



Meeting of the BBC Board

MINUTES

14 December 2017
Broadcasting House, London

ITEMS OF BUSINESS

1. Apologies and Conflicts of Interest
2. Minutes from the 23 November Board Meeting
3. Executive Reports
4. Contestability in TV Production
5. Distribution Strategy/Policy
6. BBC Orchestras: Property Issues
7. Licence Fee Evasion
8. Innovation Review
9. Sports Contract Renewal
10. Section 36 Protocol
11. Committee Reports
12. AOB

ATTENDANCE

Present

- David Clementi Chairman
- Tony Hall Director-General
- Anne Bulford Deputy Director-General
- Tim Davie Chief Executive Officer, BBC Worldwide
- Tanni Grey-Thompson Non-executive director
- Ian Hargreaves Non-executive director
- Tom Ilube Non-executive director
- Ken MacQuarrie Director, Nations and Regions
- Steve Morrison Non-executive director
- Nicholas Serota Non-executive director
- Ashley Steel Non-executive director
- Elan Closs Stephens Non-executive director

Apologies Simon Burke

With

- Phil Harrold Company Secretary
- Jo Clarke Secretariat Manager
- James Harding Director, News and Current Affairs (items 1-3)
- Mark Linsey Director, BBC Studios (items 1-3)
- Charlotte Moore Director, Content (item 1-4 and 9)
- James Purnell Director, Radio and Education (item 1-3 and 6)
- David Jordan Director, Editorial Standards (items 1-3)
- Gautam Rangarajan Director, Strategy (item 1-3)
- Richard Dawkins Chief Operating Officer, Content (item 4)
- Clare Sumner Director, Policy (items 4 and 5)
- Matthew Postgate Chief Technology Officer (items 5 and 8)
- Kieran Clifton Director, Distribution (item 5)
- Alan Davey Controller, Radio 3 (item 6)
- Rhona Burns Finance and Operations Director, Radio and Education (item 6)
- Barbara Slater Director, Sport (item 9)

BOARD MINUTES – 14 DECEMBER 2017

1. Apologies and Conflicts of Interest

- 1.1 Simon Burke was an apology for this meeting. Tanni Grey Thompson would leave the room for the discussion on BBC Orchestras due to her membership of Board of the London Legacy Development Corporation. As Chief Executive Officer of BBC Worldwide, Tim Davie would do the same for the discussion on Contestability.

2. Minutes from the 23 November Board

- 2.1 The minutes from the 23 November Board meeting were approved.

3. Executive Reports

- 3.1 The Director-General presented a number of regular Executive Reports to the Board. These included reporting on performance, editorial compliance, operations and assurance.
- 3.2 The Director-General reported that the announcement of the plans for BBC Studios and BBC Worldwide had been well-received and sessions were now taking place between senior teams and staff to explain what the change would mean in practice.
- 3.3 The Board noted that programme highlights during the month had included the first interview with the newly engaged Prince Harry and Meghan Markle with Mishal Hussein for the Six O’Clock News. *Drugsland* on BBC Three had been receiving plaudits from critics for its representation of the drugs scene in Bristol and was currently the third most popular programme on iPlayer.
- 3.4 The Director-General briefed the Board on the BBC Christmas schedule. Programme stalwarts *EastEnders*, *Call the Midwife*, *Dr Who* and *Mrs Brown’s Boys* would all be shown on Christmas Day, with new drama over the holiday period being provided by *Little Women* and *The Miniaturist*. In a new move, a number of box sets such as *Taboo*, would be made available on iPlayer. James Purnell updated the Board on some of the Radio highlights over the period, which included David Jacobi reading from Laurie Lee’s *Village Christmas*. The Board discussed the popularity of the BBC’s Christmas trailer, which had received 32 million views on Facebook so far (50% among 16-34’s) and had

achieved a 26 million reach. BBC Creative – the BBC’s in-house creative team had produced the trailer.

- 3.5 The Board was briefed on the Children’s Media Summit in Manchester. Pan-industry work on internet safety for children had been announced, along with a major BBC initiative to teach children about fake news in schools.
- 3.6 The Director-General updated the Board on the outcomes of the half-yearly divisional performance reviews. Directors discussed the changing news landscape and 16-34 year old’s news consumption, public perceptions of impartiality, plans for radio and the performance of BBC iPlayer.
- 3.7 The Board discussed the editorial compliance and complaints report. Directors noted the difference in the complaints process for fairness and privacy complaints, which could be sent directly to Ofcom for adjudication. The Board noted updates on a number of editorial complaints.
- 3.8 The Deputy Director-General provided the Board with updates on finance and assurance matters, including the on-air pay review and modernisation of staff terms and conditions.
- 3.9 The Board discussed the performance of the BBC’s major projects. Directors requested that the implementation of the merger of BBC Worldwide and BBC Studios should be added to the list of critical projects.
- 3.10 The Board thanked James Harding, departing Director of News and Current Affairs, for his contribution to the BBC.

4. Contestability in TV Production

- 4.1 At its November meeting the Board discussed the contestability requirements in the Charter. Directors agreed that it was important to allow for tenders in as wide a range of programme categories as possible, within the requirements of the Charter. The Board agreed that use of the value for money exemptions should return for further discussion.
- 4.2 The Executive updated the Board on the work being done on the contestability requirements to date. The Board noted the good progress that had been made and approved the proposed approach that there would only be a small number of ‘value for money’ criteria, which would be applied on a case by case basis.

5. Distribution Strategy/Policy

- 5.1 The BBC's Charter requires that the Board publish a strategy and a policy for the distribution of the UK Public Services. The BBC is also required to consult on the policy before finalising it.
- 5.2 In September, the Board was presented with an overview of the BBC's distribution strategy. Building on this discussion, the Board considered the draft Distribution Strategy and Policy, approving the Policy. The Board asked for the Strategy to be revised to emphasise the importance that distribution plays in meeting the BBC's mission and public purposes for audiences in the context of the UK market. A further paper would be brought to the January Board for approval ahead of public consultation.

6. BBC Orchestras: Property Issues

[6.2 onwards redacted for commercial confidentiality]

- 6.1 The Board considered a paper which set out some of the problems with the current accommodation for the BBC's performing groups at Maida Vale. The site now required significant short and medium-term investment in order to remain as a viable base.

7 Licence Fee Collection

- 7.1 In February 2017, the NAO recommended that "The BBC should update its analysis of the minimum level of licence fee evasion that is possible to identify a current, realistic and achievable ambition". The BBC commissioned Ernst & Young (E&Y) to carry out an analysis to identify the evasion floor for the licence fee, and the potentially realisable revenue opportunity through reductions in evasion.
- 7.2 The Board noted the findings from the E&Y analysis, the proposed response for improvements in collection to reduce evasion, and a recommended evasion target.
- 7.3 The Board approved the new evasion target.

8 BBC Innovation Review

- 8.1 The Board noted that the Charter requires the BBC to publish a full review of its research and development function before 2020. This had been completed as part of a broader piece of work on innovation at the BBC. The R&D review was presented in full for the approval of the Board.

- 8.2 The Board discussed the review, and subject to minor drafting points, approved it for publication.
- 8.3 The Board requested that a full Innovation strategy should come to a future meeting of the Board.

9. Sports Contract Renewal

[redacted for commercial confidentiality]

10 Freedom of Information Act Section 36 Protocol

- 10.1 The BBC is subject to the Freedom of Information Act (FOIA), except in respect of information held for the purposes of journalism, art or literature. Sometimes, revealing information could be unduly prejudicial to the legitimate interests of the BBC or other parties, and this is recognised in exemptions in the FOIA. Section 36 of the Act allows a public authority to withhold information whose disclosure—
- (a) would, or would be likely to, inhibit the free and frank provision of advice, or the free and frank exchange of views for the purposes of deliberation, or
 - (b) would otherwise prejudice, or would be likely to otherwise to prejudice, the effective conduct of public affairs.
- 10.2 The Board noted that the BBC had relied on the exemption under section 36 from time to time, but sparingly. For the BBC to be able to do so, a “qualified person” must have formed the opinion, on reasonable grounds, that at least one of the conditions above was satisfied. It must also be the case that the public interest in maintaining the exemption outweighs the public interest in disclosing the information. In practice, the “qualified person” made that decision as well. The “qualified person” is authorised as such by the Secretary of State for Culture, Digital, Media and Sport. The BBC’s new governance arrangements meant a new approach to the “qualified person” was required, and the new proposal was in line with the Information Tribunal’s current advice.
- 10.3 The Board discussed the proposal that in future the responsibility for making such judgments should be distributed amongst all members of the Board, both executives and non-executives, with the Chairman making the decision as to who would take the decision, or whether the Board should take it as a whole.
- 10.4 The Board approved the regulation that “the qualified person” should in future be:
- (a) each member of the Board acting individually, and
 - (b) the Board acting as a whole

10.5 The Board agreed that it would seek the approval of the Secretary of State for this change, as required.

11 Committee Reports

11.1 The Chair of the Editorial Guidelines and Standards Committee reported that the draft of the revised Editorial Guidelines would now come to the April meeting of the Board and updated the Board on the Ofcom Complaints Determination.

11.2 The Chair of the Remuneration Committee reported on the progress of the On-air Review and recent senior executive appointments.

12. AOB

12.1 The Chairman updated the Board on arrangements for meetings in 2018.

Approved by the Board: _____ (Chairman)

_____ (Date)