



Meeting of the BBC Board

MINUTES

20 September 2018
Broadcasting House, London

ITEMS OF BUSINESS

1. Apologies and Conflicts of Interest
2. Minutes from the 19 July Board Meeting
3. Executive Reports
4. The BBC's Responsibility for the Over 75s Concession
5. Financial Strategy and Medium Term Forecast
6. Ofcom's Consultation on Trading and Separation Requirements
7. Committee Reports
8. AOB

ATTENDANCE

Present

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

Apologies: None

With

- Phil Harrold Company Secretary
- Jo Clarke Secretariat Manager
- David Jordan Director, Editorial Policy and Standards (items 1-3)
- Charlotte Moore Director, Content (items 1-3)
- James Purnell Director, Radio and Education (items 1-4)
- Fran Unsworth Director, News (items 1-3)
- Gautam Rangarajan Director, Strategy (items 1-4)
- Clare Sumner Director, Policy (items 4 and 6)
- Glyn Isherwood Group Finance and Operations Director (item 5)

BOARD MINUTES – 20 SEPTEMBER 2018

I. Apologies and Conflicts of Interest

1.1 There were no apologies for this meeting.

2. Minutes from the 19 July Board

2.1 The minutes from the 19 July Board meeting were approved.

3. Executive Reports

3.1 The Director-General opened his report to the Board by expressing his sadness at the deaths of two staff members: Rachel Bland from Radio 5 Live and BBC North West; and Vicki Archer from Radio Shropshire. He offered his sympathies to their families and colleagues at the BBC.

3.2 It had been a successful BBC Proms season, in terms of both the breadth of programming and the audience reach, with a quarter of the population having watched some of the television coverage.

3.3 Drama had had a very successful month. *The Bodyguard*, *Killing Eve* and *Trust* had all attracted critical appreciation and enthusiastic audiences. *The Bodyguard* had attracted over 11 million viewers live for episode four with record numbers of people catching up on iPlayer. The Director-General congratulated the teams involved.

3.4 The Director-General briefed the board on the conclusions of the Online Review. The BBC's online presence would be re-organised to focus more strongly on audiences and a more limited number of online services.

3.5 The Board discussed audience performance in Television, Radio and Education, News and the Nations and Regions over the summer. BBC Content's reach and time was boosted by the World Cup in June and July. In Radio, the new Radio 1 Breakfast Show launched with Greg James to positive reviews from press and audiences, and strong performance figures including improved audience appreciation scores with 16-34s over the summer. The success of *The Bodyguard* had led to high audiences for the Sunday night news. High performing stories had included the weather and the rescue of the trapped Thai boys. Local radio reach was down on the quarter and year on year, both for the BBC and local commercial radio.

3.6 The Board noted the Editorial Compliance and Complaints Report. No complaints had been escalated to Ofcom during July and August.

- 3.7 The Board noted an update on commercial activities including progress with the production of *His Dark Materials* by BBC Studios. The Board would receive reports tracking the progress of significant investment cases.
- 3.8 The Board noted the Assurance Report.
- 3.9 The Board noted the Finance and Operations Quarterly Report, which provided a quarterly overview of finance and operations and appeared for the first time in a revised format. Directors agreed that it was an improvement on previous versions, particularly with regard to the enhanced commercial reporting.

4 Licence Fee Reform

- 4.1 The Board discussed the issue that over 75s concession is set to end in June 2020, as set out in the Digital Economy Act. The BBC is required to hold a consultation on this matter. Directors noted that the Select Committee had been informed and discussed preparatory work for the consultation.

5. Financial Strategy and Medium Term Forecast

- 5.1 Since the Board approved the 2018/19 budget in March, the Executive have developed the BBC's digital strategy further. Therefore this paper was brought to the Board to provide it with the opportunity to confirm the strategic direction and level of ambition ahead of the autumn budget process. Once the divisional budgets are complete in December, the budget will be consolidated in January and submitted to the Board for approval in February. The BBC Board was also asked to consider and approve the approach to the 2019/20 budget and related longer term planning.
- 5.2 The Board considered that the focus on strategic priorities in the 2109/20 Budget was correct, and approved the Executive's approach to longer term financial planning.

6. Ofcom Consultation on Trading and Separation Requirements

- 6.1 The Board discussed a paper which set out the main points in Ofcom's consultation on changes to their trading and separation requirements for the BBC. This included proposed changes around the current regulation of separation between the BBC Public Service and commercial activities, charging for goods and services traded internally, and financial reporting for the BBC's commercial activities. The paper

also set out a summary of our proposed responses, which would be sent to Ofcom on or prior to 24 September to meet their deadline.

- 6.2 The Board noted the proposals to change to the regulatory regime and approved the proposed BBC response to the consultation.

7 Committee Reports

- 7.1 The Chair of the Remuneration Committee reported on the Committee's latest meeting. The Board noted that the Committee had approved the targets and metrics for the 2018/19 company bonus scheme in the new BBC Studios, which included stretch measures, and discussed the disclosure of salaries in this year's Annual Report and Accounts.

- 7.2 The Board discussed and approved the updated Terms of Reference for the Nations Committees. They would be published on the BBC's website.

8. AOB

- 8.1 The Board noted a paper showing progress towards fulfilling Ofcom's quota requirement for out of London content on network TV.
- 8.2 The Board approved an investment case for the renewal of Microsoft software licences.
- 8.3 The Board approved the change of the name of BBC Worldwide's India entity to BBC Studios India as part of the BBC Worldwide global name change, on 1 October.

Approved by the Board: _____ (Chairman)

_____ (Date)