



Meeting of the BBC Board

MINUTES

21 July 2022
Via Video Conference

ITEMS OF BUSINESS

1. Apologies and Conflicts of Interest
2. Chairman's Introduction
3. Minutes and Matters Arising
4. Committee Reports
5. Executive and Director-General's Report
6. Future Strategy
7. iPlayer
8. Mid Term Governance and Regulatory Review
9. Quarterly Performance Report
10. Content Investment
11. Birmingham Property
12. AOB

ATTENDANCE

Present

- Richard Sharp Chairman
- Tim Davie Director-General (items 1-11)
- Shumeet Banerji Non-executive director
- Damon Buffini Non-executive director (item 9 onward)
- Shirley Garrood Non-executive director
- Robbie Gibb Non-executive director
- Muriel Gray Non-executive director
- Ian Hargreaves Non-executive director
- Nicholas Serota Non-executive director
- Elan Closs Stephens Non-executive director
- Leigh Tavaziva Group Chief Operating Officer (items 1-11)

Apologies: Charlotte Moore

With

- Phil Harrold Company Secretary
- Jo Clarke Secretary to the Board
- Jonathan Munro Interim Director, News and Current Affairs (items 1-9)
- Gautam Rangarajan Director, Strategy (items 5 onward)
- Kerris Bright Chief Customer Officer (item 5a)
- Pipa Doubtfire Head of Revenue (item 5a)
- Nick North Director, Audiences (item 5a)
- Clare Sumner Director, Policy (items 6 and 8)
- Alex Bhak Bain and Company (item 6)
- Andre James Bain and Company (item 6)
- Tom Whitely Bain and Company (item 6)
- Storm Fagan Chief Product Officer (item 6)
- Paul Oldfield Controller, Policy (item 8)
- Shirley Cameron Group Financial Controller (item 9)
- Tom Fussell CEO, BBC Studios (item 10)
- David Moody Director, Strategy, BBC Studios (item 10)
- David Pembrey COO, Content (item 10)
- Rhodri Talfan Davies Director, Nations (item 11)
- Thomas Wrathmell Senior Project Director (item 11)

BOARD MINUTES 21 JULY 2022

1. Apologies and Conflicts of Interest

1.1 The Board noted apologies from Charlotte Moore for this meeting.

1.2 There were no conflicts of interest declared.

2 Chairman's Introduction

2.1 The Chairman set out the key themes of the meeting, which focussed on the future strategic direction of the BBC and included substantive discussion of its future strategy and an update on plans for iPlayer.

3. Minutes and Matters Arising

3.1 The minutes from the 23 June Board meeting were approved.

3.2 The Board noted the Matters Arising paper.

4. Committee Reports

4.1 The Chair of the Editorial Guidelines and Standards Committee reported on its most recent meeting. The Committee had welcomed its new Editorial Advisers, Caroline Daniel and Michael Prescott to their first meeting. The implementation of the recommendations from the Serota Review was progressing well, with all 39 actions either implemented or in progress and the Safeguarding Impartiality training rolled out to over 24,000 people, including staff and freelancers. A full update paper and project overview had been submitted to the Board for information. The meeting had also included an update on progress with the Thematic Review on the BBC's coverage of public spending and taxation, and discussion of Ofcom's Report on its regulation of the BBC, including the BBC First complaints process. Chris Mason, the BBC's Political Editor, had joined the Committee to give his thoughts on the importance of impartiality. The Board noted that Ofcom had upheld a complaint against *The World At One* for failing impartiality standards, overturning the adjudication of the Editorial Complaints Unit. The Board requested that the plans to incorporate ongoing actions from the Serota Review into EGSC business as usual should be brought to the next Board meeting.

- 4.2 The Board noted the paper on the implementation of the recommendations from the Serota Review. Directors requested that the next update included examples of change, with particular regard to social media use.
- 4.3 The Chair of the Remuneration Committee reported on its most recent meeting. The Committee had been pleased to note that work on the staff pay deal had been completed with a positive outcome; and work was taking place to review senior leadership pay, and apprenticeship pay had been increased to align with the market. The Committee had also reviewed a paper setting out additional analysis on the data supporting the BBC's reporting of pay gaps. The Committee discussed a proposal to update the policy regarding external non-executive directorships for BBC staff, which would return to the Committee for final approval. The Committee approved a proposal for benchmarking work to be undertaken on non-executive director fees for the Commercial Board and the proposed salary level for an executive appointment.
- 4.4 The Chair of the Northern Ireland Committee reported on its most recent meeting. The Committee had expressed its concern regarding the continuing absence of a Northern Ireland member of the Board. The Committee discussed a report from the Director, Northern Ireland. Discussion focussed on the decision post pandemic not to resume coverage of the 12th July parade in Belfast live, but instead to offer a highlights programme. Directors also discussed the portrayal and representation of Northern Ireland on network programmes, including the drama, *Bloodlands* and an episode of *DIY SOS* from Bangor. The Committee discussed RAJAR performance in Northern Ireland and noted that BBC Radio Ulster was attracting around a third of the available audience each week. A progress report on the development of NI Broadcasting House, which had been subject to a delay, was also noted.
- 4.5 The Chair of the Commercial Board reported on its recent awayday session. The focus of the day was the strategic direction of the BBC's commercial services, including plans to grow intellectual property rights which could generate income globally. The Commercial Board was developing a detailed five year plan over the summer which would come to the full Board once approved.

5. Executive and Director-General's Report

- 5.1 The Director-General opened his session by informing the Board that he had asked for a re-forecast of the baseline Budget for the year, given the rising levels of inflation.
- 5.2 The Board noted an update on the timetable for Government's legislative programme as it related to the BBC, including the Media Bill, and how that might be impacted by recent political events.

- 5.3 Reporting of the changing political environment had been delivered with a high degree of professionalism and impartiality.
- 5.4 The Executive's focus on developing the BBC's digital services had continued. Coverage of Wimbledon and Glastonbury had been accessed by streaming by more people than ever before. Glastonbury content had been accessed by 38.7m on iPlayer and 2.4m people via BBC Sounds. The Executive had recently been working on new set of product metrics which would come to the Board in the Autumn.
- 5.5 In Content highlights, *Sherwood* had performed extremely well with both audiences and commentators. Coverage of England games during the Women's European Football had drawn large audiences.
- 5.6 The Chief Operating Officer provided a report on financial and operational issues. Planning for the increasingly inflationary environment was taking place. The Board noted an update on the appointment of a new Director of Corporate Affairs and the recruitment of a Chief Financial Officer. The new CEO News and Current Affairs, Deborah Turness, was due to start on 5 September. The Board noted an update on business continuity; the recent high temperatures across the UK had impacted broadcast resilience and would need to be mitigated.
- 5.7 The Director-General and Executive Report was noted. The Board also noted recently released high level 2021 Census data which was provided with the report.

Licence Fee Update

- 5.8 The Board considered an overview of Licence Fee revenue performance to date and 22/23 forecast and budget assumptions. Directors also reviewed the leading indicators of future revenue performance reported on the Audience Scorecard and the pan-BBC action plan to ensure revenue delivery. The Board discussed progress with the actions set out in this year's Licence Fee collection strategy and requested that the work on gender disparity in those prosecuted for Licence Fee evasion return to the Board in the Autumn.

Update on the Completion of the Dyson Actions

- 5.9 The Board noted an update on the approach to claims and related actions arising from Lord Dyson's Report relating to the 1995 *Panorama* interview with Diana, Princess of Wales.

6. Future Strategy

- 6.1 Following discussion at its June meeting, the Board held a further discussion around the future strategy of the BBC. The Board agreed the proposed work, which would continue

over the summer, and stressed the importance of the focus on audience value. The Executive would return in the Autumn with a number of future strategic options for further consideration by the Board.

7 iPlayer

- 7.1 The Board received a presentation on iPlayer performance and product development plans.

8 Mid Term Regulatory and Governance Review

- 8.1 The Board considered a paper on the Government's Mid Term Review. It included an update on the process and timing of the review.
- 8.2 The Board noted the next phase in the Mid Term Review process, including the potential direct involvement of some Board members through interviews with the DCMS.
- 8.3 The Board approved the overall approach to the BBC's submission to the Mid-term Governance and Regulatory Review by the DCMS.

9. Quarterly Performance Report

- 9.1 The Board reviewed the quarterly performance pack, which set out audience, financial, operational data for April – June 2022. Data providing additional market context had also been included in this report. Directors discussed progress against audience targets, including for the Nations and Regions.
- 9.2 The Board discussed the BBC's financial performance over the quarter along with the Licence Fee income forecast. Directors noted the operational scorecard, which included progress with implementing new ways of working and the BBC's sustainability targets. Directors noted that a Pulse survey would be held in addition to the main staff survey in order to help inform the Senior Leadership Index.
- 9.3 The Board discussed progress with critical projects, including the Diversity and Inclusion programme, and high level strategic and operational risks. The Board also noted an overview of commercial performance and the editorial standards and complaints report.

Audio Deep Dive

- 9.4 The Board noted an in-depth report on the UK Audio market.

10. Content Investment

- 10.1 The Board considered a paper providing an update on a content investment being undertaken by BBC Group.
- 10.2 Directors noted the overall scope of investment required, and progress in the negotiations with potential commercial partners since the 22 June Commercial Board.
- 10.3 The Board noted and approved the BBC's maximum overall exposure in any scenario and noted the proposed approach to concluding the deal, including outstanding issues to be resolved.
- 10.4 The Board agreed to delegate specific conclusion of the deal to a sub-group of Commercial Board members, subject to the overall investment required remaining within the levels set out.

11. Birmingham Property

- 11.1 The Board considered a proposal to for the BBC to leave The Mailbox in June 2026 on the completion of the current lease to relocate to a smaller replacement broadcast centre in Birmingham at the Typhoo Factory in Digbeth. The Board noted that this followed a competitive property procurement exercise undertaken by BBC Workplace.
- 11.2 The Board noted the financial and strategic benefits the proposal would bring to the BBC and approved the investment required for the relocation.

12 AOB

- 12.1 The Board non-executive directors met without the Director-General or other executive directors in private session, where they were briefed on the allegations regarding Tim Westwood, while he was employed by the BBC.
- 12.2 Work was being undertaken by the Corporate Investigations and Internal Audit teams, reporting directly through to the Senior Independent Director on the Board. The non-executive directors were briefed on this work and possible next steps. It was agreed that if further work was required the non-executive directors of the Board would be authorised to agree further action.

Approved by the Board: _____ (Chairman)

_____ (Date)