



BBC Monitoring (select committees)

September 2016

BBC Monitoring (BBCM) translates and analyses news and information from media sources around the world. It monitors broadcast, print and social media for the BBC, the UK government and other customers, including media organisations, foreign governments, NGOs, universities, embassies, security groups, news agencies, think tanks and international businesses. It is funded by the licence fee and is part of the BBC World Service Group. (<http://bbc.in/2bDLgGr>)

BBCM is highly praised by its users, especially in official quarters, but its funding situation has long been cause for concern.

House of Commons committees have queried Monitoring's financial situation and voiced regret about it. They have called for it to be properly funded and, since the transition from government funding to the licence fee, to introduce a system of oversight that safeguards the interests of government users. This has not happened. For much of the past decade, the story of BBCM is successive rounds of cuts. In the latest, currently under way, it has to shed 30 per cent of its staff, including 40 per cent of those in the UK, by April 2017.

In the licence fee settlement of 2010, the BBC undertook several additional funding responsibilities, including the World Service and, from 2013, BBC Monitoring, which hitherto had been partly paid for by the government. The BBC reportedly accepted this arrangement under duress to avoid the cost of free licence fees for the over-75s, and the deal was widely criticised. (<http://bit.ly/2aSEH1N>)

The **Culture, Media and Sport Committee** investigated the manner and substance of the 2010 settlement in its BBC Licence Fee and Annual Report, Fourth Report of Session 2010-12 (<http://bit.ly/2bvVdSj>). This noted that in 2013-14 the BBC would set Monitoring's budget with £20.2m of government funding at handover, down from £23m in 2010/11, and that in subsequent years the budget would be determined by the BBC alone.

The committee described BBC Monitoring as "a strategic asset, with the government being the main customer" and added that "once the BBC assumes budgetary

responsibilities, it will need to agree a new framework for the adequate supply of monitoring services to the government”.

Although part of the BBC, Monitoring’s “priorities are also influenced by its government stakeholders”, the report said. At the time these were the MoD, FCO and Cabinet Office, the latter as lead stakeholder and budget holder.

The committee identified “scope for tension under the new funding arrangements if the government stakeholders wanted to maintain or expand monitoring services that the BBC judged to be unaffordable” and recommended a clear decision-making process for prioritisation and funding allocation. (paras 48, 64, 65)

In its report, *Future of the BBC, Fourth Report of Session 2014-15*, the same committee described the case for funding BBC Monitoring from the licence fee as “unconvincing”. It recommended that “the government must be prepared to remedy any existing spending commitments agreed in 2010 so that those not deemed appropriate for funding through the licence fee are met by other means such as general taxation”. (<http://bit.ly/1JPzKli>, paras 267 and 268)

The reduction in government funding during the transition to the licence fee meant that Monitoring had to save £3m a year from 2011. This led to significant job losses. Monitoring’s director at the time, Dr Chris Westcott, told the Foreign Affairs Committee that top geographical and thematic priorities would be protected but “there will undeniably be a significant impact on editorial output on lower priority countries and themes, and the resilience, adaptability and responsiveness of BBC Monitoring’s editorial operations”.

In particular, Monitoring would drop its UK-based coverage of Asia-Pacific, Western Europe and the Balkans and replace it with “a reduced international resource”, that is, from overseas offices. (<http://bit.ly/2b0EfwD>)

The **Intelligence and Security Committee**, in its annual report 2010-11, regretted the impact of the Comprehensive Spending Review on Defence Intelligence (DI), including the cuts to Monitoring. (<http://bit.ly/2bidQbv>) It said: “This is even more concerning, given that DI is heavily reliant on BBC Monitoring which is itself facing stringent cuts under the 2010 Spending Review...”.

The Chief of Defence Intelligence told the committee open source (BBCM) was “increasingly important to us; partly because it is growing and partly because our capabilities are reducing” (para 181).

The committee’s opinion was that: “It is difficult to envisage how DI will be able to maintain adequate coverage if reductions in both organisations are made” (para 182). It reiterated long-held concerns about DI’s diminishing coverage and capability

and concluded: “The prospect of further cuts – combined with the impact of cuts to BBC Monitoring, on which DI relies heavily – therefore has potentially very serious long-term consequences for DI’s ability to support military operations and for the UK intelligence community as a whole” (clause V).

The Intelligence and Security Committee has for many years taken an interest in BBC Monitoring. In its annual report for 2010-11, it describes how its concerns about a previous funding cut in 2003 led to a review, which was published two years later (paras 245-255 and clause EE). The review again stressed Monitoring’s value to the government concluded: “If this monitoring service were brought to an end, the product would not be available from alternative sources. Moreover it would prove a false economy because steps taken by present stakeholders to remedy its loss, or to manage without it, are likely to be more costly.”

The review also recommended a new funding arrangement led by the Cabinet Office, with Monitoring’s budget to be ring-fenced until 2011. This was “broadly accepted” by the government and Monitoring and its stakeholders signed a memorandum of understanding.

But in 2010 the Cabinet Office imposed a £1.4m cut on Monitoring. The ring-fencing had been dropped two years earlier, unknown to Monitoring, in unclear circumstances but described by the Deputy National Security Adviser as “rather a sorry story”. As the Comprehensive Spending Review (CSR) began, Monitoring warned that it could run out of money and “cease to be a going concern”. Its funding bid to the CSR was supported by the US partner organisation, Open Source Centre (OSC), now Open Source Enterprise (OSE), which stressed Monitoring’s “immense contribution” and added that: “In short, OSC cannot fulfil its mission without the unique material and expertise BBCM provides – prime examples among many being the Russia-Georgia conflict and the Iran post-election crisis.”

The Intelligence and Security Committee itself pointed out that, “given the far greater size and capability of the OSC, this provides a large source of unfunded benefit to the UK through the free reciprocal interchange of product”. The ISC’s verdict was that BBC Monitoring’s service was “irreplaceable” and economical due to the free flow of information with OSC. It said there was a “powerful case” for ministers to reconsider the CSR outcomes for Monitoring and urged the National Security Adviser (NSA) to ensure that BBC Monitoring could maintain the level of service required.

The outcome of the CSR and the licence fee agreement was, as mentioned above, that the BBC alone would fund Monitoring from the licence fee.

The NSA backed this, with the view that Monitoring’s natural home was in the BBC family “with the right appropriate governance arrangements”. The Deputy NSA

added that in the transition to the licence fee by 2013, the “strong intention” was to obtain “binding commitments from the BBC”. But he also said: “You can never say absolutely never when you are transferring something out of your direct control”.

In its response to the ISC’s annual report 2010-11, the government replied that it was in talks with Monitoring and that the licence fee agreement contained an obligation to provide “adequate levels of service”. (<http://bit.ly/2bivv2Q>)

The outcome of those talks was the BBC Monitoring “scheme” of 2013. This committed Monitoring to provide global coverage, “with the ability to cover unforeseen international events or crises and product that is timely and sufficient in volume, surgeable, flexible and adaptable”. It runs until 31 December 2016, in line with the BBC’s Royal Charter. (<http://bbc.in/2b0WB0R>)

In 2013 the BBC began absorbing Monitoring’s components into its own structures and reporting lines.

In 2016, BBC News Division announced a £10m savings target. Of that, £2.5m was allocated to Monitoring, which, as said above, has led to substantial post closures. Cuts of this magnitude on top of the previous ones reduce BBCM to the level at which its ability to “monitor”, ie to keep a global and constant watch, is in doubt. The BBC has also decided to relocate Monitoring from Caversham Park to one of the corporation’s buildings in central London. A date has not been set, but when it happens, Monitoring will inevitably lose yet more staff who are unable to relocate with it. At this point, Monitoring will no longer be a separate unit with its own identity. We fear it will eventually be reduced to a rump within BBC News and World Service: a couple of desks in a corner of a newsroom.