

# BBC Trust 2014-15 work plan

Every year the Trust publishes a work plan to provide an overview of our main projects.

At the end of 2013 we published a review of BBC internal governance promising that the Trust would concentrate on its core functions: setting a clear direction for the BBC and then scrutinising and assessing the management's performance. We also promised to be more transparent about how we pursue those functions.

This year's plan sets out the work that the Trust will lead to deliver on those promises. We will also separately publish the objectives and priorities set for the BBC Executive in 2014-15, and in our Annual Report in July we will assess BBC performance in 2013-14.

This work plan cannot include all the work the Trust does in any given year to consider any new proposals or initiatives from the BBC management, or to address complaints from members of the public and the wider media industry. However, details of all such work will be published at <http://www.bbc.co.uk/bbctrust/>

The BBC Executive will publish its own work plan separately, including a summary of the 2014-15 budget and the outline plans for each service (or 'statements of programme policy') that have been approved by the Trust.

## Service Reviews

In the course of spring and summer 2014 we will complete and publish our current service reviews of:

- Network news and current affairs
- Television services – BBC One, BBC Two, BBC Three, BBC Four

At the conclusion of the review of news and current affairs, the public will be able to watch live online streaming of the Trust and the BBC Executive discussing the findings and implications of the report.

We will also launch two further reviews:

- Music radio services: Radio 1, 1Xtra, Radio 2, 6Music, Radio 3 and Asian Network  
This review will begin in summer 2014
- Speech radio services: Radio 4, 4Extra, 5live and 5live Sports Extra  
This review will begin in the autumn

## Editorial standards work

The Trust will continue its series of seminars on editorial standards, through:

- A seminar on the BBC's Arts coverage, to be held in summer 2014
- A further seminar (topic still to be decided) later in the year

The Trust will also:

- Conduct a major review of the BBC's editorial guidelines, including public consultation
- Set party election broadcast criteria and election guidelines for elections in May 2015

## Value for Money work

In the next year, the Trust will pursue two in-depth reviews of particular aspects of BBC management.

### 1. Costs of presenter and performer pay

Following a previous Trust review in 2008-9, the BBC has successfully reduced the overall costs of the payroll for presenters and performers. The Trust will now commission further work to examine:

- Whether existing processes for controlling these costs have provided value for money since 2009
- Whether the BBC can do more in future to secure value for money in both recruiting and developing its performers and presenters
- The relationship between BBC pay and the wider market for presenters and performers

### 2. How the BBC identifies and manages major risks

Under our new governance arrangements, responsibility for the financial and operational management of the BBC sits clearly with the Executive Board, strengthened by the addition of a number of new non-Executive Directors. The Trust in turn is responsible for measuring and assessing the performance of the Executive Board.

To that end, the Trust will commission a review to test the arrangements now in place within the BBC management structure to identify, report and mitigate any significant risks to the organisation and, in particular, to the value for money that it provides. This work will include an assessment of the contributions made to risk management and reporting by both Internal Audit and the BBC's Project Management Office.

### Trust end-of-project appraisal

The Trust has committed itself to conduct end-of-project appraisals for major capital projects in future. The first of these will be a review of the project currently under way to upgrade the IT systems serving the BBC's HR and finance functions. This project is due to conclude towards the end of 2014 and the Trust review will follow soon after.

### NAO examinations of value for money at the BBC

The National Audit Office (NAO) has decided to conduct two value for money examinations at the BBC in 2014:

- Managing the BBC's estate: This study will provide a strategic overview of the cost, management and performance of the BBC's estate following a period of renewal and consolidation. The BBC's estate represents a significant cost and the configuration and effective utilisation of the estate is critical to supporting new and more efficient ways of working.
- Delivering Quality First: This review will examine the BBC's progress in reducing costs through Delivering Quality First and how the BBC is measuring the impacts of cost reductions on service delivery and quality.

In each case, the NAO will provide reports to the Trust. The Trust will arrange for them to be published and put before Parliament, and will also consider what further work is required in response.

## Known regulatory business

### Commercial and distribution frameworks

The Trust will issue new framework documents that state the boundaries for relevant areas of BBC activity not covered by the existing service licences – including its commercial businesses and distribution activity. These frameworks will be issued in draft form for public consultation before summer 2014 and will be in place by the end of the year 2014-15.

### Proposed changes to BBC services, including BBC Three

The BBC Executive has announced that it will put proposals to the Trust to close BBC Three as a broadcast TV channel in autumn 2015. The Trust has already stated that we expect to assess those proposals by conducting a public value test, including a public consultation, so licence fee payers will have the opportunity to have their say in the process.

The Trust will also need to approve any other major changes that are proposed to BBC services, including the expansion of iPlayer to include non-broadcast content from BBC Three and Radio 1 and the launch of a BBC One +1 channel. These may form part of the same public value test. We will make a further announcement as soon as we have formal proposals from the BBC Executive.

## Other Trust commitments

Under the BBC's Charter and Agreement, the Trust is due in 2014-15:

- To complete a review of its Fair Trading policy – including a public consultation.
- To review the operation of BBC's 'Window of Creative Competition' (WoCC) for network television commissioning.

There is an ongoing debate about the way BBC commissioning processes are regulated and what balance between BBC and independent production is likely deliver the best results for licence fee payers and for the UK creative sector. This will be a key issue for any process of Charter Review between now and the end of 2016.

The Trust therefore intends to broaden the scope of its WoCC review.

It will instead conduct a full review of the market for television and radio production, the BBC's current position in those markets and the options for future changes to the way that the BBC is structured and regulated in this area.

The Trust will examine changes in the independent production sector since 2007 as well as the contribution made by BBC in-house production, in order to consider what structure would be most likely to offer the highest quality and most creative output to audiences in the long term.

The Trust has invited the BBC Executive to put forward their own ideas for the review to consider. We will conduct a full industry consultation, including testing of the Executive's ideas, before reaching any conclusions. The Trust also intends to commission independent, external advice, in particular to help with analysis of the BBC's market position.

Terms of reference will be published in the summer, with the expectation that the consultation process will begin in the autumn.