



## Meeting of the BBC Board

### MINUTES

30 April 2020  
Held Via Video Conference

#### ITEMS OF BUSINESS

1. Apologies and Conflicts of Interest
2. Minutes from the 5 and 19 March Meetings
3. Executive Reports
4. 2020-21 Budget and Annual Plan
5. 2019-20 Annual Reports and Accounts Timetable
6. Committee Reports
7. AOB

## ATTENDANCE

### Present

- David Clementi Chairman
- Tony Hall Director-General
- Tim Davie Chief Executive Officer, BBC Studios
- Shirley Garrood Non-executive director
- 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 (items 1-4)
- Nicholas Serota Non-executive director
- Elan Closs Stephens Non-executive director
- Ashley Steel Non-executive director
- Fran Unsworth Director, News and Current Affairs

Apologies: There were no apologies

### With

- Phil Harrold Company Secretary
- Jo Clarke Secretary to the Board
- Glyn Isherwood Chief Financial Officer
- Bob Shennan BBC Managing Director (items 1-4)
- David Jordan Director, Editorial Policy and Standards (items 1-3 and 6)
- Sarah Jones Group General Counsel (items 1-3)
- Charlotte Moore Director, Content (items 1-4)
- James Purnell Director, Radio & Education (items 1-4)
- Gautam Rangarajan Director, Strategy (items 1-5)
- Kerris Bright Chief Customer Officer (item 4)
- Clare Sumner Director, Policy (item 4)
- Matthew Postgate Chief Technology and Product Officer (item 4)

**1. Apologies and Conflicts of Interest**

1.1 There were no apologies.

1.2 The Board noted that Shirley Garrod would be appointed to Deloitte's UK Oversight Board as an Independent Non Executive, with oversight of external audit only, on 1 May 2020. The Board agreed that this did not amount to a material conflict of interest as the BBC could not appoint external auditors, as it is audited by the NAO.

**2. Minutes from the 5 and 19 March Board Meeting**

2.1 The minutes from the 5 and 19 March Board meetings were approved.

2.2 The Board noted the Matters Arising.

**3. Executive Reports**

3.1 In its consideration of the BBC's operational and audience performance reporting, the Board was acutely aware of the gravity of the current coronavirus pandemic and its impact on audiences, staff and the wider industry. It was now clear that the country would suffer a high death toll and that many people would be experiencing profound grief, anxiety and economic hardship. The Board asked executive directors to thank those teams working to keep the BBC's global, national and local services on-air and supporting its audiences at this time.

3.2 The Director-General updated the Board on the BBC's continuing response to the coronavirus pandemic. He briefed Directors on the changes that had been made, at speed, in order to keep delivering core services and to fulfil the BBC's mission to educate, inform and entertain audiences with tailored programmes and services, whilst also supporting staff and the wider industry. This had been achieved by a high degree of collaboration and across the organisation.

3.3 News services had been streamlined in order to protect the One O' Clock, Six O' Clock and Ten O' Clock bulletins and Radio 5Live had been reshaped as the Covid-19 station, alongside new and detailed podcast content. Hugh Pym, Health Editor, Fergus Walsh, Medical Editor and the Health team, the new *HealthCheck* specials and the reshaped *Question Time* specials in primetime had all helped to explain the crisis to audiences. Local radio had been supporting community and hospital radio with news content.

- 3.4 The Education service had been rolled out this month, with support from across the organisation. The new Bitesize offer, including lessons and clips for all year groups and using a wide range of great teachers and talent, was proving very popular.
- 3.5 In entertainment the BBC fundraiser *The Big Night In* did well, with the current total, including the UK Government matched funding, standing at nearly £70m. The money, apart from the £20m pledged by the Government to the National Emergencies Trust, will be distributed by BBC Children in Need and Comic Relief to charities supporting vulnerable people during the pandemic. Chat and panel shows, such as the *Graham Norton Show* and *Have I Got News For You* had been reinvented using Zoom technology and had been able to stay on-air. In drama the new series of *Killing Eve* had launched and *Normal People* had attracted critical praise and very positive feedback from viewers.
- 3.6 Audience performance across the past month had been very strong. Whilst audiences were clearly coming to the BBC for trusted news and information, with an average of 26 million people using TV news services every day, pan-BBC reach was also high at 94%. This was also reflected among younger viewers with a pan-BBC reach of 86% among 16-34 year olds. However, existing trends in the uptake of on-demand services and unmatched viewing were accelerating with viewing doubling over the period.
- 3.7 In Operations, the business continuity arrangements were working well. High numbers of people were working and broadcasting from home, and network resilience had been maintained. Weekly calls with the Director-General and other executive directors were continuing, with 15,000 staff joining the most recent of them. Work was also taking place in planning for a future return to the office following lockdown.
- 3.8 The Chief Financial Officer provided an update on the progress of the BBC's critical projects, some of which had been paused to ensure social distancing measures could be implemented, or were otherwise impacted by the pandemic.
- 3.9 The Director, Content, provided an update on operations and performance. There had been extra-ordinary figures for BBC programmes over the period, with shows such as *The Repair Shop*, *MasterChef* and *Race Across the World* attracting high audiences. *HealthCheck UK* and *The One Show* were doing a good job at bringing people together and providing trusted information. Filling schedules would be challenging in the Autumn and Winter months given the current break in production.
- 3.10 The Director, Radio and Education, provided an update on operations and performance. The change in lifestyle during lockdown had seen overall radio listening drop, particularly with regard to breakfast and drivetime shows, but BBC figures were bucking the trend, possibly because of a higher level of speech content. BBC Food and Bitesize were performing exceptionally well and BBC Sounds had met its most recent targets.

- 3.11 The Director, News and Current Affairs, provided an update on operations and performance. The news bulletins at six and ten o'clock were very popular with Health Correspondents Fergus Walsh and Hugh Pym providing informed and thoughtful coverage of the pandemic. In terms of the BBC's global news provision there had been a dramatic increase in audiences to World Service news output, particularly in India and Russia.
- 3.12 The Director, Nations and Regions, provided an update on operations and performance. The partnership between network and local news was working well. The regional news programmes at 18.30 were attracting very high audiences across the UK. Local radio and its Make a Difference campaign had received significant recognition for the work being done to support local communities.
- 3.13 The Chief Executive of BBC Studios provided an update on operations and performance. Work was taking place on planning for an eventual return to production in the UK. The commercial industry had been hit very hard by the pandemic and a drop in global advertising sales of around 30% was being forecast. However, there was an increase in customers looking to buy programme content and BritBox was performing very well in the US.
- 3.14 The Board noted the Editorial Standards Report. The Capita call centre in Belfast had closed during lockdown, but a degree of home-working had now been introduced and it was hoped a return to work would be possible when the offices had been re-configured; this would put pressure on the BBC's ability to meet its complaints response targets.

#### *Content and Distribution Contingency Arrangements*

- 3.15 The Board noted a paper setting out how contingency planning decisions around services and distribution had been coordinated at a corporate level and been developed and implemented within divisions, with approval for existing and any further changes to output taken at 'Gold' meetings, within the BBC's incident management system.

#### *Regularity Considerations: The BBC's Covid-19 Response*

- 3.16 The Board noted that a number of decisions taken in order to navigate the organisation through the challenges of the coronavirus pandemic had generated a financial impact. These would be assessed for regularity issues.

#### **4. 2020-21 Budget and Annual Plan**

##### *2020-21 Budget – updated forecast and plan*

- 4.1 Since the last Budget update on the 14 April, considerable work had taken place to address the Board’s feedback and further assess the financial implications of the coronavirus pandemic and any further mitigating actions required.
- 4.2 The Board considered a paper providing an update on the financial position, key changes and what has been done to mitigate the actions. These included divisional mitigations, including continuing with material savings plans that were in the original budget, and incremental savings across a range of areas.
- 4.3 The Board discussed the updated financial forecast. Directors agreed the proposals for mitigations and incremental savings, but were clear that it was critical that the Executive ensured that the material savings plans for 2020-21 in the original Budget were achieved.
- 4.4 The Board agreed the 2020-21 Budget updated forecast and plan and requested that in the monthly board packs any material movement in the projections should be highlighted as well as an update on licence fee income. Any income improvement should be used to protect against forecast risks and enhance content investment. In addition a detailed bottom-up divisional Q1 re-forecast would be presented at the July Board which would allow detailed comparative reporting for the remainder of the year.

##### *2020-21 Annual Plan: Outline Draft*

- 4.5 The Board considered an updated draft outline of the BBC’s Annual Plan which would now be published in May. The full draft would return to the Board for approval at an extra-ordinary meeting of the Board.

##### *Policy Update*

- 4.6 The Board noted and discussed an update on current policy issues.

##### *Over 75s Policy Implementation*

- 4.7 The Board noted a status update on the implementation of the over 75s policy. A further update would come to the Board in May.

## **5 Annual Report and Accounts Timetable**

- 5.1 The Board noted a revised timetable for production and publication of the Annual Report and Accounts for 2019-20. The coronavirus pandemic had had a significant resource and prioritisation impact on teams across Finance and it was now anticipated that final consolidated accounts would not be ready for review until early to mid-July. An extra-ordinary Board meeting would be scheduled at the beginning of September at which to sign them off.

## **6 Committee Reports**

- 6.1 The Chair of the Remuneration Committee reported on its most recent meeting. Items included for discussion were a number of interventions with regard to employee pay and conditions designed to help mitigate the financial impact of the coronavirus pandemic.
- 6.2 The Chair of the Commercial Holdings Board reported on its two most recent meetings. Items for discussion had included the impact of the coronavirus pandemic on the commercial subsidiaries. A number of financial mitigations were being explored in order to ease pressure on budgets and protect revenue.
- 6.3 The Chair of the Fair Trading Committee reported on its most recent meeting, which had also been attended by members of the National Audit Office. Items for discussion had included an assessment of the uptake of fair trading training and the management report. It had been decided not to broaden the terms of reference for the Fair Trading Committee, but to keep its current remit unchanged.
- 6.4 The Chair of the Audit Committee reported on its most recent meeting, which had focussed on the status of a number of the BBC's critical projects and next year's internal audit plan.

### *Complaints Framework: Outcome of the Consultation*

- 6.5 The Board considered a paper on the outcome of the public consultation on changes to the Complaints Framework which had arisen from Chris Banatvala's work following the *BBC Breakfast* complaint.
- 6.6 The Board agreed to delegate final-sign off of the changes to the Complaints Framework and consultation response document to the Editorial Guidelines and Standards Committee at its meeting in May.

*Nominations Committee: Change to ToRs*

6.7 The Board approved a minor change to the Terms of Reference of the Nominations Committee which dealt with the management of conflicts of interest.

**7 AOB**

7.1 There was no other business.

Approved by the Board: \_\_\_\_\_ (Chairman)

\_\_\_\_\_ (Date)