

Annex 3

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National Westminster Bank

Confidential

155 NORTH STREET
BRIGHTON
BN1 1GN

ACCOUNT

National Westminster Bank

CURRENT ACCOUNT

SHEET NUMBER 110

MR ROBERT DAVID HARPER &
MR ALAN JAMES WALLER
TRADING AS
WEIDER HEALTH & FITNESS

1994

TELEPHONE

STATEMENT DATE 16 MAR 1994

ACCOUNT NO
00414301

DATE	DETAILS	WITHDRAWALS	DEPOSITS	BALANCE (£)
08 MAR	BALANCE FROM SHEET NO. 109 NEWS INTERNATIONAL		4,000.00	394.42 4,394.42
<p>*** AS AT 16 MAR 1994 ***** SHOULD YOU OVERDRAW WITHOUT ARRANGEMENT YOU WILL BE CHARGED OUR UNARRANGED BORROWING RATE WHICH IS CURRENTLY 29.5% PA.</p>				
16 MAR	BALANCE TO SHEET NO. 111	National Westminster Bank Plc		4,394.42

Key SO Standing Order DV Dividend CC Cash & Cheque AC Automated Cash PY Permit
 EC Eurocheque TR Transfer CP Card Purchase DD Direct Debit OD Overdraft



National Westminster Bank

Confidential

155 NORTH STREET
BRIGHTON
BN1 1BN

ACCOUNT CURRENT ACCOUNT & PAYMENTS
MR ROBERT DAVID HARPER &
MR ALAN JAMES WALLER
TRADING AS
WEIDER HEALTH & FITNESS

SHEET NUMBER 112

1994

TELEPHONE

STATEMENT DATE 15 JUN 1994

ACCOUNT NO.
00414301

DATE	DETAILS	WITHDRAWALS	DEPOSITS	BALANCE (£)
04 JUN	BALANCE FROM SHEET NO. 111 PENFOLDS CONSULTANTS (JERSEY)		6,500.00	4,894.42 11,494.42
06 JUN	CASH	4,800.00		6,694.42
<p>** AS AT 15 JUN 1994 *****</p> <p>SHOULD YOU OVERDRAW WITHOUT ARRANGEMENT YOU WILL BE CHARGED OUR UNARRANGED BORROWING RATE WHICH IS CURRENTLY 29.5% PA.</p>				
15 JUN	BALANCE TO SHEET NO. 113			6,894.42

Key

SO Standing Order DV Dividend CC Cash A/c Cheques AC Automated Cash PY Payroll
 EC Eurocheques TR Transfer CP Card Purchase DD Direct Debit OD Overdraft Interest see over

 **National Westminster Bank**

Confidential

155 NORTH STREET
BRIGHTON
BN1 1GN

ACCOUNT CURRENT ACCOUNT
MR ROBERT DAVID HARPER &
MR ALAN JAMES WALLER
TRADING AS
WEIDER HEALTH & FITNESS

SHEET NUMBER 110

1994

TELEPHONE [REDACTED]

STATEMENT DATE 16 MAR 1994

ACCOUNT NO.
00414301

DATE	DETAILS	WITHDRAWALS	DEPOSITS	BALANCE (£)
08 MAR	BALANCE FROM SHEET NO. 109 NEWS INTERNATIONAL			994.42
			4,000.00	4,994.42
** AS AT 16 MAR 1994				
SHOULD YOU OVERDRAW WITHOUT ARRANGEMENT YOU WILL BE CHARGED				

 **National Westminster Bank**

Confidential

155 NORTH STREET
BRIGHTON
BN1 1GN

ACCOUNT CURRENT ACCOUNT
MR ROBERT DAVID HARPER &
MR ALAN JAMES WALLER
TRADING AS
WEIDER HEALTH & FITNESS

SHEET NUMBER 112

1994

TELEPHONE [REDACTED]

STATEMENT DATE 15 JUN 1994

ACCOUNT NO.
00414301

DATE	DETAILS	WITHDRAWALS	DEPOSITS	BALANCE (£)
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			6,500.00	11,494.42
06 JUN	CASH	4,800.00		6,694.42
** AS AT 15 JUN 1994				

TELEPHONE MESSAGE

To :

Date :

Time :

Subject :

MESSAGE :

24.8.95
2.30 pm

bbc - MARTIN
BAGWILL
PROGRAMME - NOT
SEARCHING, INTERVIEW

15 mins of time
OR INFO. - NOT
TO TRACK. -
LEGAL LETTER. FROM BBC
TO CONFIRM CONFIDENTIALITY

[REDACTED]

H: (strategic confidence)
NO FIRMS OR
INTERVIEW
JUST TALK

The Right Hon The Earl Spencer

Independent investigation led by Lord Dyson

Transcript of handwritten notes

[Handwritten telephone message for Lord Spencer – 24.08.1995]

TELEPHONE MESSAGE

To:

Date:

Time:

Subject:

MESSAGE:

24.8.95 2.30pm

BBC – Martin Bashir

Panorama – not seeking interview or info.

15 mins of time to talk.

Legal letter from BBC to confirm confidentiality.

W: [REDACTED]

H: [REDACTED] (strictest confidence)

No filming or interview – just talk.



PANORAMA



NEWS &
CURRENT
AFFAIRS

BRITISH BROADCASTING CORPORATION
ROOM [REDACTED]
BBC WHITE CITY
201 WOOD LANE
LONDON W12 7TS
TELEPHONE: [REDACTED]
TELEX: [REDACTED]
FAX: [REDACTED]

31 AUG 1995

Carol Brigg
Althorp House
Northampton
NN7 4HQ

24 August 1995

Dear Carol,

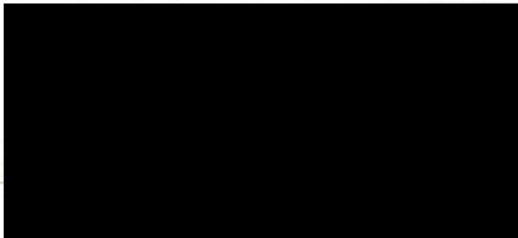
Thanks for your helpfulness during our telephone conversation earlier today. It was much appreciated.

I have spent the past three months investigating certain aspects of press behaviour. At present I am simply drawing material together. As I said it is not my intention to record or publish any discussion with Earl Spencer but simply to share some information which, I believe, may be of interest.

The BBC is more than happy to provide a letter of comfort confirming that a meeting would be strictly confidential. I do hope that this will allay any natural anxieties that may arise.

Thanks again and I do look forward to hearing from you.

Yours sincerely,



Martin Bashir
Reporter, *Panorama*



PANORAMA



BRITISH BROADCASTING CORPORATION
NEWS & CURRENT AFFAIRS

MARTIN BASHIR
REPORTER

BBC WHITE CITY
201 WOOD LANE
LONDON W12 7TS

TELEPHONE: [REDACTED]

TELEX: [REDACTED]
FAX: [REDACTED]

8/3/94
4/6/94
± 4k
± 6.5k
① News Kentel - ± 4k quarterly
Reprints - 4 payments, all less
→ 1st payment (transfer). Draught?

[redacted] = wholly-owned subsid. in Houston, Texas.
↓ 2 directors investigated for fraud by FBI.

Waller - [redacted] Can disappear very easily. Miami. American policemen.

[redacted] forwarding address.

[redacted] with Waller; + [redacted]

M.: Been working on this for 9 weeks.

Action by BBC - against [redacted]

Aylard [redacted] No receipt.
and [redacted] - est.

From D.: access to her suite.

2 friends upon -

List of staff at my party.

Aylard to Derek Doubleby, last week: "We are in the end game. Shut or bust."

Prin a Philip doesn't like D. at all.


[redacted]

'HOLIDAY OF A LIFETIME'. Show it later.
'HOLIDAY OF A LIFETIME'

3 months
in Jan.

(Martin)

Sun 4pm

Charles rang to say
you can expect the
call he's arranged on
Wednesday. 

2nd September, 1995.

Dear Martin,

Enclosed is the piece of evidence I think might be

of interest.

Do you know: —

- 1) [REDACTED] ?
- 2) about the ISDN digital secure system?

Good Luck!

Yours,

[REDACTED]

I Paul Gammon, of Visage Investigations of St. Andrews House, Upper Ham Road, Richmond in the County of Surrey, acting under instructions received from Fladgate Fielder Solicitors of Heron Place, George Street, London W1H, make Oath and say:-

1. That I have made extensive enquiries into a man known as Alan Waller in order to locate a home address for him.
2. That I was supplied with a mobile telephone number being [REDACTED] I made various enquiries as to ascertain the owner of the phone and the billing address. The results of which are the phone is owned by Mr A Waller of [REDACTED]
3. That I did then make further enquiries into [REDACTED] and found that this is a shop called [REDACTED] with offices above. That the shop keeper did know of Mr Allan Waller and had seen him entering the office above recently. The office above is occupied by a company called [REDACTED] All attempts to contact this company have failed as they do not have a normal telephone line or number to contact them on and when my colleague Mark Wingrove tried to get a response from the door he found that the entry phone was not answered. The telephone number listed for [REDACTED] is [REDACTED] this is on a ISDN digital secure line and can only be accessed by similar lines. These types of lines are very unusual and we are informed that they are most often used by the Stock Exchange and Government Departments.
4. That after making enquiries with numerous official bodies and all the normal agencies I can find no home address for Mr Allan Waller.
5. That after reporting this to Mr Simon Ekins of Fladgate Fielder's he did ask me to make further enquiries, which all came up blank and that the local shop keepers had been told that Mr Waller no longer worked for [REDACTED] and that a man they know as working for [REDACTED] had made a special point of telling them such.
6. That the telephone number of [REDACTED] is still operational and is still in Mr A Waller's name.
7. In my experience this man is trying to avoid being found and that the address of [REDACTED] is the only place of contact that I can find.

SWORN:

at _____

This _____ day of _____, 1994 }

Before me, _____

Solicitor empowered to administer Oaths.

MARTIN: 19/a/as.
At Samantha's flat.

- ① 4 weeks ago, 3 men met him - M16. Aylard orchestrated everything: commissioned Wharf (sum) - escort girls in Langham Hotel; plus one other.
- ② Aylard pd by Jonathan Dumbleby, 2 yrs ago, decided to remove P.O.W. 1 yr ago, decided to attack Diana (+ family).
- ③ M16 targeted C + Aylard: "in end game". J told Aylard what she thought of him, + that she wouldn't divorce.
- ④ Spicer family to be destroyed. J to go to States (+ me).
- ⑤ Carling thing fed by Julia C.

②

- ⑥ Jephson used to do flying lessons in Jersey. ~~Was in~~ Used to go to Jersey for weekends - hasn't been this year.
- ⑦ Difficult relationship with Lillian for D., because of Tiggy. C's in love with her.
- ⑧ J: for past 6 weeks, had letters delivered by BT at newspaper's doors, 9-10 ~~lett~~ pages - lines being typed: Steve Davies (chauffeur) feeds TODAY newspaper; "change your chauffeur".
- ⑨ Bugs on car. Senior police officers really noisy. 3 lines at K.P. bugged; mail read; disinformation down line; line on car bugged.
- ⑩ Carling publicity broke on day C +

(3)

Tiggy went away for 2 weeks.

- (11) James Goldsmith - Jonathan Dribbley told him "she's had it".
- (12) 2 B.P. staff on moneyed retainers.
- (13) Richard Kay + Aylerd had dinner in Riverside Rm of Savoy, 3 weeks ago. Kay entirely untrustworthy.
- (14) D's stepped up engagements. Off to Chiracs. Aylerd suffered through Parvarti ~~and~~ pictures.
- (15) V.J. Day: D. asked. P.C. ~~stopped it~~ tried to stop it, + failed.
- (16) 'NotW' Obsessed with me. Crazy to go for Victoria again. 'NotW' egged on by Aylerd.

(4)

- (17) Camille: depressed, but quiet for time being.

Aylerd terrified of Tiggy - she's v. powerful.
- (18) Looking for Diana to initiate divorce + go to U.S.
- (19) Cathy's father went to see Aylerd.
- (20) D finished with Somes in Merd. & trying to re-connect with Nicholas S. Jephson dangerous - money: left offshore a/c in Merd '94.
- (21) One leak speaks to Arbitor every day. Aylerd + Arbitor ran it.
- (22) Copy deadline on Cathy day: ^{11:30, not 7p} ~~Prince Philip~~ ^{Sun: Minor} Today: Expenses

(5)

(17) Prince Philip: v. unpleasant character.
"There's more to being a Princess of Wales
than being a Leo". Philip ever under
to Fergie - Fergie the Edwina M.
of the 1990s.

(18) Possible leaks: Julia Samuel out of
way since June; Menzies out from
March - fell out severely;
Catherine has met
Ayler - debriefed. Catherine knew
everything.

(19) Fergie gone to U.S. for huge deal today.
Andrew looks after her.

(20) Edward has AIDS? Royal Brompton Hospital.
Queen ill: heart. Eats for comfort.

(21) Soames slept with Kay?

(6)

(22) Nicholas S. = court jester + chief
flatterer.

(23) Ayler + PC. have strategy -
special present for William 3 weeks
ago - Bleeping swatch.

(24) 3 days to get him ice with
William, after he goes back to D.

(25) Ayler has no conscience. Very weak +
cowardly. Unhappy 2nd marriage. He
lives in London; she in Surrey. 2
children. Probably having an affair. V.
wealthy.

(26) Michael ~~Forsyth~~ ^{Fauscett}: valet. Picked
Ken Strang into doing 'NotW' story.
MF v. well-off: Bully. Works part-
time in Turnbull + Asser, moonlighting.
MF had overdraft pd off by PC,

via Aylard. (7)

(27) When Aylard coming in, huge bill set - went to D. by mistake - C. rang Aylard. (Stated D. for seeing bill. All D's bills, including Access bill, go through Richard.

(28) Next thing, false accusation that D. has spent £20k on clothes. Fergie (old D).

(29) Aylard plotted £250k story in 'papers' last year.

(30) D. followed twice in car recently.

Bhatia - no action - but number of interactions with BBC.

Tried to get job on 'Public Eye' - 1/2 hr current affairs - editor said

(8)

Copyright.
Legal dept search. Will take 1 yr.

(31) Moore: out. Telephone conversations in August. ~~Saw~~ ^{Buy} from Stowe, Nick Turner, sacked from Stowe because of Oliver H. going to J&LN.

(32) Graham Harding, Fergie's contact, has swept Ken. Palace recently. Can't do telephone lines. Didn't do it thoroughly.

(33)

[Lord Spencer's handwritten notes of meeting with Martin Bashir and Her Royal Highness Princess Diana – 19.09.1995]

Martin: 19/9/95

At Samantha's flat

1. 4 months ago, 3 men met him – MI6. Aylard orchestrating everything: commissioned Wharf (scum) – escort girls in Langham Hilton; plus one other.
2. Aylard pd by Jonathan Dimpleby. 2yrs ago, decided to reinvest P.O.W. 1 yr ago, decided to attack Diana (+family).
3. MI6 taped C + Aylard: "in end game" – D told Aylard what she thought of him, + that she wdn't divorce.
4. Spencer family to be destroyed. D to go to States (+me).
5. Carling thing fed by Julia C.

[page 2]

6. Jephson used to do flying lessons in Jersey. ~~Was in~~ Used to go to Jersey for weekends – hasn't been this year.
7. Difficult relationship with William for D., because of Tiggy. C's in love with her.
8. D: for past 6 months, had letters delivered by BT at therapists' doors, 9-10 ~~lett~~ pages – lines being tapped; Steve Davies (chauffeur) feeds TODAY newspaper; "change your chauffeur".
9. Bugs on car. Senior police officers making money. 3 lines at K.P. bugged; mail read; disinformation down line; line on car bugged.
10. Carling publicity broke on day C + [page 3] Tiggy went away for 2 weeks.
11. James Goldsmith – Jonathan Dimpleby told him "she's had it".
12. 2 B.P. staff on moneyed retainers.
13. Richard Kay + Aylard had dinner in Riverside Room of Savoy, 3 weeks ago. Kay entirely untrustworthy.
14. D's stepped up engagements. Off to Chiracs. Aylard suffered through Pav-arotti pictures.
15. V.J.Day: D. asked. P.C. ~~stopped it~~ tried to stop it, + failed.
16. 'NotW' obsessed with me. Going to go for Victoria again. 'NotW' egged on by Aylard.

[page 4]

17. Camilla: depressed, but quiet for time being.

Aylard terrified of Tiggy – she's v. powerful.

18. Longing for Diana to initiate divorce + go to U.S.
19. Carling's father went to see Aylard.
20. D finished with Soames In March. She trying to reconvene with Nicolas S.

Jephson dangerous – money: left offshore a/c in March '94.

21. One leak speaks to Arbiter every day. Aylard + Arbiter ran it.

11.30, not 7pm

22. Copy of deadline on Carling day, Today; Express; Sun; Mirror. ~~Prince Philip~~.

[page 11]

[page 5]

17. Prince Philip: v. unpleasant correspondence. "There's more to being a Princess of Wales than being a hero". Philip even ruder to Fergie – Fergie the Edwina M. of the 1990s.
18. Possible leaks: Julia Samuel out of way since June; Menzies out from March – fell out severely; Catherine has met Aylard – debriefed. Catherine knew everything.
19. Fergie gone to U.S. for huge deal today. Andrew looks after her.
20. Edward has AIDS? Royal Marsden Hospital. Queen ill: heart.. Eats for comfort.
21. Soames slept with Kay?

[page 6]

22. Nicholas S. = court jester + chief flatterer.
23. Aylard + PC. have strategy – special present for William 3 weeks ago – bleeping swatch.
24. 3 days to get thru ice with William, after he goes back to D.
25. Aylard has no conscience. Very weak + cowardly. Unhappy 2nd marriage. He lives in London; she in Surrey. 2 children. Probably having an affair. V. wealthy.
26. Michael ~~Forsyth~~ Fawcett: valet. Pushed Ken Strong into doing 'NotW' story. MF v. well-off: Bully. Works part-time in Turnbull + Asser, moonlighting. MF had overdraft pd off by PC, [page 7] via Aylard.
27. When Aylard moving in, huge bill sent – went to D. by mistake – C.rang Aylard. C. Slated D. for seeing bill. All D's bills, including Access bill, go through Richard.
28. Next thing, false accusation that D. has spent £20k on clothes. Fergie told D.
29. Aylard planted £250k story in papers last year.
30. D. followed twice in car recently.

Bhatia – no action – but number of interactions with BBC.

Tried to get job on 'Public Eye' – 1/2 hr current affairs – editor said [page 8] corrupt.

Legal dept. search. Will take 1 yr.

31. **Hoare**: out. Telephone conversations in August. ~~SQL~~ Boy from Stowe, Nick Turner, sacked from Stowe because of Oliver H. going to JGLN.
 32. Graham Harding, Fergi's contact, has swept Ken. Palace recently. Cdn't do telephone lines. Didn't do it thoroughly.
 - 33.
-

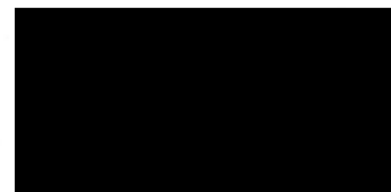
20/9

Charles,

A brief note to say how grateful I am for all your efforts on my behalf.

I believe, sincerely, that we can do this and do it extremely well.

With sincere thanks,



Martin

✓



KENSINGTON PALACE

December: 22nd
1995.

Martin Bashir did not show me any documents, nor give me any information that I was not previously aware of.

I consented to the interview on Panorama without any undue pressure & have no regrets

concerning the matter.

Diana.

* Statement by M. Bashir concerning documents produced for the purposes of research. 28th March 1996 1130hr.

1. In the course of pursuing a story about the future of the monarchy, and other constitutional questions, I met Earl Spencer and HRH The Princess of Wales.
2. Earl Spencer was in the process of suing a national newspaper and was also pursuing a former employee of Althorp House, Mr. Alan Walker. Walker was sacked by Earl Spencer when it was discovered that he had stolen private documentation from the House. Walker subsequently provided information for 'The Sun' newspaper, which published a story.
3. Following Walker's sacking private mail, for him, continued to arrive at Althorp House. Earl Spencer opened a particular letter which was a bank statement. Earl Spencer gave me a copy of that bank statement and also another photocopy which referred to a security company. It was believed Walker may have worked for that company or had some financial interest in it.
4. By now I had developed a close relationship with HRH The Princess of Wales. She mentioned that she had some important information about Alan Walker. She suggested that a Jersey-based Trust fund had paid him money. She believed that this Trust fund may have been set-up and run by Richard Aylard, HRH The Prince of Wales' private

secretary. She also said that she knew of the exact amounts of money that were paid and also the precise amount which had been paid by News International for Alan Waller's help in the story subsequently published by 'The Sun.' I took these details down.

5. HRH The Princess of Wales continued to pass on information and also documentation. I had no idea that she might, at some point, consider ~~that~~ a request for interview and I therefore never mentioned the matter at this stage. It was important that I maintained a warm relationship with all my sources.

6. As part of the process of collating material I began to put a file together. This file contained photostats of private correspondence between HRH The Princess of Wales and other members of the Royal Family, private notes from the Accounts Department at Buckingham Palace, etc. I decided to add the two bank statements, which HRH The Princess of Wales had mentioned concerning Alan Waller, to this file. I asked Matt Weisler to reconstruct them on the basis of the photostats which Earl Spencer had given me. Matt regarded this as a normal practice we having used graphic reconstruction for other programmes, i.e. Venable I + II [REDACTED]. At this stage there was no plan to publish any documents but merely to organise a research file, in the normal way.

7. I visited Earl Spencer, for the last time, at Athrop House. We chatted about a number of his concerns - particularly his desire to see a national newspaper. He repeatedly asked if I knew an 'Express' Reporter by the name of [REDACTED] (sp?). I explained that I did not. I then showed him the two graphically (5) bank statements. I did not explain where the information had come from, nor did I explain that neither were originals, or photocopies of originals. It did seem obvious that they were not bank statements because both were printed on A4 sheets - much larger than standard size bank statements. He asked to keep them. I refused. We then continued to discuss his plans for buying a number of papers. He asked if [REDACTED] had ever been sued by the BBC and I said that I did not know. We then discussed his TV series on famous houses for NBC and we also discussed a possible light-hearted look at celebrities' favourite vacations. He then explained that he would be very busy with work, in the next few months but that I should keep in touch. I rang a few times but received no answer.

8. On seeing HRM The Princess of Wales, she said in passing that the information concerning Alan Walker had not been true. She said that a source of hers had made a mistake. Since I did not regard these as of any great importance I thanked her and we continued discussing other matters.

9. It was two weeks after transmission of the interview that the issue of these documents re-emerged when

Tom Mangold, Harry Dean and Mark Kitchick demanded a meeting. I did not meet them but asked them to see the Editor, if it was a matter of importance.

10. In speaking to HRH The Princess of Wales yesterday evening (2330 hrs 27th March '96) she said that after her brother had introduced her to me - she had never spoken to him about Panorama, or anything to do with our relationship. They never discussed the idea of an interview, and she never sought his counsel on any matters related to Panorama. She did not trust him and felt that he might leak information about the interview before she had informed Buckingham Palace.

11. The question has been asked of me - why did I show those documents to Earl Spencer.

Since I had already established a warm relationship with HRH The Princess of Wales, and since no mention had been made of an interview, I maintain that I was not seeking to impress or manipulate her. This has been confirmed by her statements since transmission.

I believe that I was, in the course of a developing relationship with Earl Spencer, keen on fostering my contact with him. They were shown in passing and although I did not need to impress him (because he was keen on asking me about his action against the papers) I suppose that I wanted to encourage the relationship. In the event they made no difference whatsoever but I acknowledge that, with hindsight, I should either have a) explained what they were and where the information had come from or b) not shown them to anyone.

This was a serious error and one for which I must take full responsibility. But there was no intent to deceive and if I had known they were inaccurate, then they would have been destroyed.

*Statement by M Bashir concerning documents produced for the purposes of research. 28th March 1996
1130 hours

1. In the course of pursuing a story about the future of the monarchy, and other constitutional questions, I met Earl Spencer and HRH The Princess of Wales.
2. Earl Spencer was in the process of suing a national newspaper and was also pursuing a former employee of Althorp House, Mr Alan Waller. Waller was sacked by Earl Spencer when it was discovered that he had stolen private documentation from the House. Waller subsequently provided information for 'The Sun' newspaper, which published a story.
3. Following Waller's sacking private mail, for him, continued to arrive at Althorp House. Earl Spencer opened a particular letter which was a bank statement. Earl Spencer gave me a copy of that bank statement and also another photocopy which referred to a security company. It was believed Waller may have worked for that company or had some financial interest in it.
4. By now I had developed a close relationship with HRH The Princess of Wales. She mentioned that she had some important information about Alan Waller. She suggested that a Jersey based Trust fund had paid him money. She believed that this Trust fund may have been set up and run by Richard Aylard, HRH The Prince of Wales' private secretary. She also said that she knew of the exact amounts of money that were paid and also the precise amount which had been paid by News International for Alan Waller's help in the story subsequently published by 'The Sun'. I took these details down.
5. HRH The Princess of Wales continued to pass on information and also documentation. I had no idea that she might, at some point, consider a request for interview and I therefore never mentioned the matter at this stage. It was important that I maintained a warm relationship with all my sources.
6. As part of the process of collating material I began to put a file together. This file contained photocopies of private correspondence between HRH The Princess of Wales and other members of the Royal Family, private notes from the Accounts Departments at Buckingham Palace, etc. I decided to add the two bank statements, which HRH The Princess of Wales had mentioned concerning Alan Waller, to this file. I asked Matt Weissler to reconstruct them on the basis of the photocopy which Earl Spencer had given me. Matt regarded this as a normal practice we having used graphic reconstructions for other programmes, i.e. Venable I & II [REDACTED]. At this stage there was no plan to publish any documents but merely to organise a research file, in the normal way.
7. I visited Earl Spencer, for the last time, at Althorp House. We chatted about a number of his concerns – particularly his desire to sue a national newspaper. He repeatedly asked if I knew an 'Express' Reporter by the name of [REDACTED] (sp?). I explained that I did not. I then showed him the two graphicised (?) bank statements. I did not explain where the information had come from, nor did I explain that neither were originals, or photocopies of originals. It did seem obvious that they were not bank statements because both were printed on A4 sheets – much larger than standard size bank statements. He asked to keep them. I refused. We then continued to discuss his plans for suing a number of papers. He asked if [REDACTED] had ever been sued by the BBC and I said that I did not know. We then discussed his TV series on famous houses for NBC and we

also discussed a possible light-hearted look at celebrities' favourite vacations. He then explained that he would be very busy with work, in the next few months but that I should keep in touch. I rang a few times but received no answer.

8. On seeing HRH The Princess of Wales, she said in passing that the information concerning Alan Waller had not been true. She said that a source of hers had made a mistake. Since I did not regard these of any great importance I thanked her and we continued discussing other matters.
9. It was two weeks after transmission of the interview that the issue of these documents re-emerged when Tom Mangold, Harry Dean and Mark Killick demanded a meeting. I did not meet them but asked them to see the Editor, if it was a matter of importance.
10. In speaking to HRH The Princess of Wales yesterday evening (2330 hrs 27th March '96) she said that after her brother had introduced her to me – she had never spoken to him about Panorama, or anything to do with our relationship. They never discussed the idea of an interview, and she never sought his counsel on any matters related to Panorama. She did not trust him and felt that he might leak information about the interview before she had informed Buckingham Palace.
11. The question has been asked of me – why did I show those documents to Earl Spencer.

Since I had already established a warm relationship with HRH The Princess of Wales, and since no mention had been made of an interview, I maintain that I was not seeking to impress or manipulate her. This has been confirmed by her statements since transmission.

I believe that I was, in the course of a developing relationship with Earl Spencer, keen on fostering my contact with him. They were shown in passing and although I did not need to impress him (because he was keen on asking me about his action against the paper) I suppose that I wanted to encourage the relationship. In the event they made no difference whatsoever but I acknowledge that, with hindsight, I should either have a) explained what they were and where the information had come from or b) not shown them to anyone.

This was a serious error and one for which I must take full responsibility. But there was no intent to deceive and if I had known they were inaccurate, then they would have been destroyed.

I am recording my recollection of the allegations surrounding
Martin Bashir obtaining ~~the~~ the interview with the Prince of Wales.

On December 21st, around midday, Tim Suter, Managing Editor of Weekly
Panorama, came into my office to tell me of a conversation. He had been
approached by a freelance graphics designer, formerly the BBC designer at
Panorama, named Matthew Weissler. Weissler had been advised to come
to see me by Peter Malloy, a long serving Panorama producer, whom I
had approached for advice. The subject concerned the interview with
the Prince of Wales. I agreed to see Weissler immediately with
~~the Suter~~
~~Weissler~~ present.

Weissler told us that sometime in September / late August,
he had been approached in a hurry by Bashir who wanted
an immediate graphics job done. It involved making up two
bank statement graphics based on information which Bashir had
been given. There was one section which should have detailed a
source of the credit to the account. Into this section of the
statement, Bashir entered a dummy name, as he did not
know the original. He then left, ~~with the~~ asking for
the documents to be sent to him so he could collect them
at Heathrow, to board a flight, I think, he said to Scotland

(Though I took notes of this meeting at the time, I subsequently
destroyed them, because I believed the accusations
against Bashir to be groundless. Hence my current
account is based on my recollection three months distant).

Weissler then told me that after the interview he was
insistently approached by the Panorama producer, Dick Killick
who claimed he had been working with Bashir and Weissler
told Killick of the graphics of the documents. Killick then
persuaded Weissler to give him copies.

Killick, Weisler said, told him that he believed that Bashir had used the documents to persuade the Prince of Wales to give him an interview, by showing them to her.

Weisler then told me that he understood that Killick, & Hely Dean, Panama journalists, approached Steve Hewlett of Panama, after having asked to talk to Bashir who refused. Killick showed the document to Hewlett but did not give it. He repeated his allegation of the use to which the document had been put. Hewlett refused to be drawn in discussion with them, but immediately saw Bashir's ego. Bashir admitted having made up the documents a graphic representation, from information he had been told, but he had not used them for any other purpose & had shown them to Steve. Hewlett told me this after I & Tim Sater asked to see him on Weisler's story. Steve apologized to me for not having before the meeting, having happened some weeks previously he had been assured that the allegation was groundless. It was motivated by Killick's jealousy of not having been part of the team that made the programme. He also believed Killick was source of leaks to the Press from the Panama Office.

In Sater 1, and Hewlett then saw Martin Bashir asked for a full account of what had happened. Bashir that the documents in question ^{were based on information} came from the Prince of Wales had been given information by her concerning a man she believed was being paid via a Trust fund to be her. It was possible he was in the employ of a not much international but ~~the~~ ~~some~~ some official surveillance of the Security Services. He had one original document, a bank account, and information regarding two more. He had made up graphics of the other two in order to inform. However, he had shown these to no-one. Therefore could not have used the documents to see interview as the information on them came from the

We expressed some surprise at why Bashir had needed to turn the information into a graphic at this stage. He also told us that, as the source of the payment into the account was unknown, he had substituted a name which had occurred to him, knowing it to be false, but in order to complete the graphic. Again, we find this action difficult to comprehend.

Bashir reiterated his claim that following the making of these documents, they had been deposited securely along with other research material and no one else had seen them. Again, he explained that, as the information had come ~~had come~~ from the Princess, he could not have used the documents to mislead her.

We suggested that Bashir was telling us the truth, though we stated that the decision to make up a graphic representation of the document was unwise, and, given the fact that the programme was in a research stage, wholly unnecessary. I therefore asked him in addition to provide independent evidence from the Princess that she had not been shown any documents. This she was, I was told, happy to do.

I was able to reassure Webster by telephone that I now had firm reason to believe why the Princess could not have been shown any of the documents he had made, but thanked him for coming to see me.

He had also told me that the discs on which he had made the artwork had disappeared. He feared it had been stolen. However, given the explanation by Bashir, there seemed little to be gained by pursuing this.

The following day, we received a letter from the Princess which stated she had never been shown any documents or told anything of which she was not already aware. She remained happy with the way the interview had been conducted + had no regrets. We believed this ended the matter.

It was on the Friday evening of March 22nd that I was contacted by Ed Spencer through the Doreen Green's office. I understood The Mail on Sunday had come to him with a story about John's documents being shown to him in order to secure the interview with his sister. I spoke to Steve Herroff who offered to ring him as he had spoken to him at the ^{beginning} ~~beginning~~ of Bashir's ^{enquiries} ~~enquiries~~ and had confirmed he worked for Panaramma. Herroff was read a statement

that Earl Spencer prepared to ~~send~~ ^{issue} to the press. It said that Bashir had indeed come to him with certain allegations about specific journalists. As a result, Spencer had introduced him to the Prince. At no time was an interview mentioned. This confirmed our knowledge of the story. Earl Spencer let Steve Hewlett know he was somewhat resentful of the fact that Bashir had not got back in touch, after their meeting.

I asked Hewlett to ring Bashir. Bashir confirmed again to Hewlett that he had shown the graphically doctored document to no-one, and he specifically mentioned Earl Spencer. I informed Richard Peal, but believed there ~~was~~ was no foundation in the Mail's story.

The next day, Saturday, I was telephoned at home by 3 ~~people~~ Mail on Sunday journalists including the Editor. 2 more were sent to my home. I refused to talk to them but asked NCA Press Office to get back to the Mail on Sunday to ascertain their story. The first conversation with John Dobie, Executive Editor, was quite general & suggested documents had been shown to the Prince & the Earl, that Management had known of this before the interview & subsequently tried to keep it quiet. I contacted Bashir who again reassured me & Steve Hewlett, in separate conversations, that nothing had been shown to either the Prince or the Earl.

I then telephoned Matt Wessles who was being pruned by the Press, and told him that my conversation with him on 21st December, still stood. There was no truth in the allegation that these documents had been shown to anyone, in particular the Prince, to obtain fraudulently an interview.

Later that afternoon, the BBC Press officer spoke directly to the Editor who gave a clear account of the Mail story. This suggested that the specific allegation was that Earl Spencer had been shown doctored documents which had persuaded him to recommend to his sister that Martin Bashir should be given an interview.

I then rang Bashir again, but failed to get hold of him. However,

he rang me and told me for the first time that he had shown, despite his specific denials on December 21st, and that morning, the graphicised documents to Earl Spencer.

I told Bashir that this overturned every assumption the BBC had been given + the BBC would have to consider its position. Bashir insisted that this had not been in the context of requesting an interview. The agreement by the Princess to an interview was at a later date and she did not tell her brother of the fact, or discuss it with him. Earl Spencer's statement, as read to Steve Hewlett, confirmed that he never spoke of an interview with Bashir.

After taking legal advice from Roger Law, the BBC drafted a statement, true to the best of our belief, that it was utterly untrue to state that forged documents, or any documents, had been used as a means of coaxing the Princess to an interview. Now was the time to take the allegation that the BBC had known of this, and hushed it up.

However, the same day I agreed with the M.D of NCA, Tony Hall, that the BBC needed to find out the entire truth behind Bashir's activities, given he had misled us when asked specifically about these graphicised documents ^{and appeared to have acted methodically + in breach of guidelines}. On the Monday, there was a meeting where it was agreed that a full enquiry would be undertaken + action decided upon when the full facts were known. Given that I was leaving the BBC 3 days later, this would be conducted by the Managing Editor of Health Programme, to ensure continuity in the Management's handling of this event.

I believe that I, and the BBC, have behaved with probity throughout. When the allegation was brought to our attention, we proved it and obtained independent corroboration from the Princess that she had seen no documents + was content. We were consistently told by Bashir that the documents had been shown to no-one. ~~It~~ ^{It} ~~came~~ ^{came} from the producer ^(Peter [?]) and graphics designer who had approached me that I was content there was no truth in the allegation. When last week Bashir admitted he had not told the truth, we took immediate action.

to know all the facts.

At time of meeting, Tony T. Hall, MDNKA, has not determined what action he will take but will do so once he has had time to study carefully what has occurred.



28/3/1996

[Faint, mostly illegible handwritten notes and text, possibly including a list or detailed report]

Annex 2

I am recording my recollection of the allegations surrounding Martin Bashir's obtaining of the interview with the Princess of Wales.

On December 21st, around mid-morning, Tim Suter, Managing Editor of Weekly Programmes, came into my office to tell me of a conversation. He had been approached by a freelance graphics designer, formerly the BBC designer on Panorama, named Matthew Weissler. Weissler had been advised to come to see me by Peter Molloy, a long serving panorama producer, whom he had approached for advice. The subject concerned the interview with the Princess of Wales. I agreed to see Weissler immediately with Tim Suter present.

Weissler told us that sometime in September/late August, he had been approached in a hurry by Bashir who wanted an immediate graphics job done. It involved making up two bank statement graphics based on information which Bashir had been given. There was one section which should have detailed a source of the credit to the account. Into this section of the statement, Bashir entered a dummy name, as he did not know the original. He then left, asking for the documents to be sent to him so he could collect them at Heathrow, to board a flight, I think, he said to Scotland.

(Though I took notes of this meeting at the time, I subsequently destroyed them, because I believed the accusations against Bashir to be groundless. Hence my current account is based on my recollection three months distant).

Weissler then told me after the interview he was insistently approached by the Panorama producer, Mark Killick who claimed he had been working with Bashir and Weissler told Killick of the graphic of the documents. Killick then persuaded Weissler to give him copies.

Killick, Weissler said, told him that he believed Bashir had used the documents to persuade the Princess of Wales to give him an interview, by showing them to her.

Weissler then told me that he understood that Killick, [?] and Harry Dean Panorama journalists, approached Steve Hewlett [Editor] of Panorama, after being asked to talk to Bashir who [refused?] Killick showed the document to Hewlett but did not give it [to him]. He repeated his allegation of the use to which he claimed [the] documents had been put. Hewlett refused to be drawn [into] discussion with them, but immediately saw Bashir [separately]. Bashir admitted having made up the documents a [as a?] graphic representation, from information he had been told, but he had not used them for any other purpose + had shown the [m to no-one?].

Steve Hewlett told me this after I + Tim Suter asked to see him and heard Weissler's story. Steve apologised to me for not having [told me] before, the meeting having happened some weeks previously. [?] he had been assured that the allegation was groundless. [] It was being motivated by Killick's jealousy of not having been part [of the] team that made the programme. He also believed Killick was [the] source of leaks to the press from the Panorama office.

Tim Suter, I, and Hewlett then saw Martin Bashir [and] asked for a full account of what had happened. Bashir [said] that the documents in question were based on information from the Princess of [Wales. He] had been given information by her concerning a man called [Weller whom] she believed was being paid via a Trust Fund to [leak stories on] her. It was possible he was in the employ of not merely [News] International but some official surveillance, [possibly even] the Security Services. He had one original document, [a Weller?] bank account, and information regarding two [more.] He had made up graphics of the other two in order to [record the]

information. However, he had shown these to no-one. [He] therefore could not have used the documents to [secure the] interview as the information on them came from the [Princess of Wales herself].

We expressed some surprise at why Bashir had needed to turn the information into a graphic at this stage. He also told us that, as the source of the payment into the account was unknown, he had substituted a [name] which had occurred to him, knowing it to be false, but in order to complete the graphic. Again, we found this action difficult to comprehend.

Bashir reiterated his claim that following the making of these documents, they had been deposited securely along with other research material and no one else had seen them. Again, he explained that, as the information had come from the Princess, he could not have used the documents to mislead her.

We accepted that Bashir was telling the truth, though we stated that the decision to make up a graphic representation of the document was unwise, and, given the fact that the programme was in a research stage, wholly unnecessary. I therefore asked him in addition to provide independent evidence from the Princess that she had not been shown any documents. This she was, I told, happy to do.

I was able to reassure Weissler by telephone that I now had firm reason to believe why the Princess could not have been shown any of the documents he had made, but thanked him for coming to see me. He had also told me that the disc on which he had made the artwork had disappeared. He feared it had been stolen. However, given the explanation by Bashir, there seemed little to be gained by pursuing this.

The following day, we received a letter from the Princess which stated she had never been shown any documents or told anything of which she was not already aware. She remained happy with the way the interview had been conducted and had no regrets. We believed this ended the matter.

It was on the Friday evening of March 22nd that I was contacted by Earl Spencer through the Director General's office. I understood the Mail on Sunday had come to him with a story about forged documents being shown to him in order to secure the interview with his sister. I spoke to Steve Hewlett who offered to ring him as he had spoken to him at the beginning of Bashir's enquiries and had confirmed he worked for Panorama. Hewlett was read a statement that Earl Spencer proposed to issue to the press. It said that Bashir had indeed come to him with certain allegations about specific journalists. As a result, Spencer had introduced him to the Princess. At no time was an interview mentioned. This confirmed our knowledge of the story. Earl Spencer let Steve Hewlett know he was somewhat resentful of the fact that Bashir had not got back in touch, after their meetings.

I asked Hewlett to ring Bashir. Bashir confirmed again to Hewlett that he had shown the graphicised document to no one, and he specifically mentioned Earl Spencer. I informed Richard Peel, but believed there was no foundation in the Mail's story.

The next day, Saturday, I was telephoned at home by 3 Mail on Sunday journalists including the Editor. 2 more were sent to my home. I refused to talk to them but asked NCA press office to get back to the Mail on Sunday to ascertain their story. The first conversation with John Dobbie, Executive Editor, was quite general + suggested documents had been shown to the Princess + the Earl, that Management had known of this before the interview + subsequently tried to keep it quiet. I contacted Bashir who again reassured me + Steve Hewlett, in separate conversations, that nothing had been shown to either the Princess or the Earl.

I then telephoned Matt Weissler who was being pursued by the press, and told him that my conversation with him on 21st December still stood. There was no truth in the allegation that these documents

had been shown to anyone, in particular the Princess, to obtain fraudulently an interview.

Later that afternoon, the BBC Press officer spoke directly to the Editor who gave a clear account of the Mail story. This suggested that the specific allegation was that Earl Spencer had been shown coddled documents which had persuaded him to recommend to his sister that Martin Bashir should be given an interview.

I then rang Bashir again, but failed to get hold of him. However he rung me and told me for the first time that he had shown, despite his specific denials on December 21st, and that morning, the graphicised documents to Earl Spencer.

I told Bashir that this overturned every assurance the BBC had been given + the BBC would have to consider its position. Bashir insisted that this had not been in the context of requesting an interview. The agreement by the Princess to an interview was at a later date and she did not tell her brother of the fact, or discuss it with him. Earl Spencer's statement, as read to Steve Hewlett, confirmed that he never spoke of an interview with Bashir.

After taking legal advice from Roger Law, the BBC drafted a statement, true to the best of our belief, that it was utterly untrue to state that forged documents, or any documents, had been used as a means of coercing the Princess to an interview nor was there any truth in the allegation that the BBC had known of this, and hushed it up.

However, the same day I agreed with the MD of NCA, Tony Hall, that the BBC needed to find out the entire truth behind Bashir's activities, given he had misled us when asked specifically about the graphicised documents and appeared to have acted unethically and in breach of the Guidelines. On the Monday, there was a meeting

where it was agreed that a full enquiry would be undertaken + action decided upon when the full facts were known. Given that I was leaving the BBC 3 days later, this would be conducted by the Managing Editor of Weekly Programmes, to ensure continuity in the management's handling of this event.

I believe that I, and the BBC, have behaved with probity throughout. When the allegation was brought to our attention, we pursued it and obtained independent corroboration from the Princess that she had seen no documents + was content. We were consistently told by Bashir that the documents had been shown to no-one. I assured the producer (Peter Molloy) and graphics designer who had approached me that I was content there was no truth in the allegation. When last week Bashir admitted he had not told the truth, we took immediate action to obtain all the facts.

At time of writing, Tony Hall, MD NCA, has not determined what action he will take but will do so once he has had time to study carefully what has occurred.

Tim Gardam
28/3/1996

Martin Bashir esq

4.04.96

Dear Martin,

Thank you for giving me the detailed account of your preparations for the interview with the Princess of Wales.

I have consulted Tony Hall and others within the senior management of News and Current Affairs, and it is clear to us, from the account you have given and from the corroboration we have received, that your dealings with the Princess in securing the interview were absolutely straight and fair. We are completely satisfied that the interview was freely given; that the Princess was placed under no pressure by you or anybody else; and that she was neither shown any documents nor told anything she did not already know.

However, it is also clear to us that the creation and use of some material in the early preparation for the programme was in breach of the BBC's guidelines on straight dealing. This breach was compounded by your failure to inform the then Head of Department of the use made of this material when directly questioned by him.

You should be in no doubt of the seriousness with which we view this, nor of the reprimand that this letter represents. I will be consulting Tony Hall on his return to the office to discuss any next steps.

We believe that no purpose is served by making this a matter of public record. However, we retain the right, if future events require it, to make this letter public and to justify the action we have taken.

Your sincerely

Tim Suter
(Managing Editor, Weekly Programmes, News and Current Affairs)

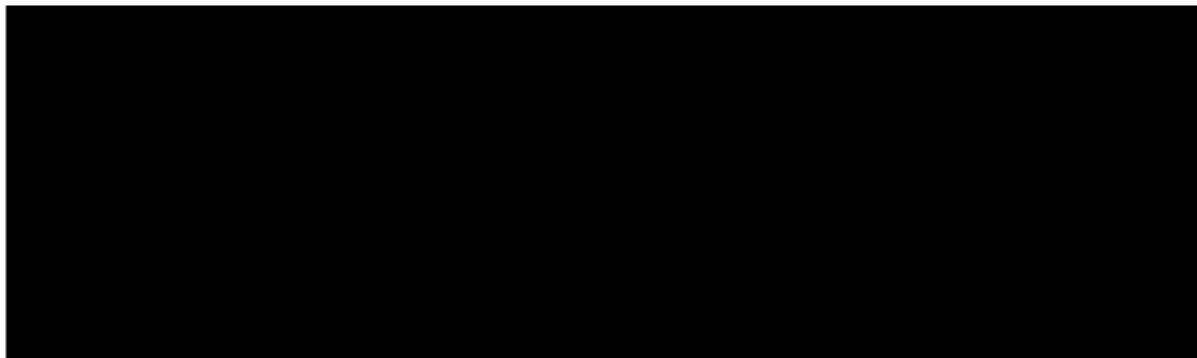


PRESS OFFICE LOG

STRICTLY CONFIDENTIAL

Saturday, 6 April 1996

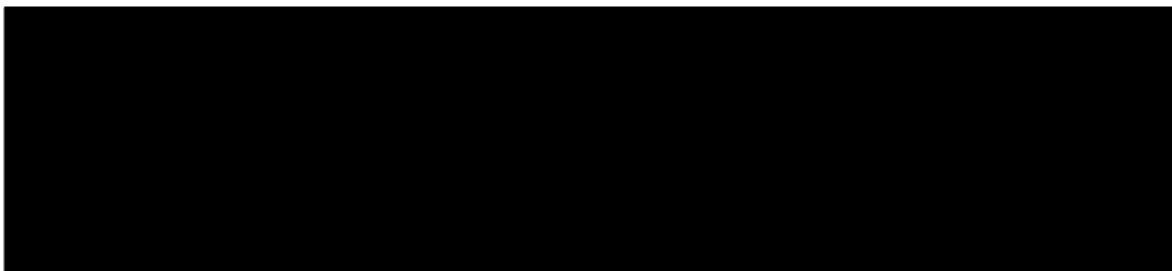
On Duty: Simon Rahamim
Kevan McClair



NCA/PANORAMA/MARTIN BASHIR/MAIL ON SUNDAY

From Richard Peel, C.CINCA. John Ryan (Asst Ed, MoS) said the MoS was conducting an investigation into a series of documents, designed to resemble bank statements, which were commissioned by 'Panorama' reporter Martin Bashir. Ryan said the statements purported to show details of a joint bank account held by Mr Robert Harper & Mr Alan Waller, trading as Weider Health and Fitness. He said the statements had been created by a BBC graphics artist. Ryan asked a series of questions about the documents: who had commissioned them, had their authenticity been called into question, and were any senior BBC staff informed about concerns over their veracity? After consulting Tony Hall, MD NCA, Editor 'Panorama' Steve Hewlett, and DCA, gave MoS the following statement: "The draft graphic reconstructions on which this story are based have no validity and have never been published. They were set up in the early part of an investigation and were discarded when some of the information could not be substantiated. They were never in any way connected to the 'Panorama' on Princess Diana, and there was never any intention to publish them in the form in which they have been leaked. Their use would never have been sanctioned at a higher editorial level, and if they had been transmitted it would have been a clear breach of our editorial guidelines." HCPR aware.

From Kevan McClair, Press O. Follow-up calls received from Clive Goodman (NoW), Steve Ball (S.Times), Helen Johnstone (S.Tel), and Vikram Dodd (Obs). After consulting C.CINCA, responded with above statement.





PRESS OFFICE LOG

STRICTLY CONFIDENTIAL

Sunday, 7 April 1996

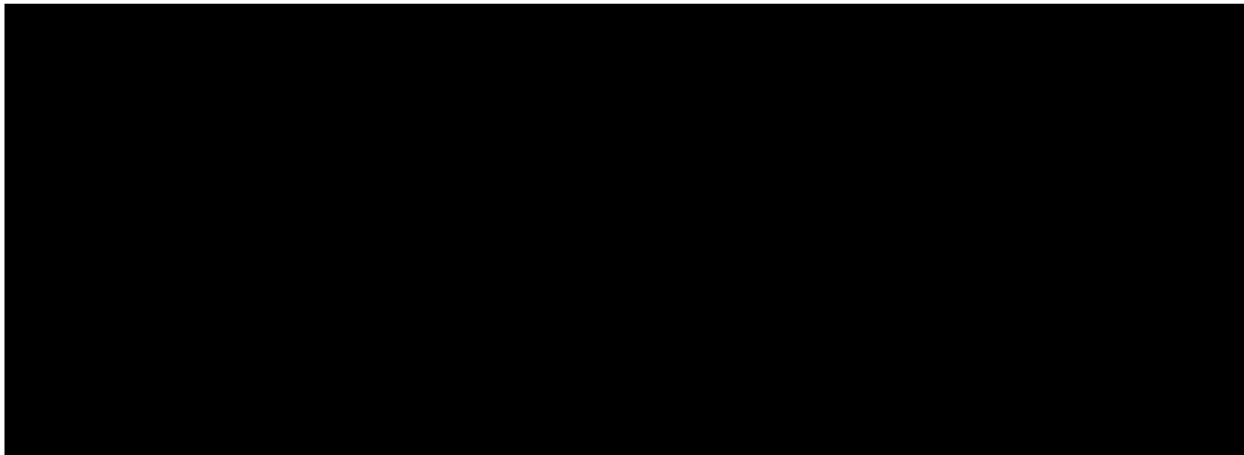
On Duty: Sue Affleck
Simon Rahamim



NCA/PANORAMA/MARTIN BASHIR

From Richard Peel, C.CINCA. See yesterday's log. John Hamshire (D.Mail) and Chris Blackhurst (Independent) both asked if the documents referred to in today's MoS story had played any part in the Princess Diana interview. Replied: When the documents came to light and it was suggested they might have been used in relation to this interview, we launched a thorough investigation. No connection was drawn. Asked whether Princess Diana had confirmed there was no connection said that she had, and referred them to her press office. Blackhurst also asked if the documents had been used as part of another investigation involving Earl Spencer and MI5. Replied we would not talk about any 'Panorama' investigation either ongoing or abandoned. Blackhurst called again and asked: Had the statements been shown to Earl Spencer? Had they been produced in conjunction with an earlier investigation? Had Earl Spencer been questioned by the BBC? Responded by reiterating our position from statement; confirmed the graphics had been put together for a wider investigation, and said we had nothing further to add. Jon Ungoed-Thomas (D.Mail) asked for BBC view on the creation of the documents. Replied it was obviously not something we condoned and referred him back to final paragraph of original statement. When asked if Martin Bashir had been officially disciplined, replied that he had not. John Mulholland and Edward Pilkington (Guardian), Christian Dyerson (D.Mirr), Oliver August (Times) and Malcolm Brown (London News Radio) briefed as above.

From Simon Rahamim, Press O. Daniel James (UK News) asked if there had been any investigation into the use of the documents. Replied as above. C.CINCA aware.



[REDACTED]

EXHIBIT 'A'

Strictly Confidential. April 11 1996. No file copies.

From: Tom Mangold.

To: Anne Sloman.

You have asked me for a factual note on my involvement in 'Les Evenements'.

Mark Killick approached me around November 22nd. He was distraught and very anxious. He told me he needed my help in something he had discovered on Panorama. I told him, as a friend, I would be happy to do my best to help him.

Mark then decanted his knowledge about Martin and the documents to me. I was less than happy even to possess the knowledge let alone give guidance on what to do next. Mark felt this was an extremely serious matter which, not to put too fine a point upon it, involved the faking of a document by the BBC for pecuniary gain. [REDACTED] Venables case.

My immediate reaction then, and for the following months was that whatever the truth, this was a story that HAD to be kept away from the press; and that the circle of knowledge remain as tight as possible. I had no other agenda then, or now.

A few nights later, at about 11.15pm I received a call at home from Chris Blackhurst of the Independent newspaper. He wanted to talk to me about Bashir and faked documents. I said I knew nothing. Why I should receive a call from him at that time remains totally unexplained.

In the light of this call, and for other reasons I decided to bring Harry Dean into the loop. Harry is a friend of mine, of Mark's and of Martin's. He is a BBC manager and a man whose judgement I trust.

Harry's view, and mine, was that we should meet and discuss the implications of the allegations. This we did and spoke for several hours. This was not a meeting where value judgements were offered nor was it a meeting of vigilantes. It was a meeting of three mature men who, at that stage were agreed on one key item on the agenda, namely, to make sure this matter was kept away from the press.

A feeling evolved from our meeting that Martin should now be told of Mark's fears. We were clearly agreed that this was NOT a matter to raise with management, particularly because there was no evidence that the documents had been used as a deception to help obtain the interview.

Harry called Martin and in a series of conversations, I believe Martin took the view that if anything were to be raised with him about the film, it should be raised through the editor. Martin was adamant about this and in a call I made to him, I was unable to shake that view.

BRITISH BROADCASTING CORPORATION
NEW BROADCASTING HOUSE
PO BOX 27
OXFORD ROAD
MANCHESTER M60 1SJ
TELEPHONE: [REDACTED]
FAX: [REDACTED]

TO; ANNE SLOMAN
FROM; HARRY DEAN
12TH APRIL 1996

After our meeting earlier this week you asked for a written statement from me concerning what I know about the genesis of the current row over "Diana".

I have confined myself to factual statements and I have tried to be accurate about dates (if the exact dates are important I would need to check with my last year's diary which is currently in one of dozens of packing cases).

On the 22nd November I attended a BCC with Tom Mangold. After the hearing was over Tom asked me whether I would be prepared in principle to give advice on a difficult issue that had been brought to him by another member of the "Panorama" team. He said he hoped the problem would go away but, if it did not, he would value my advice on how to proceed.

Tom later telephoned me (I think it was on 1st December) to say the problem had not gone away and would I meet with Mark Killick and him. We met on the afternoon of Monday 4th December and the three of us talked for several hours.

At that meeting Mark outlined his concerns that broadcast quality graphic representations of bank statements had been commissioned by Martin Bashir from Matt Wiesler and that the information in those graphics may have been false. His concerns covered both the Diana programme [REDACTED]

[REDACTED] Venables [REDACTED]

Tom and Mark asked what I thought should be done. I said I thought the matter needed to be brought to the attention of the Editor of "Panorama" as soon as possible but agreed that an attempt should be made first of all to contact Martin. I agreed to telephone him and, without outlining the detail, explained that something had come up. He agreed to meet later that day.

A short while later Martin called me back and said he had decided a meeting would not be a good idea. Anything that needed to be raised should be raised with Steve Hewlett as he knew everything that had happened in the making of the programme. I tried unsuccessfully to ask if an informal chat with him might not be the best way forward.

I then arranged for Mark to explain his concerns to Steve later that evening in the Editor's office. I accompanied Mark and Tom and briefly explained why we were there. The meeting began rather acrimoniously but Mark explained his concerns, Steve said he could not remember whether he knew about the bank statements, there were some questions from Steve, he expressed thanks that the issue had been brought to his attention and the meeting ended.

Later that evening I was telephoned by Steve and asked to return to his office alone which I did. He said he wanted to talk without Mark and Tom being there; he was particularly concerned that Mark had been leaking information about the programme as he was jealous that he had not been Producer. Steve stressed to me that the information in the bank statements was true [REDACTED]

Terry Venables. He also said the statements had not been shown to Lady Di .

I stressed to Steve that, although I would do anything that he thought would help to reduce any fallout, that was the end of the matter as far as I was concerned.

I did not discuss any of this with anyone else until a few weeks ago. Tom Mangold telephoned me to say he had been contacted by the Editor of the Mail on Sunday. I was concerned that the story was, after all, not going to go away and decided to described my limited knowledge of what had happened to Helen Boaden.

I have not spoken to any journalist about this although Tim Kelsey of the Sunday Times was trying to contact me yesterday.

If you require a more detailed statement I will of course be happy to provide one next week.

[REDACTED]
Harry Dean

BOARD OF MANAGEMENT

Minutes of a meeting held at 10.00 am
on Monday 15 April 1996
in the Board Room, Broadcasting House

Present: John Birt Director-General
Bob Phillis Deputy Director-General
Will Wyatt Managing Director, Network Television
Tony Hall Managing Director, News & Current Affairs
Sam Younger Managing Director, World Service
Michael Green Acting Managing Director, Network Radio
Margaret Salmon Director of Personnel
Patricia Hodgson Director of Policy & Planning
Rodney Baker-Bates Director of Finance and Information Technology
Colin Browne Director of Corporate Affairs
Mark Byford Deputy Managing Director, Regional Broadcasting

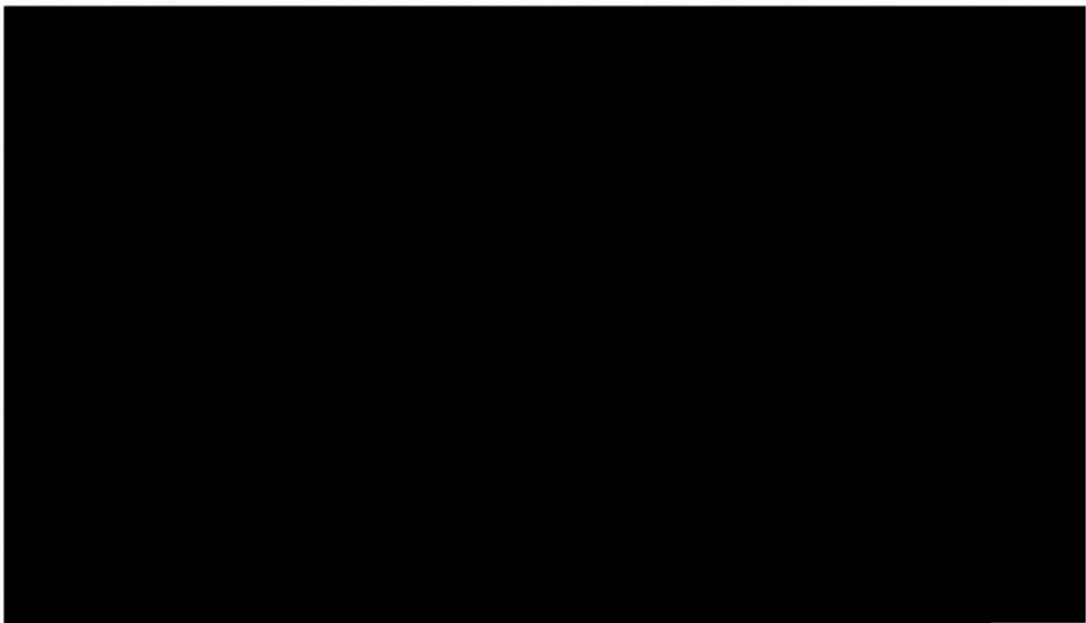
In attendance: Michael Stevenson The Secretary
Christopher Graham Deputy Secretary
Jeremy Mayhew Director of Strategy and New Media Development
(for minute 103)
Robin Foster Controller, Corporate Strategy (for minute 104)

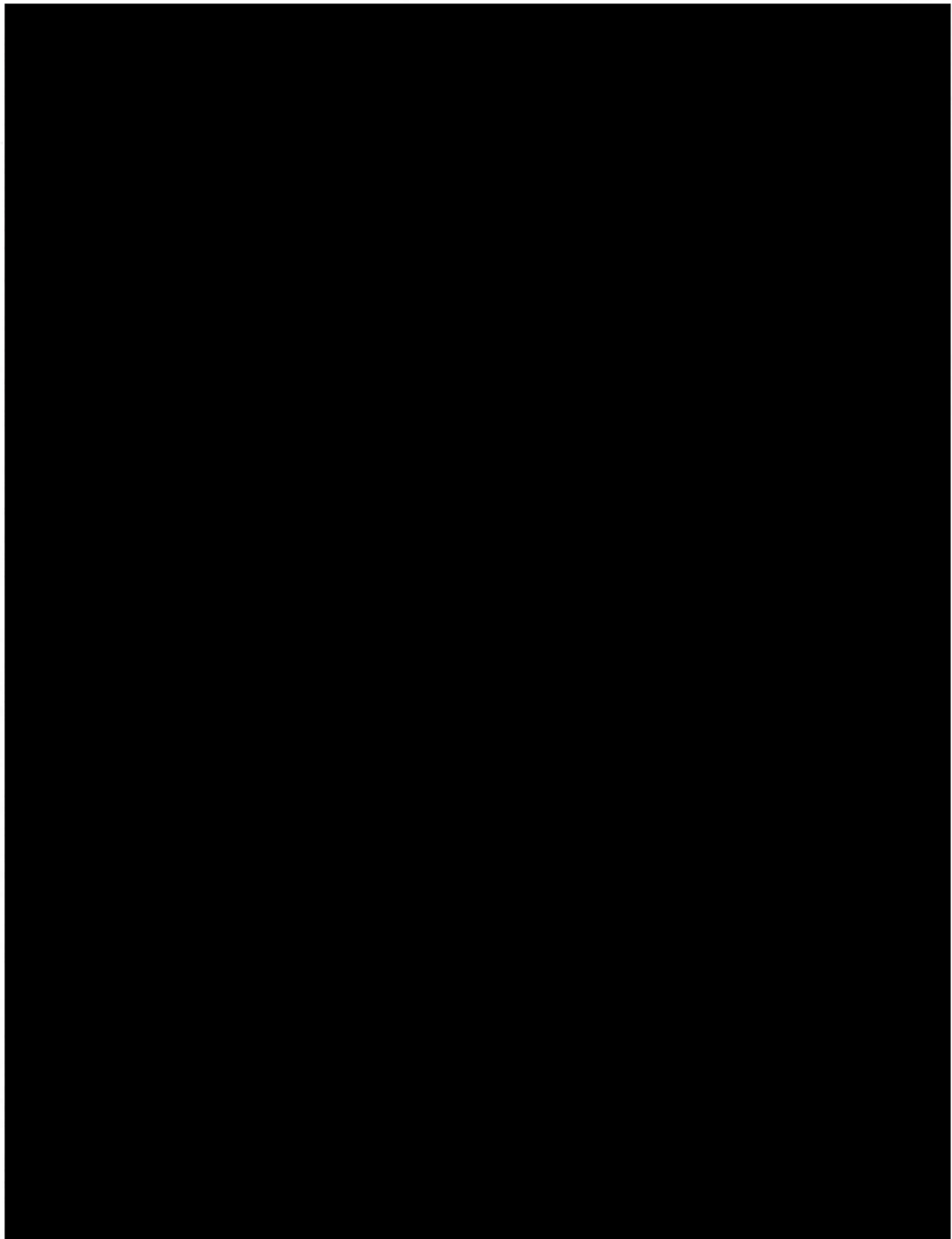
Apologies: Ronald Neil Managing Director, Regional Broadcasting
Jane Drabble Director of Education
Rod Lynch Managing Director, Resources

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99

100





101 MARTIN BASHIR (95)

Tony Hall said he had asked Ann Sloman, acting Head of Weekly and Special Programmes, NCA, to report to him on the background to allegations in the press of unethical conduct in connection with the *Panorama* interview with the Princess of Wales [REDACTED]. He said it was already clear that, while mistakes had been made, the BBC's position was more robust than might appear from the press.

Martin Bashir had been undertaking a wider investigation when the opportunity of interviewing the Princess arose. Information which had been received from a reliable source had been put into graphic form. The graphics had been discarded when Bashir had concluded that the information could not be substantiated. The Princess of Wales had confirmed that the 'documents' had played no part in her decision to give an interview.

Venables programme

102

Notes from Meeting between Martin Bashir, Tony Hall and Anne Sloman at 6pm on April 17th in Room 425. BH

Martin gave a lucid and detailed account of the events leading up to his interview with the Princess of Wales, the headlines of which were:

1. A conversation in the canteen at the beginning of 1995 with Mark Killick speculating about the big stories which might emerge in the coming year, at which Martin had first floated the idea that the Royal family's use of not only the media - which everyone knew about - but of their agendas as a weapon in their private battles. It was this conversation, Martin believes, which gave Killick the feeling later on that he had some sort of stake in the interview, even though the idea had come from Martin and not him.
2. A contact/friend of Martin's who was [REDACTED] introduced him to a man called [REDACTED] who Martin believes worked for the Security Services. Over a period of time [REDACTED] fed him with information which led Martin to believe the Security Services were involved in a campaign against the Princess of Wales. Martin gave two specific instances.
3. At this point Martin left the investigation to make another programme.
4. After the summer break Martin resumed his investigation and made contact with the Princess of Wales' former flatmate [REDACTED]. Other contacts included someone called [REDACTED] in [REDACTED]. Both encouraged him to "keep going".
5. He then approached Spencer who eventually agreed to meet him at the NBC office in London. Spencer was obsessed about an article in the Standard by [REDACTED] suggesting that he had been involved in a deal with [REDACTED]. He

thought the BBC might have been involved in litigation with [REDACTED]. He was "full of rage and hoping I might be able to help him".

6. In a second meeting with Spencer, Alan Waller's name came up. Spencer said "I want to show you something" and produced a Bank Statement of Waller's. Waller, who Spencer suspected of being planted in his home by the Security Services, had left his employment by this time, but his mail was still arriving there. Spencer said "There's a big story here". Spencer gives the bank statement to Martin.
7. By the end of August, the investigation has run into the sand. Steve Hewlett encourages Martin "to go for her".
8. A third meeting with Spencer takes place. Martin asks to meet his sister. Spencer says he hasn't seen her for two years (they had fallen out when he had refused to let her come and live at Althorp) but he rang her and arranged a meeting.
9. This took place in a Knightsbridge flat belonging to one of Spencer's girlfriends.
10. That evening the Princess of Wales ^{Bleeped} Martin and ~~says~~ ^{said} thank you. The relationship is established.
11. A number of subsequent meetings take place, at one of which she gives him copies of a correspondence between her and the Duke of Edinburgh and at another ~~that Waller~~ ^{says that} had received payments from News International and a Jersey Trust Fund, the name of which she didn't know. She doesn't reveal what her sources are. ^{Waller}
12. Martin had lost touch with Spencer but now rang him to arrange another meeting. He had collected a substantial pile of documents by this time and at this point he asked Matt Wiessler to make up the false bank statement. When he showed it to Spencer he said "I've got some information". He did not explain they were reproductions but drew attention to the fact that the information on the Jersey-based off-shore

fund "may not be accurate". That was his last meeting with Spencer.

13. Subsequently Steve pressed him to ask the Princess for an interview. He did. She agreed. She never saw the false bank statement. It had nothing whatever to do with her decision to give the interview. When pressed by Tony about the circumstances of the forged document, Martin said:
- It was done in a rush because he didn't want to leave it in Wiessler's hands longer than necessary. Wiessler had been unable to do it that day but had recently gone freelance and wanted the work so had done it overnight. Martin was flying to Scotland to talk to a former policeman. That's why he suggested the Sock Shop drop.
 - "On previous occasions when Mark Killick and I needed a document and couldn't take it away, we would record a description of it and draw it" to make a graphic representation afterwards. We did it on Venables and [REDACTED] Mark did it on [REDACTED]. In those instances the mocked-up graphics were based on hard factual evidence. This one clearly wasn't.
 - Why? "At the time it was just one of those things". "I didn't think it was a big deal".
 - On previous programmes with Killick "I did people and he did paper". He'd always compile a brilliant folder of research. I was trying to get together a pile of evidence as an addendum to my research brief to present to Steve. I was trying to do something I wasn't very good at".
 - Why use Penfold's name? [REDACTED] Venables [REDACTED] I just put it down. It was stupid".
 - He was already locked in a relationship with Diana. He had no need to persuade Spencer of anything.

FOR THE DIRECTOR GENERAL

MARTIN BASHIR AND *THE MAIL ON SUNDAY*
ALLEGATIONS

1. Martin Bashir had a conversation with Mark Killick at the beginning of 1995, speculating about the 'big' stories which might emerge in the coming year. Martin floated the idea that the Royal Family's use of the media and maybe other agencies, as a weapon in their private battles, would be a major issue. It was this conversation, Martin believes, which gave Mark Killick the feeling that he had some sort of stake in the interview, even though the idea had come from Martin not from him.
2. Martin spoke to a friend of his who is [REDACTED]
[REDACTED]
He in turn introduced him to a man called [REDACTED] who Martin said worked for the security services. Over a period of time [REDACTED] encouraged by [REDACTED] fed him with information which led Martin to believe certain 'officers of the Crown' were involved in a campaign against the Princess of Wales. Apparently they were receiving instructions from the Prince of Wales and his Private Secretary.
3. Some speculative information was provided, including, a drawing of the Princess of Wales' house, with information about where bugs had been placed.

4. The motive of [REDACTED] and [REDACTED] at this stage, was apparently to represent the views of members of the security services who were concerned about what was going on.
5. The other piece of evidence involved the broadcast of the 'Squidgy' conversation involving the Princess of Wales.
6. At this point, in the spring, Martin left the investigation to make another programme. In the summer Martin returned to the story and was told by [REDACTED] to talk to [REDACTED]. After winning her confidence, Martin was taken on a car ride to show junction boxes where tampering with telephone lines to the Princess of Wales was taking place. She refused to help Martin meet Diana.
7. Martin was also introduced by [REDACTED] to someone called [REDACTED] who worked at GCHQ in Cheltenham. His main message was to keep going with the investigation.
8. Martin then approached Spencer who eventually agreed to meet him at the NBC office in London. Spencer was obsessed by an article in the *Evening Standard* by [REDACTED] which suggested that he had been involved in a deal with [REDACTED]. He thought the BBC might have been involved in litigation with [REDACTED]. He was "full of rage and hoping I might be able to help him".
9. In a second meeting with Martin, Spencer mentioned the name Alan Waller. Waller had been sacked by Spencer when it was discovered that he had stolen private documentation from the house. Spencer suspected Waller had been employed by the Security Services because there was a possibility that the Princess might move to Althorp House. Mail for Waller was still arriving at Althorp including a bank statement which Spencer gave to Martin saying "There's a big story here". One of the documents referred to a security

company.

10. By the end of August, the investigation had run into the sand. Steve Hewlett encouraged Martin “to go for her”.
11. A third meeting with Spencer took place. Martin asked to meet his sister. Spencer said he hadn’t seen her for two years (they had fallen out when he had refused to let her come and live at Althorp) but he rang her and arranged a meeting.
12. This took place in a Knightsbridge flat belonging to one of Spencer’s girlfriends.
13. That evening the Princess of Wales bleeped Martin and said thank you. The relationship was established.
14. A number of subsequent meetings took place, at one of which she gave him copies of correspondence between her and the Duke Of Edinburgh and in another said that Waller had received payments from News International and a Jersey Trust Fund, the name of which she didn’t know. She didn’t reveal what her sources are.
15. Martin had lost touch with Spencer but now rang him to arrange another meeting. He had collected a substantial pile of documents by this time and at this point he asked Matt Wiessler to make up the false bank statement. When he showed it to Spencer he said “I’ve got some information”. He did not explain they were reproductions but drew attention to the fact that the information on the Jersey-based off-shore fund “may not be accurate”. That was his last meeting with Spencer.
16. Subsequently Steve pressed him to ask the Princess for an interview. He did. She agreed. She never saw the false

bank statement. It had nothing whatever to do with her decision to give the interview. When pressed by **Tony** about the circumstances of the forged document, **Martin** said:

- It was done in a rush because he didn't want to leave it in **Wiessler's** hands longer than necessary. **Wiessler** had been unable to do it that day but had recently gone freelance and wanted the work so had done it overnight. **Martin** was flying to Scotland to talk to a former policeman. That's why he suggested the Sock Shop drop.

- "On previous occasions when **Mark Killick** and I needed a document and couldn't take it away, we would record a description of it and draw it" to make a graphic representation afterwards. We did it on **Enables** and [REDACTED] **Mark** did it on [REDACTED] In those instances the mocked-up graphics were based on hard factual evidence. This one clearly wasn't.

- Why? "At the time it was just one of those things". "I didn't think it was a big deal"

- On previous programmes with **Killick** "I did people and he did paper". He'd always compile a brilliant folder of research. I was trying to get together a pile of evidence as an addendum to my research brief to present to **Steve**. I was trying to do something I wasn't very good at"

- Why use **Penfold's** name? [REDACTED]
Venables [REDACTED]
[REDACTED] I just put it down. It was stupid"

- He was already locked in a relationship with **Diana**. He had no need to persuade **Spencer** of anything.

To sum up on the **Spencer** issue:

- I have talked to **Martin**, and others involved, and I am satisfied of the following points:

- the graphic had no part whatsoever in gaining the interview with the **Princess of Wales**. **We also have her word in writing for that.**

- the graphic was not intended for transmission; in fact the information soon turned out to be false.

- nonetheless, to produce such a graphic was unwise. He shouldn't have done it

- I have talked to **Martin** at length about his reasons for compiling the graphic:

- **he has none, other than he wasn't thinking.**

- **I believe he is, even with his lapse, honest and an honourable man. He is contrite.**

- As I said, this had no impact on the investigation or the interview. It was unwise. I am writing to him requesting that his action was incautious and unwise, and that he should be a great deal more careful in the future

- **[REDACTED] Venables programme. [REDACTED]**
[REDACTED]
[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

- Richard Ayre will draw up 2 guidelines to cover:

- (a) the use of reconstructed material
- (b) the payment of people who supply information to investigative programmes

- Further, because TRUST is the most vital quality necessary in our journalism, we will also carry out a

review of all aspects of our investigative journalism to ensure those issues of trust and straight dealing - are paramount

- The final point concerns the actions of those who leaked material to the press:
 - We are taking steps to ensure that the graphic designer involved - **Matthew Wiessler** - will not work for the BBC again (when a current contract expires in the next few weeks)
 - In addition, between now and the summer, we will work to deal with leakers and remove persistent troublemakers from the programme

PHASE 1

1. Wiessler to Killick - Late October

Matt Wiessler contacted Mark Killick and talked of [REDACTED] for the Venables programme [REDACTED]. Killick said [REDACTED]

Source: Killick

2. Associated Newspapers to Killick - Late November

A journalist from an Associated Press title phoned Killick asking about the Panorama "MIS" file on the Princess of Wales. Killick said he knew nothing of it but reported the call to Steve Hewlett.

Source: Killick

3. Killick to Wiessler - Late November

Killick phoned Wiessler to enquire further into the documents that Wiessler had first phoned him about. Wiessler told him the story of how the documents had been created overnight and biked to Bashir at Heathrow. Wiessler faxed copies of the documents to Killick.

Source: Killick

4. Killick to Law - Late November

On receiving the copies Killick consulted Roger Law. Law suggested that Killick refer the matter to management.

Source: Killick, Law

5. Killick, Mangold/Dean - November 22 - December 24

On November 22 Killick consulted Mangold first who asked Dean for advice. The three met on December 4th. At this meeting Killick distributed copies of the two documents to Mangold and Dean.

Source: Killick, Dean, Mangold

6. Killick, Dean/Mangold to Martin Bashir, December 4

Following their meeting, Killick, Mangold and Dean phoned Bashir asking to talk to him, but he refused to see them. Instead, he suggested that they talk to Steve Hewlett.

Source: Killick, Mangold, Dean, Bashir

7. Killick, Dean, Mangold to Hewlett - December 4

Killick, Dean and Mangold arranged a meeting with Steve Hewlett. They explained their concern that the Princess had been misled. Steve Hewlett told them that he did not believe that there was anything irregular, but that he would investigate.

Source: Killick, Mangold, Dean, Hewlett

Later, Hewlett spoke to Dean alone on the phone to say that Killick was motivated by jealousy, and that no documents had been shown to the Princess. Hewlett also made Killick and Mangold aware of his view that the Princess had not been in any way misled and was shown the documents.

Source: Dean

8. Wiessler to Killick - Mid December

During December, Wiessler contacted Killick to tell him that the disc on which the documents were created had been stolen from his house.

Source: Killick

9. Wiessler to Molloy, December

Wiessler was increasingly concerned about the implications of the theft, and asked Molloy for advice. Molloy advised him to speak to Tim Gardam.

Source: Wiessler

10. Wiessler to Suter, Gardam December 21

Wiessler saw Tim Suter who immediately involved Tim Gardam. Together they heard Wiessler's story of the creation of the documents, the theft of the disc and his concern that the documents had been used for irregular purposes and that he was himself likely to take the blame.

Source: Suter, Gardam

11. Hewlett, Bashir to Suter/Gardam, December 21

Gardam and Suter interviewed Hewlett and Bashir separately. This investigation confirmed that the documents had been created; that a false name had been used for the Jersey trust fund; but that the documents had not been shown to anybody. The information contained within the documents had originated with the princess herself, so could not have been used to persuade her to give the interview.

Source: Suter, Gardam, Hewlett

12. HRH to Bashir, Hewlett, Gardam December 22/4

Bashir asked ^{ke} Princess to confirm that she had been shown no documents and that she had not told anything she did not already know by Bashir at any point. She confirmed this in a hand-written letter.

At this point the first investigation closed having proved that there was no substance in the allegation that the Princess of Wales had been coerced into giving the interview.

Source: Suter, Gardam, Hewlett

STW

PHASE 2**13. Mail on Sunday to Wiessler, Hewlett, Bashir, Gardam - March 22 - 24**

The story re-emerged to the management of the Programme, the department and the directorate. The Mail on Sunday knew that documents had been created, but they were unclear what they were or to what use they could have been put.

14. Bashir to Gardam, March 23

In the course of conversations on the Saturday before the possible printing of the Mail on Sunday piece, Bashir confirmed to Gardam that the documents had been shown to Earl Spencer. This was the first time anybody knew that the documents had been used.

Source: Gardam, Bashir

However, the Mail on Sunday did not print the story following the statement put out by the BBC that the interview had not played any part in securing the interview.

Mangold called Hewlett at about 19.00hrs saying he had been telephoned by the Editor of the Mail on Sunday asking him to confirm elements of it they were trying to run. He said he had declined to comment but was unclear as to what he had actually said.

Source: Hewlett

15. Gardam, Suter Hewlett to Tony Hall, March 25

Gardam, Suter and Hewlett went to see Tony Hall to discuss what to do next. It was agreed that we should ask Martin Bashir to give a full account of the story. We would then decide what action to take.

Source: Gardam, Suter, Hewlett

16. Bashir to Suter, Richard Peel, March 26

Bashir met Suter and Peel in Anne Sloman's office. He told them the full story of how the interview was obtained, and how the documents were brought into being and what use they were put to. Bashir agreed to get the Princess' permission to extend her statement to cover the fact that she had not been influenced by anybody in giving the interview and seek permission to use the contents of her note in dealing with the Press.

Source: Suter, Peel

17. Suter to Tony Hall, Richard Peel, 26 - 28 March

Suter agreed a letter with Tony Hall which would confirm that the interview was properly arrived at, but that there were questions about the creation and use of the documents. This was a holding letter against possible further press interest. A copy of it was left with Richard Peel to be sent if needed. It was never sent.

Source: Suter

18. Bashir to Suter, March 28

Bashir met Suter to write down his version of the events. The master copy - hand written, - was given to Tony Hall. Bashir kept a copy. No other copy was made.

Source: Suter

PHASE 3

19. Wiessler to Bashir, Early March

Wiessler sought a meeting with Bashir to settle their differences. This meeting was unsuccessful. A few days later the story re-emerged.

Source: Wiessler/Killick

Bashir also tells of the meeting, but reports that it was cordial and that a further social meeting was organised to follow it the next weekend.

20. Mail on Sunday to Press Office, April 4

The Mail on Sunday fax through a list of questions about a document (bank statement) they claim to have in their possession. Peel, Sloman, Hewlett discuss tactics.

Source: Sloman, Peel

21. Saturday, April 6

BBC statement issued to Mail on Sunday who admit they have been speaking to a number of BBC sources.

22. Sunday, April 7

Mail on Sunday run front page lead; feature spread and opinion piece. The spread has much detail relating to Matthew Wiessler including the make of his computer and a 'sop' quote at the end of the article referring the Mail to Panorama. The Mirror claim Wiessler was paid for the leaked document, Independent follow-up the story with background information that can only have come from an internal source.

23. Monday April 8

Guardian, Mail, Mirror and Independent run stories.

24. Dean, Mangold to Sloman, April 9 - 11

During the week following the publication of the story, both Dean and Mangold came to see Sloman to tell their version of events. They were then asked to write them down and give them to Sloman. References to sources are taken from these documents.

Source: Sloman, Mangold, Dean

25. Thursday, April 11

Sunday Times begin contacting Panorama staff/management. Tim Kelsey (former Independent) says a BBC source has confirmed that Tim Suter/Richard Peel have launched a new inquiry. This is denied by Alison Jackson, Publicity Officer.

26. Killick to Suter, Sloman, April 12

Killick came to see Suter and told him that he believed he was himself the victim of a smear campaign. He subsequently saw Sloman and Suter together and told his version of the story. He said that he had not been the instigator of the story, and that he had not leaked the documents. he too was invited to write his version and give it to Sloman. Within half an hour of his leaving, the Press Office is rung by the Sunday Times asking to confirm the meeting between Suter and Killick.

Source: Sloman, Suter, Killick

27. Friday, April 12

Nick Fielding, Mail on Sunday, asks a series of questions which take the story no further and [redacted] Venables [redacted] Mangold and Dean are both contacted by the Sunday Times. They notify Sloman of the calls.

28. Saturday, April 13

Richard Brooks, Observer, says Princess of Wales confirmed at a private lunch on Thursday that she had not seen the 'documents'. Brooks says that Will Hutton had talked to Panorama journalists who were 'hurt' by the Guardian piece on Monday. Brooks says it is plain that there is jealousy involved.

29. Venables to BBC, April 12

[redacted]

Source: Suter, Sloman

30. Sunday, April 14

[redacted] Venables [redacted]
[redacted]

Source: Sloman

31. Monday, April 15

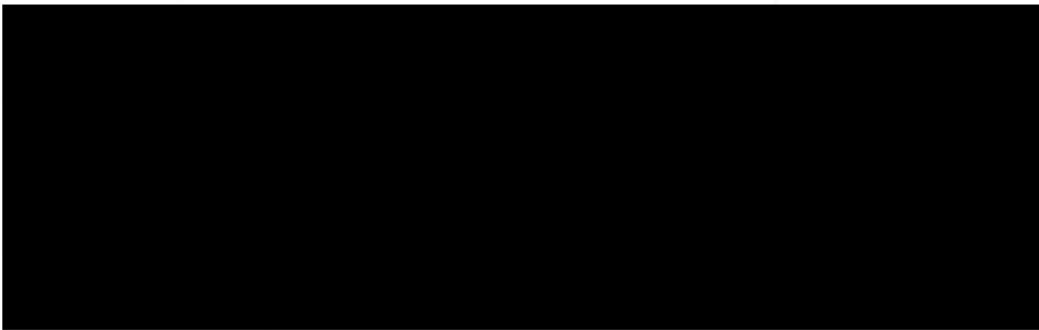




[REDACTED] Venables [REDACTED]

Source: Phillips

32. Monday, April 15

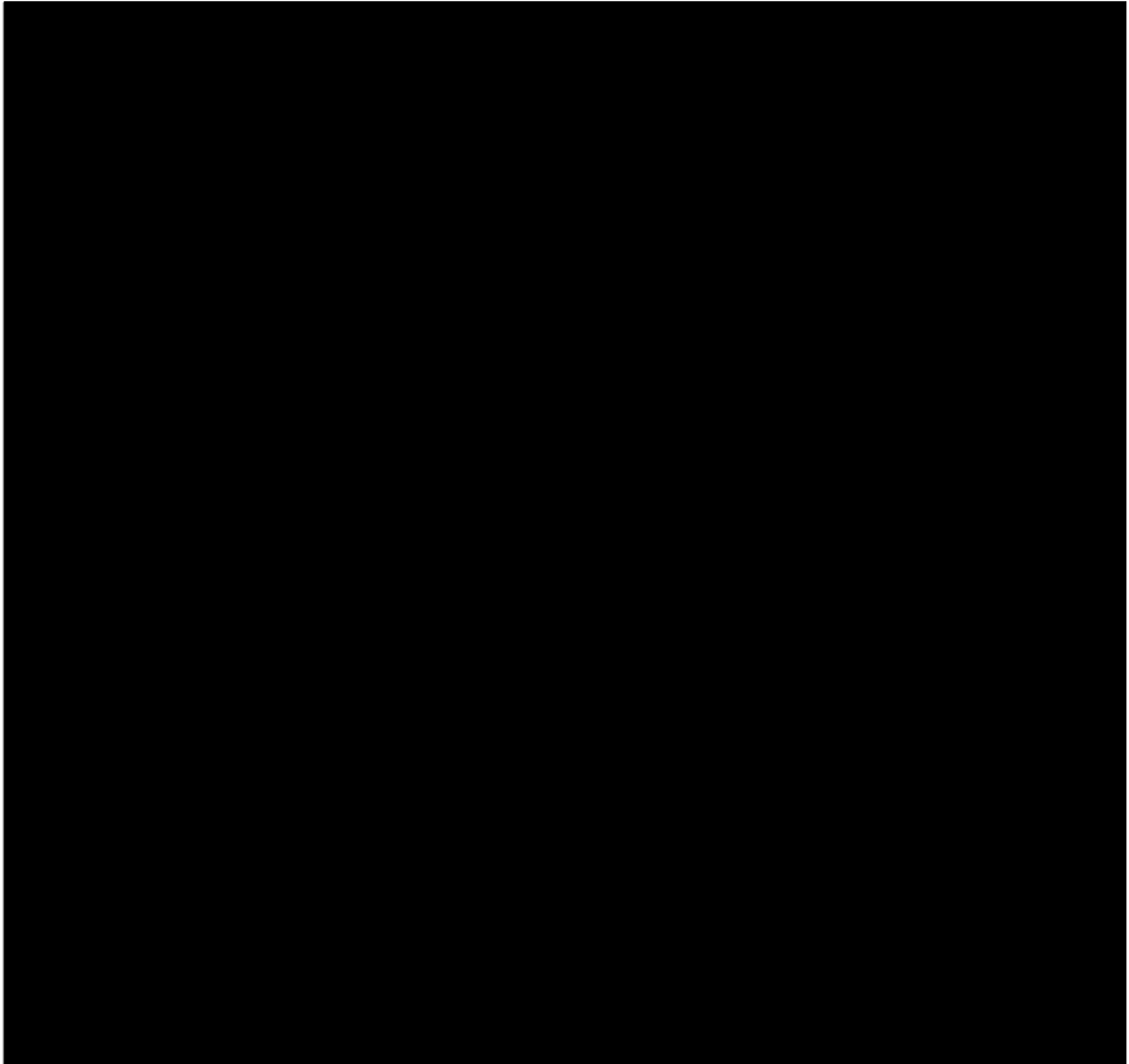
Hewlett called Team meeting and advised them of the damage being done to Panorama by the stories in the press.

SUMMARY

1. The Diana story is probably now dead, unless Spencer talks. There's no indication that he will.
2. 
3. Management will have to decide what action if any to take privately or publicly about Bashir, what to do about his contract and how long he should stay on Panorama. 

4. Management will have to decide what to do about the other participants in this sordid saga in order to enable Panorama to settle down as a team without a) constant leaks to the press, b) staff running their own agendas. 

5. The guidelines on commissioning graphics may have to be looked at. There is nothing specific in the Producer's Guidelines at the moment.

NCA/PANORAMA/MARTIN BASHIR

From Justin Everard, Pub O NCA. Paul Donovan (S Times) asked why the BBC had not reported the allegations made about Martin Bashir by MoS on 7.4.96 in its news summaries and newspaper reviews. Consulted Stephen Mitchell, ED Radio News & C.CINCA and replied: "The BBC is proud of its track record on reporting issues about the Corporation objectively, when it is appropriate. Sometimes judgements are difficult. On this occasion allegations of a potentially defamatory nature, to which the BBC responded, were made by a newspaper. After careful consideration we decided the story was not sufficiently newsworthy." Pub O Panorama aware.



.../

Confidential

BM - Minutes

BM(96)8
(110 -135)

BOARD OF MANAGEMENT

Minutes of a meeting held at 10.30 am
on Monday 29 April 1996
in Room 323 CB, Bush House

Present:

John Birt	Director-General
Bob Phillis	Deputy Director-General
Ronald Neil	Managing Director, Regional Broadcasting
Will Wyatt	Managing Director, Network Television
Tony Hall	Managing Director, News & Current Affairs
Sam Younger	Managing Director, World Service
Michael Green	Acting Managing Director, Network Radio
Jane Drabble	Director of Education
Margaret Salmon	Director of Personnel
Patricia Hodgson	Director of Policy & Planning
Rodney Baker-Bates	Director of Finance and Information Technology
Colin Browne	Director of Corporate Affairs
Dr John Thomas	Managing Director, Worldwide Learning
Nick Chapman	Managing Director, Worldwide Publishing
Mike Lumley	Controller, London Production Resources

In attendance:

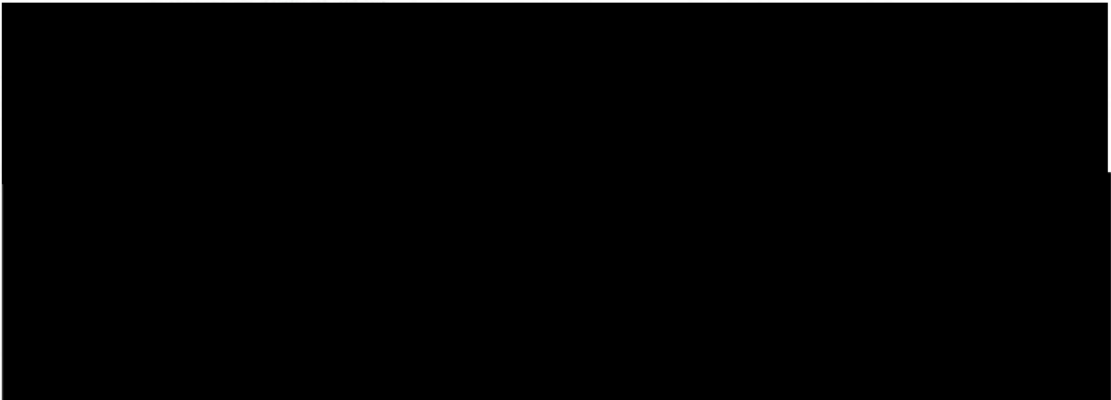
Michael Stevenson	The Secretary
Christopher Graham	Deputy Secretary
Robin Foster	Controller, Corporate Strategy (for minute 118-9)
James Lancaster	Head of Rights Negotiation, Rights Archive (for minute 118-9)
Alan Meredith	Licence Fee Business Manager (for minute 120)

Apologies:

Rod Lynch	Managing Director, Resources
Dick Emery	Managing Director, Worldwide Television

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112 MARTIN BASHIR (101)

Tony Hall said he had concluded a personal investigation into allegations made against Martin Bashir over his conduct in the course of two *Panorama* investigations.

In connection with inquiries into events surrounding the Royal Family, Bashir had been working on a story concerning allegations of serious impropriety. These had been allegations: there had been evidence but no proof. In the course of this investigation Bashir had come across some financial information from a high level source. Bashir had commissioned graphic representations of the information. He intended to show these "graphics" to his editor at a later date to illustrate his thesis. He had put a false name on the graphic, and that had been foolish. He had not revealed the information to anyone outside the close circle his informant. Tony Hall was certain that there had been no question of Bashir trying to mislead or do anything improper with the document and that it had played no part in the Princess of Wales' decision to give an interview to *Panorama*. Tony Hall had concluded that Bashir was an honest man who was deeply remorseful about an action which had been incautious.

The Terry Venables programmes

[REDACTED]

[REDACTED] Tony Hall and Richard Ayre were reviewing the guidelines in this area.

Tony Hall was consulting with the editor of *Panorama*, Steve Hewlett, to find out how the allegations against Bashir had reached the newspapers.

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cc:

Richard Peel;

PANORAMA SPECIAL -
BBC WITH THE
PRINCESS
OF WALES.

From the Director-General

10 June 1996

Mr John Garrett MP
House of Commons
LONDON
SW1A 0AA

BRITISH BROADCASTING CORPORATION
BROADCASTING HOUSE
PORTLAND PLACE
LONDON W1A 1AA
TELEPHONE: [REDACTED]

file
Donovan.

Dear Mr Garrett

Thank you for your letter of 21 May, previously acknowledged, enclosing a letter and newspaper cutting from your constituent [REDACTED] of [REDACTED].

As Paul Donovan's article says, at the end of last year, specific allegations were brought to the attention of the senior management of BBC News and Current Affairs that documents created in the course of a *Panorama* investigation had been used to persuade the Princess of Wales to agreed to an interview for the programme.

These allegations were immediately and thoroughly investigated by the BBC and colleagues in News and Current Affairs were satisfied that the documents had played no part either in securing an introduction to the Princess, or in the subsequent granting of the interview.

We are aware that there has also been press speculation that these documents were shown to people other than the Princess in the course of the investigation.

Contd/.....

I am assured that these allegations have also been promptly and thoroughly looked into, and the BBC has been able independently to verify that the documents were put to no use which had any bearing, direct or indirect, on the *Panorama* interview with the Princess of Wales.

I hope my letter will enable you to respond to [REDACTED]. I am enclosing a copy for you to forward to her, should you wish to do so, and am returning her original correspondence to you herewith.

Yours sincerely

[REDACTED]

JOHN BIRT

CHARLES SPENCER

[interview with Sally Bedell Smith summer 1998]

i have heard that you played a role. that martin bashir had been investigating a story that diana and her close family were victims of a dirty tricks campaign. it was rumored that some of your former employees were being paid to leak information to the newspapers and in response you had obtained an injunction against allan waller, the former head of sucreity , to prevent him from revealing anything concerning the private lives of the spencer family. that at this point bashir faked evidence, bank statements purporting to show payoffs from a newspaper to waller and that he gave these to you and you then urged diana to speak to him?

that is all true, until the last part. when bashir presented me with the statements i rang up the editor of panorama, STEVE HEWLETT and said is this true. he said it is all true. how could he not have. said to diana this is what they presented, i dont know the first thing about it but you ought to know about it. so i arranged a meeting with bashir, diana and me in a friend's flat and he told the story. i thought that was it

but she took it on her own, and i didnt know the interview had taken place until i read about it.

he had made her so paranoid about her phone lines and her channels of communication that he destroyed several of her friendships--including with [REDACTED] and [REDACTED]--by convincing her they were plotting against her

i did buy into it to start with. i remember when he was telling diana, it didnt add up with what he had said to me . i took notes both times, and some of the specific details were wrong

he had forged bank statements of patrick jephson and richard aylard as well

diana believed him

i never heard from him after the meeting with diana, where he played the card

[REDACTED]
he used to write her speeches. [REDACTED]
[REDACTED]
[REDACTED].

how did he keep a hold on her?

he made her worry that no one else could be trusted

it was to be a book of her speeches about her causes, speeches he had written, [REDACTED].

he wrote speeches for her after panorama

i dont think anyone else urged her to do the interview. she was off on her own but having had her various insecurities fed by bashir very cleverly. i even heard from members of her staff, that he would go in with his anti bugging team and go into a radio and produce a bug that he had of course planted

this is why you havent heard about him again at the bbc. at first he was talked about as an anchor, but i told robert fellowes about him, and robert had a word with the bbc and that was the end.

duke hussey? dont know who

bashir said only three peopel in the bbc knew about the intervi--he, hewlett, and john bert, the director general. i dont know if he did know

so he got the interview under false pretenses? yes. she didnt need to give an interview

heard he reshearsed her and let her do takeovers?

from watching it i didnt get that impression. it was very much her speaking. that impression got established by RORY BREMNER..tv comedian. he did a routine of her rehearsing and getting the answers wrong.

i am sure she had time to think, but i dont think it was anything more than that

why on earth did she use him as a speechwriter?

[REDACTED]

bashir presented himself to me as a prefect christian with a very solid marriage and he was a complete fraud

a lot of american interviewers came through me becasue i had workdd for nbc. i didnt even present her with the requests. i would never even have suggested to her that she do an interview. i thought she was bigger than that and didnt need it

afterwards i said what were you doing, you could have talked to me. she said i didnt want to get you invovled