



## Meeting of the BBC Board

### MINUTES

27 June 2023  
Broadcasting House, London

#### 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. World Service
7. Video Budget Funding
8. Mid-Term Review
9. Annual Audience Performance Review
10. Annual Report and Accounts 2022-23
11. Arts Strategy
12. Data Breach Update
13. AOB

## ATTENDANCE

### Present

- Richard Sharp Chairman
- Tim Davie Director-General (1-13(1))
- 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
- Charlotte Moore Chief Content Officer (items 1-12)
- Nicholas Serota Non-executive director
- Elan Closs Stephens Non-executive director
- Leigh Tavaziva Group Chief Operating Officer (1-12 and 13(2))
- Deborah Turness CEO, News and Current Affairs (items 1-12)

Apologies: None

### With

- Phil Harrold Company Secretary
- Jo Clarke Secretary to the Board
- Gautam Rangarajan Director, Strategy (item 5 onwards)
- Rhodri Talfan Davies Director, Nations (item 5)
- Shirley Cameron Director, Revenue (item 5a)
- Phil Kemp Controller, Strategy, BBC News (item 6)
- Clare Sumner Director, Policy (item 8)
- Peter Johnston Director, Editorial Reviews and Complaints (item 8)
- David Jordan Director, Editorial Standards and Policy (item 8)
- Alan Dickson Chief Financial Officer (item 10)
- Sam Carrier Interim Group Financial Controller (item 10)
- Kate Mathers Executive Director, NAO (item 10)
- Claire Rollo Director, NAO (item 10)
- Greg Wilson Director, NAO (item 10)
- Peter Tansley Director, Internal Audit (item 10)
- Alice Macandrew Director, Corporate Affairs (item 10)
- Suzy Klein Head of Arts and Classical Music TV (item 11)
- Peter Ranyard Head of Corporate Legal (item 12)

- Peter O’Kane Chief Technology Officer (item 12)
- Richard Cumbley Linklaters (item 12)

## BOARD MINUTES 27 JUNE 2023

### **1. Apologies and Conflicts of Interest**

- 1.1 There were no apologies.
- 1.2 There were no conflicts of interest declared in addition to those already recorded.

### **2. Chairman's Introduction**

- 2.1 The Chair noted that this was the final Board meeting attended by Shirley Garrod, Chair of the Audit and Risk Committee, ahead of the completion of her term. He commended her professionalism and commitment and thanked her on behalf of the Board for the enormous contribution she had made to the BBC.
- 2.2 Damon Buffini, Deputy Chair of the BBC, noted that it was also the Chair's last Board meeting. Board members thanked the Chair for his contribution and commitment to the work of the BBC.

### **3. Minutes and Matters Arising**

- 3.1 The minutes from the 25 April and 26 May Board meetings were approved.
- 3.2 The Board noted the Matters Arising paper. Directors received an update on the appointment of a Northern Ireland member for the Board.

### **4. Board Business and Reports**

- 4.1 The Board noted written reports on the most recent meetings of the Audit and Risk Committee; the Remuneration Committee; Editorial Guidelines and Standards Committee ("EGSC"); the England, Wales and Scotland Committees and Commercial Board, which had all been circulated in advance.
- 4.2 The Board discussed the reports. Directors discussed the implementation of actions from the first thematic review on BBC coverage of taxation and public spending, noting that a checklist of the main findings for improvement would be considered at the next meeting of EGSC for circulation to staff.

*Interim Chair of the Audit and Risk Committee*

- 4.3 The Board noted that a preferred candidate had been identified for the role of Chair of the Audit and Risk Committee, although the individual was not able to take up the role until July, given other Board commitments. The Nominations Committee would consider the candidate at the July meeting and bring a recommendation to that month's Board meeting. In the meantime, it would be necessary to have interim arrangements for the Audit and Risk Committee, during the short gap between Shirley Garrood's departure and the July Board meeting. There was no meeting planned in that time period, but, should any issues arise, it had been proposed that Shumeet Banerji would act as interim chair with Elan Closs Stephens sitting as a member. The proposal had been agreed by members of the Nominations Committee.
- 4.4 The Board approved the appointment of Shumeet Banerji as interim Chair of the Audit and Risk Committee until the commencement of the appointment of the new Chair.

## **5. Executive and Director-General's Report**

- 5.1 The Director-General opened his session by reflecting on the recent coverage of Glastonbury. Teams were adopting an increasingly innovative approach across all platforms which was delivering well for audiences. BBC One had achieved a peak audience of 7.7 million people for its coverage of Elton John's final UK performance at the Festival on Sunday evening. It had been a strong period for content and its performance with audiences: The Coronation had been expertly delivered; *Eurovision* had boosted younger audiences; Radio One's *Big Weekend* drove high engagement in Dundee and saw a million accounts access Sounds and iPlayer content; and the FA Cup Final peaked at 6.6 million viewers on the BBC.
- 5.2 The Board received an update from the CEO, News and Current Affairs. BBC Verify had launched and had begun well with strong reporting on a range of issues, including an investigation of accounts of the sinking of a migrant ship off the coast of Greece. News live streams on iPlayer continued to perform well. Interest in the Titan submersible had held a strong attraction for audiences; a TikTok explainer of the story had generated 20 million views. Events in Russia had also driven large audiences to BBC News the prior weekend.
- 5.3 The Board noted an update on the changes to BBC Local services and how industrial relations and stakeholder concerns were being managed.
- 5.4 The Board noted an update on progress with the Social Media Review.
- 5.5 The Chief Operating Officer provided a report on financial and operational issues.
- 5.6 Following a briefing, earlier in June, on the triennial pension valuation and offline Board approval of the 2022 (to 2025) Schedule of Contributions from the BBC to the BBC Pension Scheme (and related agreements), Directors noted an update on the completion of the process.

- 5.7 The Board noted an update on the situation in India regarding tax and governance issues. An review of compliance and controls across international bases was taking place, for consideration by the Audit and Risk Committee.
- 5.8 The Board noted an update on the sale of Maida Vale.
- 5.9 The Executive and Director-General's Report was noted.

#### *Licence Fee Unit Services Contract*

- 5.10 The Board considered an investment proposal for the extension of the Licence Fee Unit's existing contract for the provision of marketing and print services for TV Licensing. The extension was for an additional four years, as allowed for in the original deal.
- 5.11 The Board approved the contract extension.

#### *Dyson Actions*

- 5.12 The Board noted an update on the settlement of claims arising from the Dyson Report. These had now been completed.

#### *ITV/All3Media*

- 5.13 The Board noted a briefing on the potential acquisition of All3Media by ITV.

## **6. World Service**

#### *World Service Strategy*

- 6.1 The Board received an update on the development of the World Service strategy.

#### *World Service and WS2020 Annual Performance Review*

- 6.3 The Board considered the World Service and WS2020 Annual Performance Reviews and approved them for submission to the Foreign, Commonwealth and Development Office.
- 6.4 The Board noted the new World Service Licence.

## **7 Video Budget Funding 2023-24-25**

- 7.1 The Board noted changes to the video content budget for 2023-24.
- 7.2 The Board agreed that a further discussion on funding for video content in 2024-25 should be scheduled at the Board once planned savings targets had been validated.

## **8 Mid – Term Review**

- 8.1 The Board considered an update on the Mid-Term Review process being undertaken by the Department for Culture, Media and Sport. It was agreed that a further update would be provided as the process continued.

## **9. Annual Audience Performance Review**

- 9.1 The Board discussed the annual review of audience performance against targets. Directors noted that it had been a strong year for iPlayer, which had met all of its key targets, and for weekly signed-in accounts, which had exceeded its targets. However, achieving targets for habitual usage in an extremely competitive market continued to prove challenging.

## **10 Annual Report and Accounts 2022-23**

### *Annual Report and Accounts*

- 10.1 The Board considered the 2022/23 Annual Report and Accounts, which had been updated to reflect comments made by Board members on the most recent draft and also points raised at the Audit and Risk Committee on 20 June. At that meeting, the Committee recommended the accounts to the Board for signature. The Chief Operating Officer confirmed that all Executive Directors had provided attestations confirming that the accounts could be signed.

### *NAO Audit Completion Report and Letters of Representation*

- 10.2 The NAO presented their audit completion report to the Board. All outstanding issues raised at the Audit and Risk Committee on 20 June had now been finalised. The positive collaboration between teams working on the audit was welcomed and it was confirmed that an unqualified audit opinion was to be given to the accounts and on the regularity position.

- 10.3 The Chair of the Audit Committee reported on its meeting on 20 June. The Committee had reviewed the audit completion report and Management Letters of Representation and recommended them for signature.
- 10.4 The Board approved the Management Letters of Representation for signature by the Director-General and Chief Operating Officer. The Board also expressed thanks to the NAO's Executive Director, who was moving to a new role, for all her hard work and support during her time working on the BBC audit.

#### *Going Concern and Viability Statement*

- 10.5 The Board noted the analysis supporting the BBC's statements of going concern and viability. These were made on a 12 month and a three-year basis, respectively. Directors noted the assumptions underpinning the analysis and discussed the risks and mitigations in place. The Board noted the enhanced monitoring of cash forecasts by the Executive Committee.
- 10.6 The Board confirmed approval of the Going Concern and Viability Statements.

#### *Internal Audit Assurance*

- 10.7 The Board noted a paper providing assurance from internal audit on the accuracy of data points and assertions in the Annual Reports and Accounts which were not covered by the financial audit.
- 10.8 The Board approved the 2022-23 Annual Report and Accounts for signature and publication.

### **11 Arts Strategy**

- 11.1 The Board considered a presentation which provided an update on the BBC's Arts and Classical Music strategy. This included the audience performance of the BBC's Arts and Classical Music output; the impact of partnerships; and plans for iPlayer.
- 11.2 Directors discussed the importance of curation and promotion for arts content and the representation of the Nations and Regions. The Board noted that a communications plan would return to a future meeting.
- 11.3 The Board endorsed the updated strategy and confirmed that planned funding would be maintained in order to implement it. A further update on progress would return to the Board in 2024.



## **12 Data Breach Update**

- 12.1 The Board received an update on the recent data breach suffered by Zellis, a third party contractor of IBM providing payroll services to the BBC, and how it was being managed in relation to the data of BBC employees.

## **13. AOB**

- 13.1 Non-executive members took part in a private session with the Director-General.
- 13.2 Non-executives were briefed by the Chief Operating Officer and Senior Independent Director on the investigation into Tim Westwood when he was an employee of the BBC, after the Director-General had left the room.