#### LEVESON INQUIRY INTO THE CULTURE, PRACTICES AND ETHICS OF THE PRESS

#### WITNESS STATEMENT OF JIM GRAY

I, JIM GRAY of 200 Gray's Inn Road, London WC1X 8XZ WILL SAY as follows:

- I joined ITN in 1997, initially as Deputy Editor of Channel 4 News, and have been Editor since 1998. Prior to joining I had been Deputy Editor of BBC Newsnight. Across 10 years at Newsnight, my other roles included output editor, commissioning editor, senior film-maker, political producer. And before BBC Television, I had spent 5 years at BBC Radio Current Affairs across a range of programmes from R4's The World Tonight to political programmes.
- 2 ITN is contracted by Channel 4 to produce Channel 4 News. The corporate governance system within which we work therefore has the following elements:

ITN's system of compliance, its codes and working practices (which Channel 4 has significant input on) ensure ITN complies with the law and the Ofcom Broadcasting Code.

Channel 4's own system of compliance, including codes and protocols, with which the ITN system must dovetail and which is similarly focused on compliance with the law and broadcasting regulations.

The specific contractual responsibilities that ITN has to inform and consult Channel 4 regarding compliance matters, which includes a Protocol for referring certain matters to Channel 4 prior to broadcast.

As Editor, I am responsible for delivering a news service to Channel 4 specified within our contract. The agreement sets out the customer's editorial expectations and ITN's obligations to ensure the news services comply with the law and with Ofcom's Broadcasting Code. It also sets out the circumstances under which ITN must refer to Channel 4 prior to broadcast (the Pre-Broadcast Protocol).

ITN is in day-to-day editorial control over all the news services it provides to Channel 4, including the selection and running order of stories, and is responsible for the journalistic

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standards and judgements within its news services. As Editor, I consult closely with the Head of News and Current Affairs, Dorothy Byrne, from Channel 4 on the editorial agenda, running order, and the look and feel of the programme. In particular, I consult on legal and regulatory issues, keeping Channel 4 informed and seeking its opinion as required.

As the Editor of Channel 4 News, I am responsible to ITN's Chief Executive Officer, John Hardie, for the overall management and performance of the Channel 4 News department at ITN, including conduct of staff, freelances and all those hired to work on behalf of this department. The CEO has the ultimate executive responsibility within ITN for ensuring lawful, professional and ethical conduct.

As Editor, I am assisted in this process by ITN's Head of Compliance, John Battle. His responsibility is to provide editorial staff with guidance on complying with the law and Ofcom's Broadcasting Code. This guidance is delivered in three main ways:

Firstly, ITN's in-house Compliance Manual provides practical guidelines for production teams on how to comply with the law and broadcast regulations, and defines ITN's view of what it considers to be professional, lawful and ethical conduct. It outlines a process of 'upward referral' where staff are encouraged to consult line managers, editors and the Head of Compliance (or duty lawyer) about any legal, regulatory or editorial issues of concern.

Channel 4 has its own Independent Producer Handbook which sets out its editorial, legal and compliance protocols, and so ITN cooperates and consults to ensure that the ITN Compliance Manual is in line with Channel 4's procedures. Channel 4 was consulted on the Manual prior to its introduction in 2004.

Secondly, staff and freelances are invited to regular compliance training, beginning with their induction. This alerts them to new issues that arise, to changing legal interpretations and precedents – for example, recent judgments and Ofcom adjudications affecting ITN or other broadcasters which may impact upon the way we operate. Staff are issued with a Staff Handbook that sets out a code of conduct, including disciplinary processes where misconduct is alleged.

Thirdly, the Head of Compliance, and a team of duty lawyers, provide immediate legal and editorial advice to production teams from the Editor downwards. This can be sought at any stage from the initial discussions and decisions around the point of commissioning of an individual story through the process of research and journalism through to production and viewings up to the moment of broadcast. The duty lawyer is based in the Channel 4 Newsroom, and is available to all ITN production teams for consultation and guidance. The Head of Compliance, or a duty lawyer in his absence, attends ITN's cross-company editorial meeting at 10:00 each weekday (and is on call at weekends) to provide guidance on issues relating to stones which may be under consideration by broadcast and online outlets that day,

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and also to report on other legal and media developments which might have potential compliance consequences in future.

The Head of Compliance liaises on compliance and legal issues and compliants with the Controller of Legal and Compliance at Channel 4 who consults with the Head of News and Current Affairs and they will where appropriate refer – up any significant issues to senior executives at Channel 4 in accordance with their internal procedures.

As mentioned above, ITN also has a pre-broadcast protocol agreed with Channel 4 which sets out the circumstances under which we have a responsibility to inform the Channel of particular types of story ahead of the news broadcast. This recognises the fact it is Channel 4 which is the actual publisher of the material, and as such is deemed to be the responsible broadcaster by Ofcom. Channel 4 is entitled to be concerned that it could face legal, regulatory or reputational risk should errors be made in or serious controversy arise from any of its programmes.

3 My role is to ensure that staff in the Channel 4 News department work in accordance with the Compliance Manual, the Staff Handbook and relevant policies governing editorial procedures.

As Editor, I take the lead in ensuring editorial operations are lawful, professional and ethical. In this, I am principally supported by the Deputy Editor and the Heads of Home and Foreign News, who between them commission stories and line-manage our reporters, correspondents and editors.

In addition, the Deputy Editor takes particular responsibility for employment and HR issues, and my Operations and Finance Manager takes particular responsibility for financial reporting and accountability.

The Channel 4 News production team has a professional approach to journalism and newsgathering, in which importance is given to following a range of policies.

As news-gatherers, we frequently operate in conflict zones or in situations where personal safety is subject to significant risks. We have a robust health and safety policy, which is constantly updated to incorporate our understanding of risk.

As journalists, we place a premium on finding things out and on investigative reporting, and doing so with accuracy, fairness and due impartiality.

Our purpose as the producers of public service broadcast news for Channel 4 is to deliver original journalism and analysis, and to hold those in power to account.

This means we are frequently producing reports that require a diligent approach to legal and regulatory compliance.

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The Ofcom broadcast code places responsibilities on ITN and its journalists. Ensuring we comply with our obligations is central to our editorial culture.

As a result of this approach to journalism and newsgathering, our production team knows that adherence to our key editorial and other operational protocols are a fundamental part of our daily operations.

- We have not changed any practices or policies as a result of the phone hacking allegations. ITN has been reviewing its Compliance Manual, a process that began in 2010, and should any changes be necessary, they will be incorporated.
- In television news, there is a need to secure pictures and on-camera testimony to provide the evidence for our stories. Where testimony cannot be acquired, then we try to secure documentary evidence to support any claims or allegations we may wish to report.

It's rare for us to broadcast a story where we rely solely upon information given to us by a source – whether on or off-the-record – where this information is not accompanied by a video interview or a document.

When this does happen – and this tends to be more frequently in our political reporting than anywhere else – we would rely upon the integrity and experience of our team of journalists assisted by the procedures I set out above.

If a serious allegation is received from an anonymous or unattributable source, the Editor would question the reporter in more detail about the nature of the source, and how they came by the information. In particular, the Editor would focus on the efforts we have made to verify what they have told us, by checking their bona fides or by checking the information with other sources.

The Editor would not normally insist on having the actual identity of the source. In these circumstances, it is usually the case that a promise of confidentiality has been given by the reporter and this needs to be honoured.

Under the terms of the Pre-Broadcast Protocol agreed with Channel 4, ITN refers to Channel 4 any undertakings of confidentiality that may result in a court order to disclose the identity of the source.

Section 6.5 of the ITN Compliance Manual states that 'Where confidentiality is promised to a source of information, this must be honoured and respected. The source must not be disclosed unless the source has given permission to do so'.

The Editor may decide that the source's information lacks credibility or requires corroboration before broadcast. The seriousness of the allegations is of course taken into account by me, and what evidence ITN could produce to justify its story if a legal or regulatory investigation were to follow.

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Only if the Editor is satisfied as a result of questioning the reporter and taking other relevant steps we will go ahead with broadcasting the story. He would consult the CEO of ITN if he felt the story was of sufficient significance, and advise Channel 4 in accordance with the pre-broadcast protocol if this was appropriate.

It is important to stress that the regulatory structure governing broadcast journalism places an onus upon us to report fairly, accurately and with due impartiality. It requires us when possible to seek to offer to individuals, companies or organisations a fair opportunity to respond to allegations prior to broadcast. It also offers an avenue for those who feel they have been maligned or misrepresented by our journalism to raise a complaint post-broadcast that could lead to the independent regulator Ofcom directing Channel 4 to broadcast a C4 News correction or a statement of Ofcom's findings. Ofcom also has the power to levy substantial fines on Channel 4.

- Most stories are supported by video testimony or documentary evidence as stated above. Where a story involves unattributable sources, the Editor would question the reporter if the story made serious allegations as detailed above.
- 8 ITN believes that all of our journalists should behave ethically. This means that they should use proportionate methods to obtain stories and material and work in accordance with applicable laws and broadcast regulations.

Furthermore, Channel 4 News is public service journalism with a strong emphasis on holding to account, and we therefore recognise the responsibility placed on us to conduct our journalism with integrity and accountability. This creates a culture where journalists are aware of the possibility of having to account for their actions and their stories. Compliance with the law, regulations, or ITN's internal policies is imbued in the editorial culture.

9 ITN is a commercial organisation facing competition in the media market-place and therefore there is a constant business imperative on the company to retain its contracts and win new business by delivering best value for money whilst offering news services of the highest quality. In the particular case of the Channel 4 News contract, the customer is a public service television broadcaster whose revenues are principally derived from television advertising. The pressures of that business cycle are reflected in the way that the overall scale of our contracted broadcast and online output for Channel 4 has varied from year-to-year.

Furthermore, the unpredictable nature of news and the high costs associated with covering international news and also for the pursuit of original/investigative journalism do make it a challenge to manage budgets. In that sense, my editorial decisions, for example, on when to deploy teams, and for how long, are always within the framework of costs and the overall budgetary situation at that particular time.

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That does not, however, mean that there is financial pressure to produce particular kinds of stories, to take unacceptable risks, or to cut corners with our journalistic methods. I have never felt under pressure to adopt improper or unlawful measures. As stated above, the transparency and accountability explicit in the remit of Channel 4 produces adherence to high standards.

- 10 I have no financial incentive to broadcast exclusive stories.
- 11 Channel 4 News has a remit to conduct investigative journalism where there is a public interest at stake. Many of these investigations result in allegations being put to public bodies, or to corporate interests or to individuals in a position of power and responsibility. This type of journalism requires an especially rigorous approach to compliance and is carried out by well-trained, responsible journalists, supported by experienced compliance lawyers.

To the best of my knowledge, in all the investigations carried out over the duration that this inquiry is concerned with, Channel 4 News has only recorded two occasions when the journalists used private investigators to supplement their own efforts. On both occasions, the purpose was to locate individuals whom we wished to film or interview as part of a public interest investigation. There was no impropriety. We paid £200 and £1500. We have attached the relevant documents, namely invoices for the payments made. We request these remain confidential as they are commercial contracts, and identify individuals (which we are not required to by the Inquiry but which we do in a spirit of openness).

Both payments were made to a private investigation firm upon presentation of invoices. The £200 payment was made in 2009 when Channel 4 News was investigating a story in which newly discovered DNA evidence had revealed an historic miscarriage of justice. The firm was hired in order to find the solicitor who had originally worked on the case, to allow an interview to take place. The £1,500 payment was made in 2010, when Channel 4 News instructed a private investigator to locate the present whereabouts of the suspects to an unsolved murder. To the best of my knowledge, and after proportionate internal checks, there have been no other uses of private investigators by Channel 4 News during the relevant period.

To the best of my knowledge and after proportionate internal checks, we do not have any incidents recorded during the relevant period where money was paid to police, public officials, mobile phone companies or others for information or stories.

- 12 I had no role in instructing, paying or contacting private investigators. On both occasions, a reporter made the request to the Head of Home News who authorised the hiring. The invoices were subsequently signed off by the Operations and Finance Manager.
- 13 The ITN Compliance Manual states in paragraph two that its purpose is:

"To guide those who work for ITN through the main regulations and laws that affect news reporting and the recommended procedure to use when such issues arise.

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An important part of working for ITN is ensuring both that our news reporting complies with these laws and regulations and that proper journalistic procedure is adopted in the making of any report or programme."

The Manual goes on in its Introduction to say that 'if you believe a report raises a regulatory or legal issue and you are not certain of the answer, seek advice'.

These are the key principles underlying ITN's journalism – compliance with the law and regulations, and upward referral whenever you're in doubt.

These would have informed the decisions taken to hire private investigators. On both occasions documented above, the decisions were referred by a reporter to the Head of Home News. Before the company was hired the Head of Home News requested that the investigators were only to use lawful methods to source information.

No specific procedures are set out in the Manual for actually hiring investigators, though the Manual stresses (at paragraph 5.22) that investigators must not use unlawful techniques. The Manual is not designed to cover every eventuality.

- The policy of upward referral was followed and the payments were properly documented.
- There have been no such situations to the best of my knowledge.
- 16 ITN's Compliance Manual has a list of issues that must be referred to the Editor (1.14).

This includes 'Payments that could cause controversy'.

Section 9 of the Staff Handbook deals with expenses, travel and accommodation policy.

It states:

"This section applies to all employees and freelancers. All claims must be supported by receipts. Expense claims which are not supported by receipts will only be paid at ITN's absolute discretion."

Section 9.16 says that:

"the nature and level of entertainment of third parties should be agreed in advance with your Manager. All entertainment claims must be shown separately on the expense claim and charged to the entertaining budget code."

The practice is that payment can be made to individuals and unofficial sources for information or video content. If specific information is provided that leads to a story – and if we believe it has not been obtained through improper or unlawful means – then a payment may be authorised by the Head of Home News. It's rare for this to happen for information alone. It is more common with video material that viewers have obtained of a news event.

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The issue of privacy is a major concern for television news, for Channel 4 News and for ITN.

The ITN Compliance Manual deals with this and ITN's Head of Compliance ensures that the company's journalists are updated about developments in privacy law. The Manual includes the relevant points from the Ofcom code concerning privacy and the public interest.

Channel 4 News is a public service news broadcast and its editorial focus is on news that is of public interest. The Editor will use the criteria set out above to inform his decisions on whether to proceed with journalistic activity which could involve a perceived invasion of privacy, for example whether or not to film or 'doorstep' individuals.

The ITN Compliance Manual outlines key issues of privacy, consent, and public interest which need to be considered.

19 I have not commissioned anyone to undertake computer hacking on behalf of Channel 4 News. To the best of my knowledge, this has not been done by anyone acting on ITN or Channel 4 News's behalf.

Please note that, although ITN has assisted the Inquiry and will continue to do so, it is not prepared to waive legal privilege and nothing in this witness statement should be read as having or intending that effect.

I believe that the facts stated in this witness statement are true.

Signea:	Jim Gray
Dated:	