

## **BBC Executive Implementation plan following NAO study on BBC major events**

The Trust asked the NAO in 2009 to carry out a Value for Money study examining the BBC's management of its coverage of major sporting and music events. The Trust published the NAO's report on 28 January 2010, which included a number of recommendations made by the NAO as to how the BBC could improve Value for Money.

After every VfM study in which recommendations are made, the Trust requires the Executive to produce an implementation plan setting out how they will put the recommendations into practice. The table below was presented to the Trust by the Executive, and was approved by the Trust's Finance & Compliance Committee. It shows the actions the BBC Executive are taking / will be taking in response to the NAO recommendations, including the specific areas highlighted by the Trust.

	<b>NAO recommendation</b>	<b>Action planned</b>	<b>Target date</b>	<b>Action owner</b>
<b>a</b>	Using the trend information on performance it collects at an event level and already uses to inform expectations of coverage outcomes, the BBC should, when approving coverage budgets, build on the work it has started for Glastonbury and Big Weekend and set measurable objectives for individual major events so that it has a clear basis for assessing the success of its coverage and the value for money it has secured.	<ul style="list-style-type: none"> <li>• All major event finance cases for production budgets will include specific objectives in terms of reach, quality, impact and value, based on previous event data and prior year trends.</li> <li>• Major event sports rights cases will include high level objectives in terms of reach, quality, impact and value.</li> <li>• As part of the approval process, objectives set will be reviewed by               <ul style="list-style-type: none"> <li>○ BBC North Business and Operations Board / Sport Programme Finance Committee</li> <li>○ A&amp;M Finance Committee.</li> </ul> </li> <li>• Where approval is granted within divisional budgets, the specific objectives will form part of the annual budget commentary.</li> </ul>	31 March 2011	BBC Sport  Audio & Music
<b>b</b>	When reporting performance, managers should set out the material external factors affecting performance and an estimate of their impact on the outcome of coverage, taking account of trends for similar coverage in the past.	<ul style="list-style-type: none"> <li>• A comprehensive performance review will be compiled within six months of each major event, incorporating:               <ul style="list-style-type: none"> <li>○ audience data</li> <li>○ financial performance</li> <li>○ lessons learned</li> <li>○ any external factors impacting performance.</li> </ul> </li> <li>• The review will be presented annually at               <ul style="list-style-type: none"> <li>○ Classical / Popular Music Board</li> <li>○ A&amp;M Finance Committee</li> <li>○ North Business and Operations Board / Sport Board</li> <li>○ Sport Production Finance Committee.</li> </ul> </li> <li>• Where a Post Implementation Review (PIR) is required by the BBC investment policy &amp; guidelines, this review will be included within the PIR.</li> </ul>	Within six months of all 2010 major events	BBC Sport  Audio & Music

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c	By considering just one option for approval, the BBC is limiting its ability to make informed judgements about the best use of its funds. The BBC should set out planned outcomes for a number of different budgets.	<ul style="list-style-type: none"> <li>• In line with the good practice recommended within the pan-BBC investment policy &amp; guidelines, all production finance cases presented for approval will include: <ul style="list-style-type: none"> <li>○ an options appraisal section, outlining the costed-coverage options considered</li> <li>○ the rationale supporting the preferred option.</li> </ul> </li> <li>• Sports rights cases already include a section stating whether “doing nothing” is a valid option.</li> <li>• These options will be presented within major events finance cases at: <ul style="list-style-type: none"> <li>○ Sport Programme Finance Committee / North Business and Operations Board</li> <li>○ A&amp;M Finance Committee.</li> </ul> </li> </ul>	31 March 2011	BBC Sport  Audio & Music
d	The BBC should assess whether the application of reach guidelines for some individual events can be extended to other events and to the other indicators in its performance management framework, ideally moving towards setting quantified objectives as for its Glastonbury coverage from 2009 onwards.	Fully addressed through the response to <i>recommendation a</i> , above.	31 March 2011	BBC Sport  Audio & Music
e	Approvals processes for expenditure mean that all expenditure is approved but not gathered together to allow the BBC to consider total costs against achievements. The BBC should collate total costs, ideally for a single coverage sponsor to support full reviews of performance against cost.	<ul style="list-style-type: none"> <li>• The overall event budget will be collated and reviewed by the relevant sponsoring body: <ul style="list-style-type: none"> <li>○ Classical / Popular Music Board</li> <li>○ A&amp;M Finance Committee</li> <li>○ Sport Board</li> <li>○ Sport Production Finance Committee.</li> </ul> </li> <li>• Finance cases for specific divisional spend will reference the overall event budget.</li> </ul>	31 March 2011	BBC Sport  Audio & Music
f	The BBC should identify BBC-covered events that would allow structured cost comparisons and, for annually-recurring events, carry out thorough bottom-up cost reviews periodically.	For annually recurring major events, a line-by-line budget review will be undertaken on a biennial basis by the relevant production team. This will be presented as an appendix to the budget presented for formal approval.	31 March 2011	BBC Sport  Audio & Music

	<b>NAO recommendation</b>	<b>Action planned</b>	<b>Target date</b>	<b>Action owner</b>
<b>g</b>	The Programme Management Office should however identify those aspects of best practice which may benefit the coverage of major events and disseminate them to the relevant teams.	<ul style="list-style-type: none"> <li>• The BBC Project Management Office (PMO) will be a standing member of the pan-BBC major events group and will present relevant learnings at the meeting of 4 March 2010.</li> <li>• Project management systems have already been implemented for a number of music events, and we are trialling systems at the World Cup and Commonwealth Games with a view of rolling out across all other major events.</li> </ul>	31 March 2011	BBC Project Management Office (PMO)
<b>h</b>	Post-implementation reviews of major events, which cover these elements, are triggered by renewal or termination of rights deals but this is not necessarily an annual process. The BBC should, taking materiality into account, carry out annual reviews bringing together cost performance and management of coverage.	See response to <i>recommendation b</i> , above.	Within six months of all major events	BBC Sport  Audio & Music