



Meeting of the BBC Board

MINUTES

26 October 2022
BBC Scotland, Pacific Quay, Glasgow

ITEMS OF BUSINESS

1. Apologies and Conflicts of Interest
2. Chairman's Introduction
3. Minutes and Matters Arising
4. Board Business and Reports
5. Executive and Director-General's Report
6. Commercial Mandate
7. Quarterly Performance Report
8. Nations Deep Dive: Scotland
9. AOB

ATTENDANCE

Present

- Richard Sharp Chairman
- Tim Davie Director-General
- Shumeet Banerji Non-executive director
- Damon Buffini Non-executive director
- Shirley Garrood Non-executive director
- Robbie Gibb Non-executive director
- Muriel Gray Non-executive director
- Ian Hargreaves Non-executive director
- Charlotte Moore Chief Content Officer
- Nicholas Serota Non-executive director
- Elan Closs Stephens Non-executive director
- Leigh Tavaziva Group Chief Operating Officer
- Deborah Turness CEO, News and Current Affairs

Apologies: None

With

- Phil Harrold Company Secretary
- Jo Clarke Secretary to the Board
- David Jordan Director, Editorial Policy and Standards (items 5 and 8)
- Peter Johnston Director, Implementation of the Serota Review Project (item 5)
- Gautam Rangarajan Director, Strategy (items 6 onward)
- Rhodri Talfan Davies Director, Nations (items 6, 8 and 9)
- Craig Parfitt Interim Chief Financial Officer (items 6 and 8)
- Steve Carson Director, Scotland (item 9)

BOARD MINUTES 26 OCTOBER 2022

1. Apologies and Conflicts of Interest

- 1.1 There were no apologies for this meeting.
- 1.2 There were no conflicts of interest declared.

2 Chairman's Introduction

- 2.1 The Chairman opened the meeting by talking about the quality of the content offer currently available across the BBC. Areas of importance that the day's Board meeting would cover included future commercial plans and governance arrangements; the topics for further thematic reviews and an update on plans for the News channels.

3. Minutes and Matters Arising

- 3.1 The minutes from the 21 September Board meeting were approved.
- 3.2 The Board noted the Matters Arising paper. Directors discussed the iPlayer presentation scheduled for the December meeting and the ongoing reporting of online performance to the Board.

4. Board Business and Reports

Commercial Board

- 4.1 The Board noted a report on the most recent meeting of the Commercial Board which had been circulated in advance. The Commercial Board had met on Monday 10 October. Shirley Garrood, Chair of the BBC's Audit and Risk Committee, had joined the meeting as an observer.
- 4.2 The Chair of Commercial Board provided a summary of key points from the management and financial reporting. Management expected to achieve budget targets but also noted the deteriorating market conditions. Discussion of growth and underlying profitability were taking place in detail for 2023/24 and the long range plan was due to be presented to the Commercial Board for discussion in November.

- 4.3 The Chair of the England Committee reported on its most recent meeting. The Committee had discussed a presentation of audiences and portrayal from the marketing team. Other items for discussion included the property strategy for BBC England and the recent announcement of changes to local radio. Next year, the Committee would return to its previous practice of holding its meetings with stakeholder and audience groups in different locations around England, given that the Covid restrictions of previous years had been lifted.
- 4.4 The Chairman of the Fair Trading Committee reported on its most recent meeting. The Committee had discussed the quarterly management report, which set out detail of significant trading and separation issues over the last quarter of the financial year. No regulatory complaints had been received or were in progress during the period. The Committee noted an update on organisational changes and the significant progress made with the assurance work on service level agreements across the BBC. Colleagues from Deloitte had attended the meeting to present their plan for next year's fair trading assurance reporting, which would include the move of Children's production into BBC Studios. The Committee also discussed the approach to the contract with Deloitte for its assurance work in future years. The Committee had considered Ofcom's Review of BBC Studios and its key findings, noting that the none of the issues identified were substantive or systemic. The Committee approved the proposed approach to addressing Ofcom's concerns and it was agreed that the Chair of the Fair Trading Committee would write to Ofcom setting out that approach on behalf of the Committee as representatives of the BBC Board.
- 4.5 The Chairman of the Editorial Guidelines and Standards Committee reported on its most recent meeting. The Editorial Advisers had attended the September Committee as full contributors, following an induction programme over the summer. Michael Blastland and Andrew Dilnot, the Chairs of the Thematic Review on the BBC's coverage of Public Spending and Taxation, had joined the Committee to provide an update on progress. The Review would come to the next meeting of EGSC in November for comment, and be submitted to the December Board meeting. The Committee had also reviewed progress with the implementation of the Serota Review recommendations: all of the actions had now been implemented, apart from one which in progress for completion. A full implementation report would come to the December meeting. The Committee had discussed the upcoming review of the Editorial Guidelines, which the Charter required at regular intervals and which had last been reviewed and revised in 2018/19. The Board agreed that the promotion of transparency as a concept should be included in the review of the Editorial Guidelines.

Further Thematic Reviews

- 4.6 The Board considered a paper which had been submitted by the Editorial Guidelines and Standards Committee which put forward a number of possible options for future thematic reviews after further assessment by the Committee.
- 4.7 The Board agreed that it would be useful to identify two topics to be reviewed over the coming year in order to speed the process. Directors discussed a number of options for the topics. The Board agreed that the scope and focus of the reviews would be critical, particularly given the current breadth of the topics under discussion.
- 4.8 The Board agreed that EGSC should further research the topics and possible approaches to them and return to the December Board with a recommendation for two topics to be undertaken next year.

5. Executive and Director-General's Report

- 5.1 The Director-General opened his session by reporting that the partnership between the BBC and Disney for future series of Doctor Who had been announced the day before. The new Doctor, Ncuti Gatwa, had made the announcement to a positive reaction. The Autumn TV schedule was performing strongly as was the BBC's slate of podcasts.
- 5.2 The Board noted an update on News and Current Affairs. Support was being offered to BBC staff in Russia and Ukraine who were under increasing pressure as the conflict continued, and the risks evolved. There were also issues in the Persian Service, where the families of staff members were being targeted by the regime.
- 5.3 The Board noted an update from the Director, Nations on changes to local services which were due to be announced. Online news services would be boosted by dedicated journalists in every local base to deliver an up-to-date, trusted service across the week. In addition, new dedicated local online services for Bradford, Wolverhampton, Sunderland and Peterborough would be launched. The plans would also see the closure of the local television news programmes in Oxford and Cambridge and the decommissioning of *We Are England*. Plans for a simplified standard operational model were being developed and would come to a future Board meeting.
- 5.4 The Chief Operating Officer provided a report on financial and operational issues. The Board received an update on the impact of the recent financial instability, noting that the exposure had been limited. The Board noted a risk update, which included a focus on safety and security issues for BBC journalists overseas. Directors noted progress with a number of NAO Reports and congratulated the team on winning the Reporting in the Public Sector category for the BBC's Annual Report and Accounts reporting (judging in association with the NAO).

- 5.5 The Board noted an update on the Alex Belfield case.
- 5.6 The Director-General and Executive Report was noted.

Licence Fee Gender Disparity Report

- 5.7 The Board noted an update on progress with the Licence Fee Gender Disparity Report.

News Channels Update

- 5.8 The Board noted an update on the plan to reinvent the BBC's live and breaking video news offer for digital and streaming, which was a key element of BBC News strategy. The planned changes would be brought about initially through reform to the operation and output of the BBC's two linear television news channels.
- 5.9 The Board discussed the update noting that the capability for bespoke streams for UK and international audiences would remain. A more detailed plan would return to the Board once the consultation process had been completed.

6. Commercial Mandate

- 6.1 The Board considered a mandate setting out BBC Commercial's role as a commercial entity seeking commercial returns and making decisions on commercial terms. The Board noted that BBC Commercial would prioritise long term sustainable returns over short term returns. The mandate reiterated that BBC Commercial operates within Ofcom's requirements and guidance on the BBC's commercial trading activities.
- 6.2 The Board discussed the mandate and approved the principles and priorities that it set out. Directors requested that the mandate should be reviewed on an annual basis, and that a framework should be produced which fully described the governance and operational processes underpinning the mandate. The Board noted that the Commercial Mandate would be published.

Dividend Guidance

- 6.3 The Board considered draft dividend guidance which proposed an approach to assessing the dividend payment to be made from BBC Commercial.
- 6.4 The Board approved the policy, however Directors requested greater clarity in some elements of the drafting. The guidance would return to the Board for noting.

7 Quarterly Performance Report

- 7.1 The Board discussed the Quarterly Performance Report which covered the period July-October 2022.
- 7.2 The Board discussed the audience performance report, including at a national and regional level. It had been a mixed quarter, partly due to the impact of weather and sport, and Directors discussed the content which drove more habitual usage, noting that the coverage of big events was a factor in bringing audiences to other BBC content.
- 7.3 The Board noted a report on the broader market context and industry analysis.
- 7.4 The Board considered the finance and operational report. Directors discussed Licence Fee income and projections for the year, noting that inflationary pressures could potentially impact ability to pay. Directors discussed the operational report, noting that performance against targets in EFT reduction and diversity were strong, but more work was needed to improve the recruitment and progression of disabled people in the organisation. The Board noted updates on risk and the performance of critical projects.
- 7.5 The Board noted the Editorial Standards and Complaints report.

8 Nations Deep-Dive: BBC Scotland

- 8.1 As the Board was holding its meeting in Glasgow, the Director, Scotland gave a presentation on BBC Scotland.

9. AOB

Non-executive Session – Tim Westwood Investigation

- 9.1 The Director-General and Executive members of the Board (apart from the Chief Operating Officer) left the room while non-executives received a briefing on progress with the investigation of allegations against Tim Westwood while he was being employed by the BBC, from the Senior Independent Director and the Chief Operating Officer.