and reporting provided by Sky News.
- 2.3 BBC News 24 is also marginally ahead of Sky News in being the channel which opinion formers tend to turn to first – again, particularly on international stories.
- 2.4 On the other hand, **overall ratings of Sky News are equally high** (75% think it is good), and it is the channel which opinion formers tend to *have on all the time*. This trend is particularly pronounced among the press, and may be linked to the perception that Sky News is more effective in covering breaking news than BBC News 24.
- 2.5 Sky News is also positively regarded for providing a **fresh and innovative** approach – which, for some advocates of the channel, makes BBC news coverage look “old fashioned” and “boring”.
- 2.6 Neither BBC News 24 nor Sky rate particularly highly for their coverage of regional news – although BBC is nonetheless ahead on this area.

## Section 3: Main Findings

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### Access to Digital TV

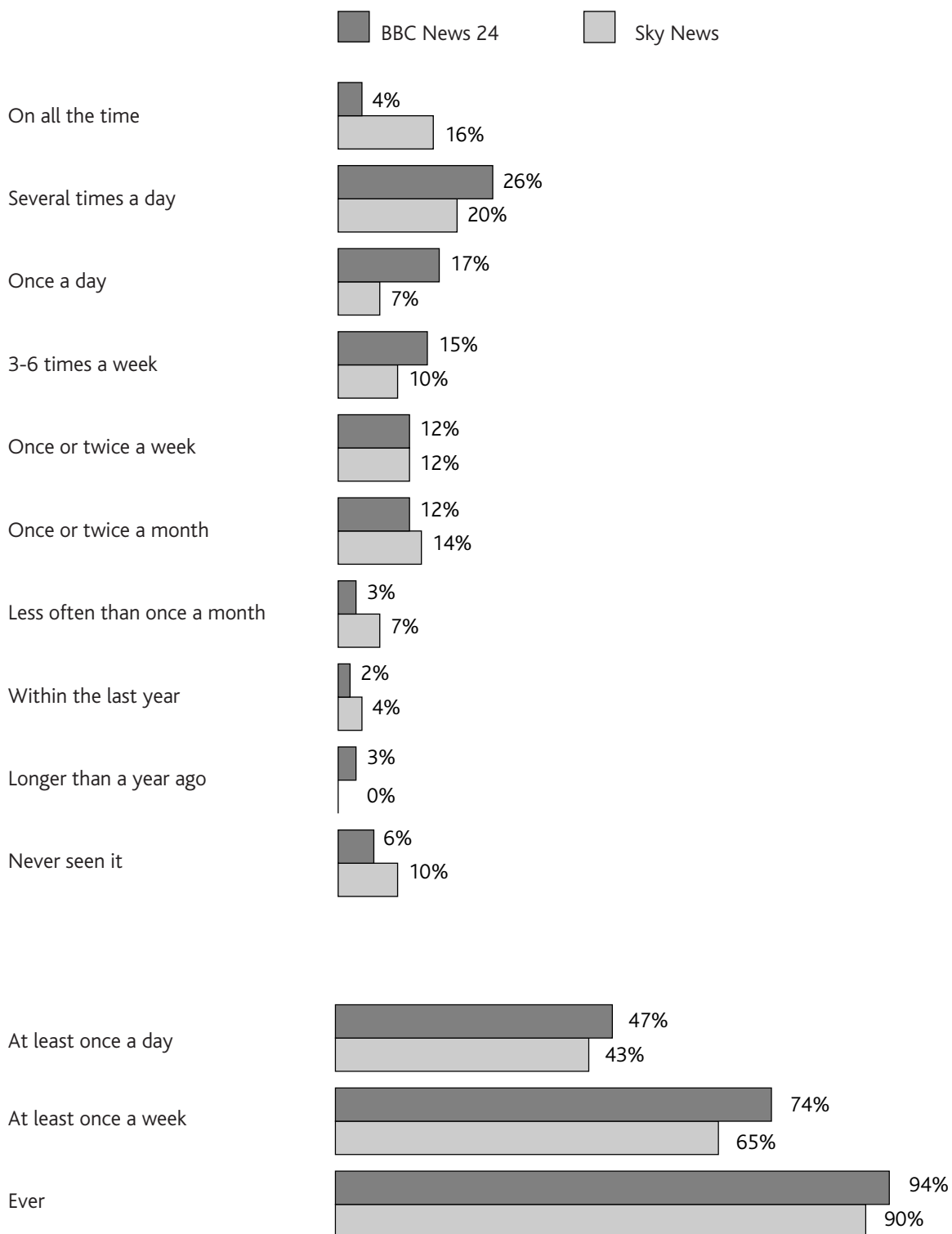
- 3.1 Over half of all respondents have access to satellite, cable or digital TV at home (57%), while a similar proportion have access to digital TV at work (53%). Home access is highest among Captains, while those working in the press report higher levels of access at work.
- 3.2 Among those with access at home, satellite digital (Sky Digital) is the most widely reported platform, followed by cable digital.

### Channel Preference and Use

- 3.3 Around nine in ten (94% and 90% respectively) say they have ever seen BBC News 24 or Sky News. In contrast, just two in five (43%) say they have ever seen the ITN News channel, a finding which is likely to reflect lower levels of access to and awareness of this news service.
- 3.4 While the overall proportion of respondents who follow BBC News 24 and Sky News at least once a day are comparable, a greater proportion say that they have Sky News on all the time than BBC News 24. This trend is particularly pronounced among members of the press who are far more likely to have Sky News on all the time (40% versus 9% for the BBC). This may be related to the lower ratings which respondents give to BBC News 24's coverage of breaking stories. On the other hand, respondents are slightly more likely to watch BBC News 24 at least once a week.

### Frequency of Use

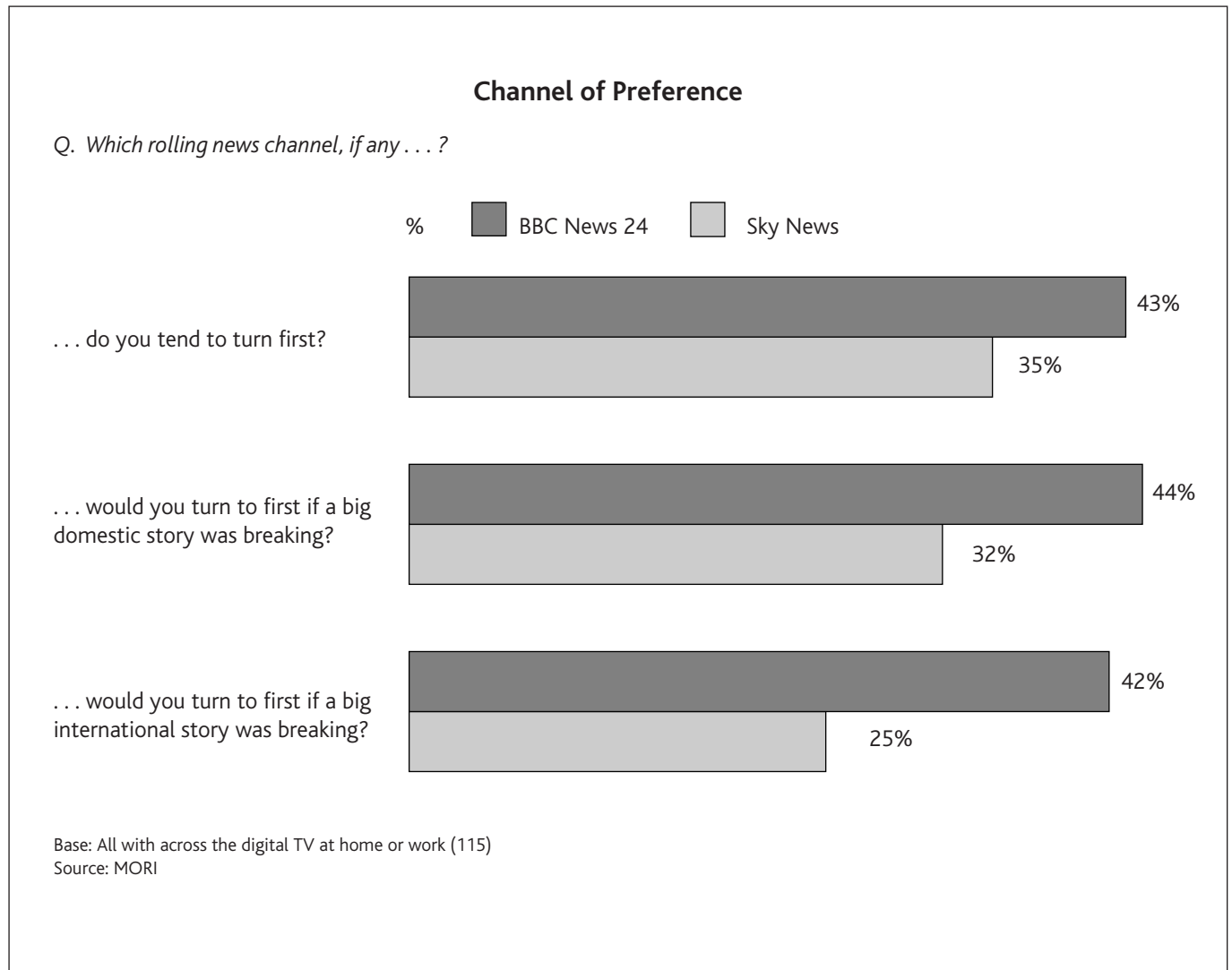
Q6./Q7. How often, if at all, do you watch the following rolling news channels . . . ?



Base: All with access to digital TV at home or work (115)  
Source: MORI

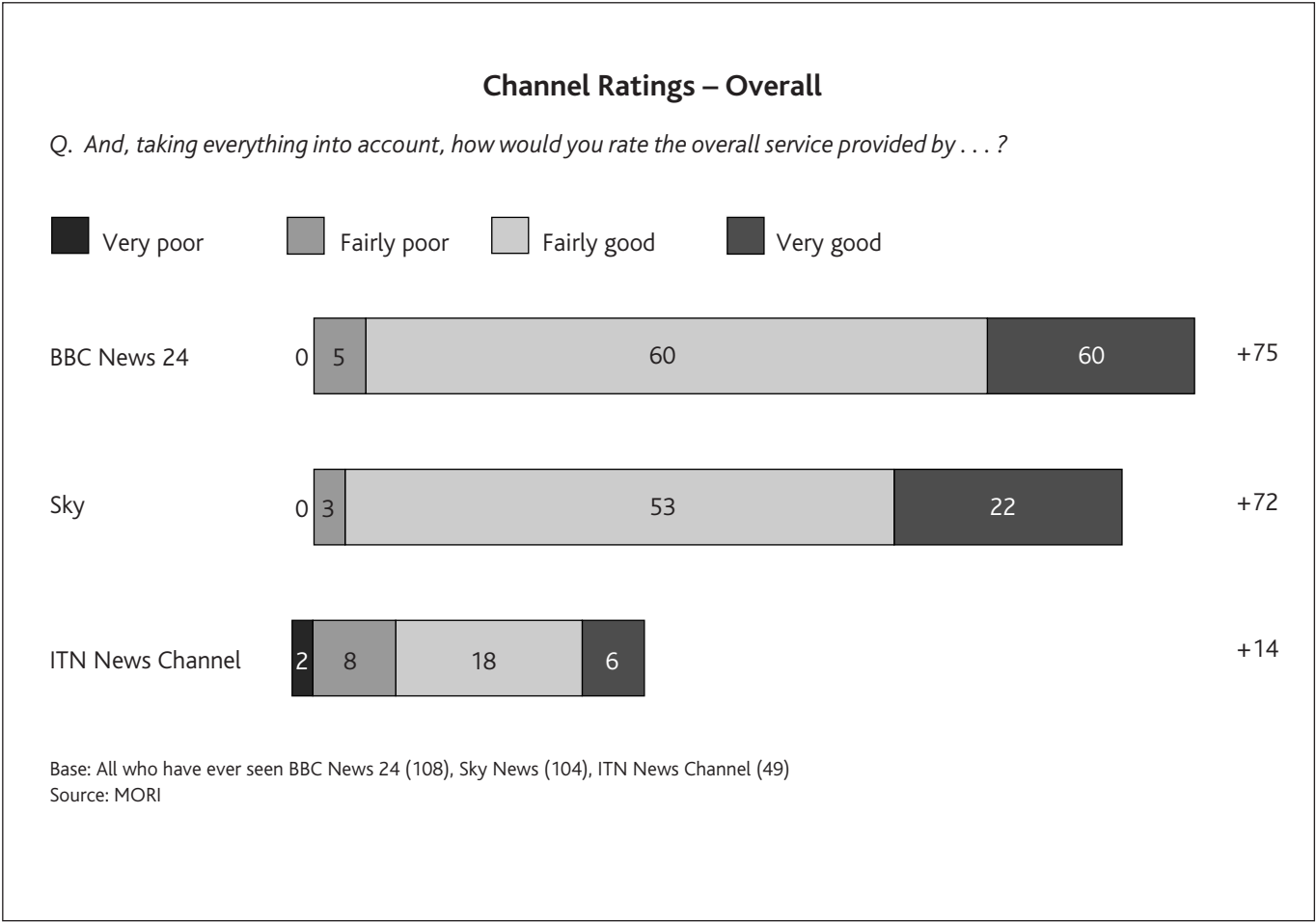


- 3.5 When asked which rolling news channel they **tend to turn to first**, and which they would use to **follow a breaking domestic story**, BBC News 24 has a slight lead over Sky News. These preferences are broadly shared across key audience subgroups, with the exception of the press, who tend to turn to Sky in the first instance.
- 3.6 BBC News 24 clearly emerges as the most preferred source of information on **breaking international stories**. However, this is due to CNN gaining at the expense of Sky (especially among Captains), rather than an increase in the proportion choosing the BBC.



Channel Ratings – Overall

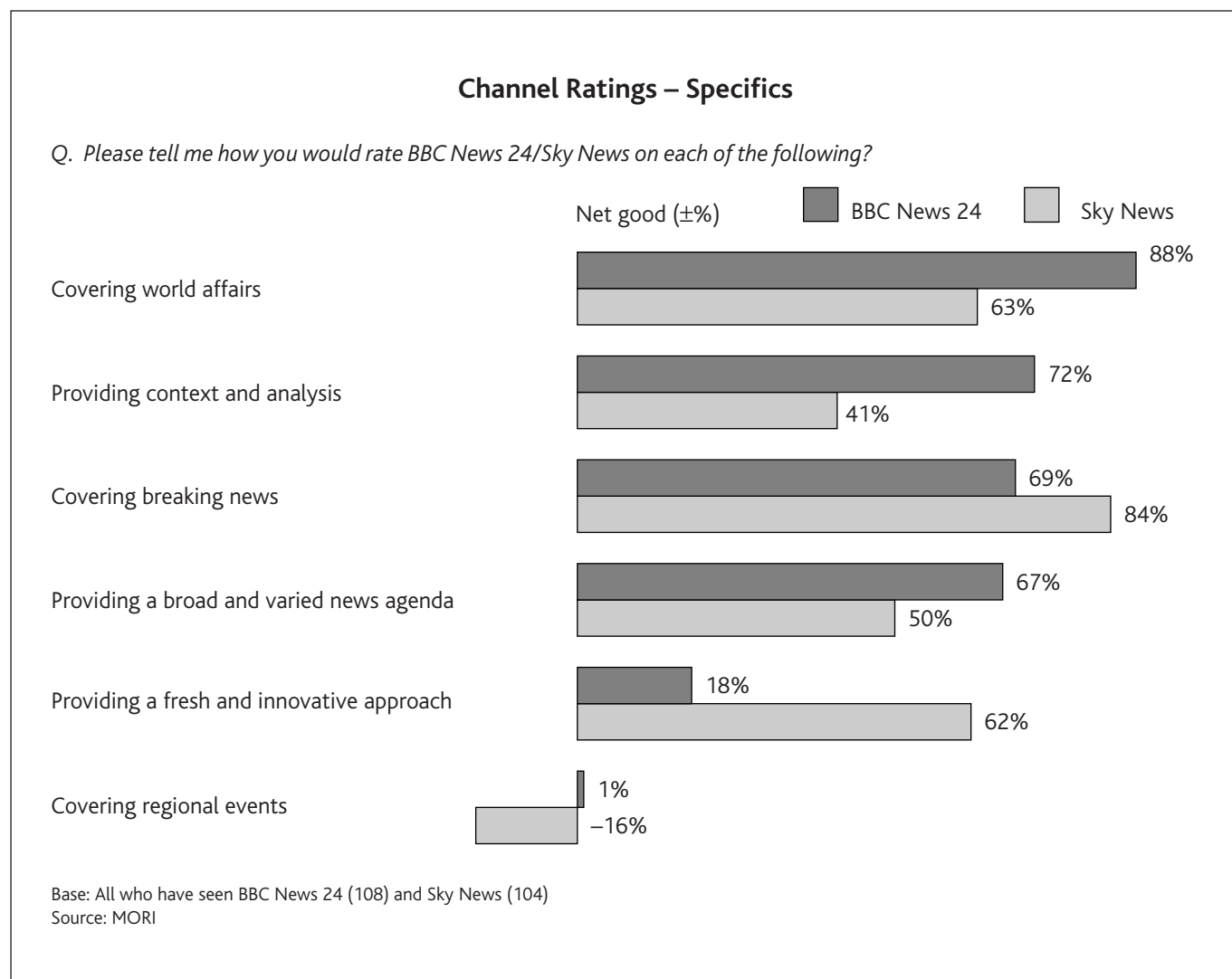
- 3.7 Ratings of the overall quality of service provided by BBC News 24 and Sky News are both high – with around three in four or more (75% and 80% respectively) regarding the service as very or fairly good. This pattern is broadly consistent across all key audience subgroups, although again, members of the press rate Sky News more favourably than BBC.
- 3.8 When we look at the figures for the ITN News Channel, we find one in four rate this service positively; two in three of those who have ever seen the service do not give us a view either way, which suggests that it is in a very different bracket in terms of both access and image.



Channel Ratings – Specifics

- 3.9 Reflecting respondents’ preference for turning to BBC News 24 first in order to follow international stories, BBC News 24 gets higher ratings for its coverage of world affairs than Sky News (88% versus 71% very/fairly good respectively).
- 3.10 Providing context and analysis (75% versus 56%) and a broad and varied news agenda (73% versus 62%) are also recognised as strengths of BBC News 24.
- 3.11 In contrast, BBC News 24 compares less favourably in terms of covering breaking stories (74% versus 85%) and providing a fresh and innovative approach (38% versus 67%).

- 3.12 Ratings of coverage for regional events is low for both channels, although BBC News 24 performs better than Sky News on this measure.
- 3.13 The chart below seeks to provide an overview on these specifics, and is based on ‘net’ figures.



- 3.14 Respondents who have seen BBC News 24 were also probed for the key reasons why they rate the overall quality of service as good or poor, and a similar picture emerges. The most frequently cited positives include:

**Comprehensive coverage:**

*I feel that I get the full BBC package, of quality correspondence and coverage at a time convenient to me*

*BBC News 24 gives solid news coverage*

*I know when it's turned on, within 15 minutes I get the headlines. It doesn't miss much, it's comprehensive*

*The bigger picture is well catered for*

**Professionalism:**

*I like the presentation. It gives news with no frills. Almost comforting to know it is on in the background*

*They approach the news in a professional way. They don't pander to the flavours of the week*

*I don't like the brashness of Sky. The calm authority of the BBC works well*

*It is thorough, innovative, professional. There is less hype . . . than Sky*

**Good in-depth analysis:**

*I find their coverage comprehensible and up to date. They have a strong news team*

*I think the way they cover a story is good with adequate depth*

*It is the most sophisticated and nature of the programmes available. It is the professional channel. Sky is the tabloid.*

*Whenever I watch, it feels like it's a serious attempt to grapple with the issues*

*I feel as if I am being addressed by an intelligent organisation*

*Very good analysis. They have their finger on the pulse. Good up-to-date coverage.*

*A neutral perspective*

**Strong news team**

*The presentation is good. The newscasters help in delivering the story, which I think is very good*

*It's quality. Strength in its stories; they have support and back-up from the BBC; the strength of the BBC for news gathering*

*The presenters are first class*

*It brings more weight to a story than its competitors*

**Reliable service**

*They are reliable. They bring you the news quickly*

*It is consistent and reliable*

*It's solid, reliable*

**Impartiality**

*Impartiality and balance. Balance is very important*

*They are very balanced and present a fair view*

*It's on the ball. I have great faith in the impartiality*

*Its editorial judgement is measured and sound . . . its style appears to be . . . neither sensational or superficial*

**BBC resources behind them:**

*The BBC have an excellent infrastructure with people around the world. Their analysts are well briefed*

*It's mainly to do with the huge resources available at the BBC. They have more than a thousand journalists*

*They can draw on all the resources of the BBC. A wide range of sources and opinions*

- 3.15 However, respondents who are critical of the service feel that BBC News 24 is slower in breaking stories than competitors, and that its format and presentation approach is less favourable:

**Slow in breaking stories:**

*It is a perfectly good rolling news service. [It] tends to be less lively and sharply presented and generally drabber than Sky . . . [it] tends to be slower at covering breaking stories and slower to get pictures, which is normally what you want*

*Sky are better in their immediate coverage of live events . . . BBC News 24 gives more detailed "day after" analysis. A little flat. Informative, but dull*

*It's not the first place I would look. They are not the quickest*

**Presentation:**

*It's quite a bit old fashioned . . . I would call it reliable but unexciting*

*There are few surprises, and it can feel like a 1950's wireless programme*

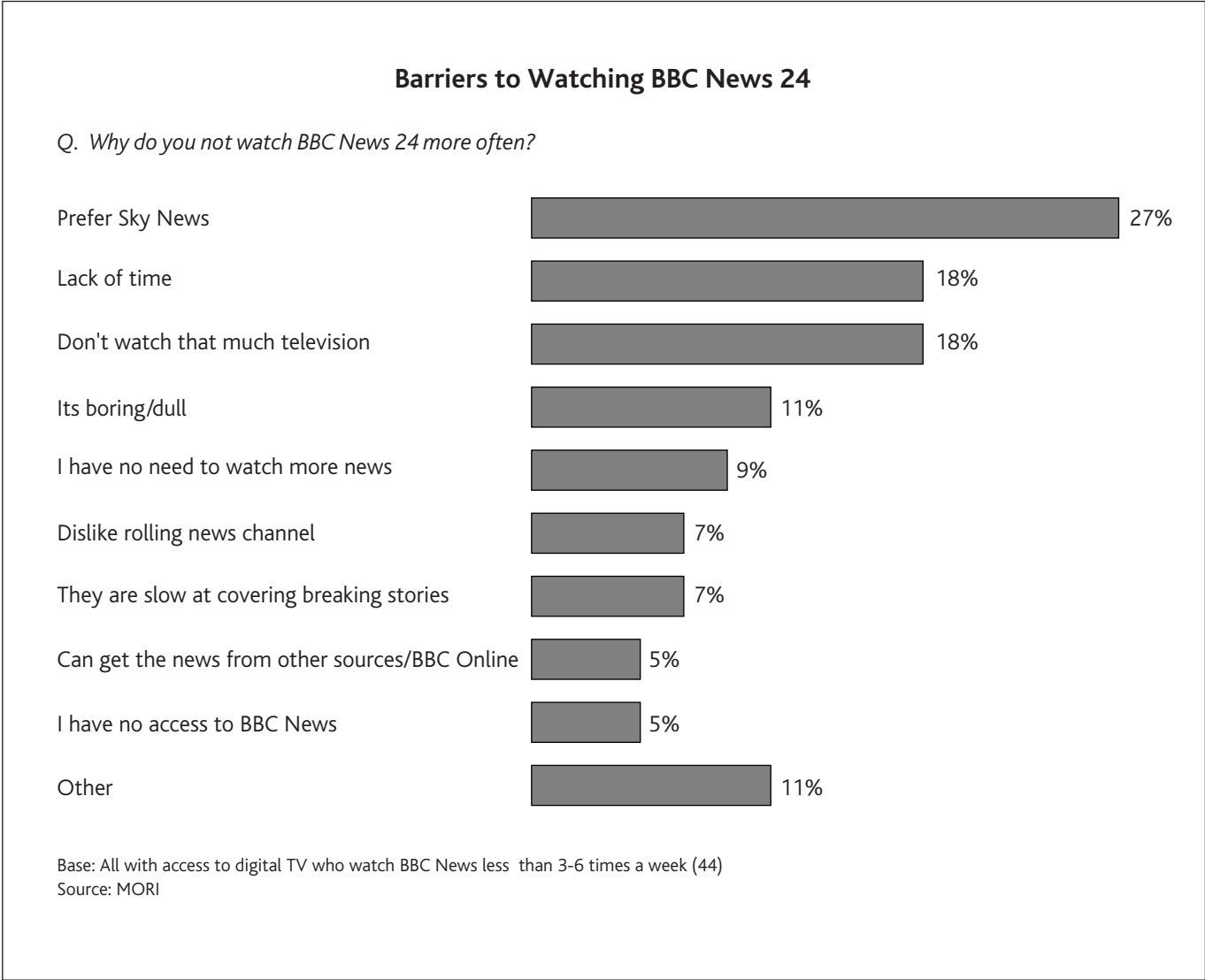
*It's all a bit one paced*

*Sky News is a bit sharper and hungrier*

*Sky makes it look old fashioned and boring. It's smarter, more in your face. You can turn the sound off and see the words on the screen*

## Section 4: Barriers to Watching BBC News 24

- 4.1 Among those who do not regularly watch BBC News 24 (less than 3-6 times per week), preference for Sky News is the most widely reported barrier to not watching the channel more often. This is followed by a lack of time, and a preference for not watching too much TV. Again, 11% describe it as boring or dull.



## Appendix C – Regional coverage for Monday 10 June, 2002

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There were 13 serious examples of stories involving the regions and nations:

1. The Nelson Mandela prison visit story. This was repeated throughout the day. Between 09.00 and 13.00 it was breaking news, with new shots coming in of the prisoner's family and Mandela arriving at the prison etc, culminating in Mandela's press conference within the prison. From then it was all repeated material, sometimes with new reporters in Glasgow, and occasionally with the odd bit of archive footage thrown in for variety.

This story was covered fairly well, with a crew and a number of reporters in Glasgow getting the relevant material.

2. The Belfast violence story. This too was repeated throughout the day, but with no real development, just the same few shots of burning cars, rioting and John Reid in a press conference. The only breaking news was about Gerry Adams and Martin McGuinness in London.

This story could have been handled better. Although it was often mentioned three or four times in an hour, there was no elaboration on the situation in Northern Ireland. There was no evidence of a crew in Belfast: hence no interviews, vox pops, live discussions etc.

3. The Swansea dream study story. This was based on research into dreams that apparently comes from Swansea, although the footage shown (mostly of a family reading in their house) could really have come from anywhere in the UK.
4. The fishing industry story. This featured footage of fishing and some interviews with fishermen. The biggest interview, however, was a live discussion with Eric Morley MP at 14.55 – and this took place in London.
5. Mark Fulton's prison death story. This was mentioned repeatedly in headlines, but never developed. It boasted two or three shots of the prison exterior (repeated throughout the day) and nothing more.
6. The report on world religions in Birmingham. This was quite substantial, involving a variety of interviews in different locations. However, its relevance was not very clear (it was introduced with reference to the Queen meeting mixed faith communities for the Jubilee). Good effort though.
7. The coach crash in Cumbria story, and . . .
8. The breast-feeding in Glasgow story.

Both were important stories, and both involved reports from their regional studios. There could have been better development of the coach crash story, however, perhaps going out of the studio as with the Glasgow breast-feeding report.

9. The radioactive dirty bomb coverage, which featured a live interview with an expert in Bradfield. Although this was audio only, it seemed a good example of News 24 looking outside of London for comment and analysis.

10. The Welsh student grants story. This was another strong example of regional/national coverage: it was a serious story with decent interviews and lots of material. The interview that followed (an expert from Hallam University talking about grants in general) was the icing on the cake.
11. The job seekers in Manchester story. This was really part of a longer report running throughout the day, concerning a new scheme for job seekers throughout the UK. Although it was quite brief and only kicked in late in the day, the material from Manchester provided another good example of News 24 using the regions to illustrate a national story.
12. The Sick Seals in Scarborough Story. Well put together, again featuring material from lots of locations in Scarborough.
13. The search for stars in Birmingham. Like the multifaith report (also in Birmingham), this was fairly well told, but its relevance as a news story was highly debatable. As a result it too came across as tokenistic coverage of the regions and nations.

On top of this there were three stories that briefly referenced the regions or nations without making them the focus of the story. These came from reports on the MoD's anti-terror unit, the Territorial Army's new reaction force, and the Hoogstaten trial. None of these were substantial enough to be worthy of comment.

## Summary

Overall, the day's regional coverage was never great but mostly adequate. Looking at the papers the following day, there appeared to be only one significant story that the channel had overlooked (the threatened closure of a major frozen pea producing factory in Norfolk) and in general the ratio of regional to London or International news seemed about the same on TV as in the papers. Based on this day's viewing, there was a sense that the channel was repeating itself so regularly that there was no opportunity for development or analysis of its stories. The question is: is it best to show the same small set of news stories repeatedly, allowing viewers to switch on and pick up a surface-level knowledge of the news straight away? Or should they be giving more depth and variety to their stories, at the expense of the viewer who needs the headlines fast?





**Department for Culture,  
Media and Sport**  
2-4 Cockspur Street  
London SW1Y 5DH  
PP 545 December 2002