



## Meeting of the BBC Board

### MINUTES

12 December 2019  
Broadcasting House, London, W1A 1AA

#### ITEMS OF BUSINESS

1. Apologies and Conflicts of Interest
2. Minutes from the 14 November Meeting
3. Executive Reports
4. Pension Update
5. News 2020 Implementation
6. Radio Strategy
7. Distribution Overview
8. International News Strategy
9. Committee Reports
10. AOB

## ATTENDANCE

### Present

- David Clementi Chairman
- Tony Hall Director-General
- Tim Davie Chief Executive Officer, BBC Studios
- Shirley Garrod 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 1-6)
- Nicholas Serota Non-executive director
- Elan Closs Stephens Non-executive director
- Ashley Steel Non-executive director
- Fran Unsworth Director, News and Current Affairs

### With

- Phil Harrold Company Secretary
- Jo Clarke Secretary to the Board
- Bob Shennan BBC Managing Director (items 1-6)
- Glyn Isherwood Group Finance and Operations Director
- David Jordan Director, Editorial Policy and Standards (items 1-3)
- Charlotte Moore Director, Content (1-3)
- James Purnell Director, Radio & Education (items 1-3 and 6)
- Gautam Rangarajan Director, Strategy (items 1-5)
- Clare Sumner Director, Policy (items 6 and 8)
- James Hacker Senior HR Business Partner (item 4)
- Stephen Wheatcroft Senior Head of Finance (item 4)
- Matthew Postgate Chief Technology Officer (item 7)
- Kieran Clifton Director, Distribution (item 7)
- Jessica Cecil Senior Project Director (item 8)

**1. Apologies and Conflicts of Interest**

- 1.1 With regard to item 4, Directors noted if they were in receipt of a BBC pension or members of the Scheme.

**2. Minutes from the 14 November Board Meeting**

- 2.1 The minutes from the 14 November were approved.
- 2.2 The Board noted the Matters Arising.

**3. Executive Reports**

- 3.1 The Director-General reflected on the BBC's General Election coverage. Teams in News had continued to deliver exceptional coverage in a very tough campaign environment, and we had stood up for our impartiality at times when it had been challenged. The *Question Time Leaders' Debate* had attracted over 4 million viewers and the BBC's news online service had received a very high level of usage. The Director-General also credited the teams who had worked hard to secure the Prince Andrew interview; showing the BBC's continued capacity to land the biggest stories.
- 3.2 The Board noted an update on the Half Yearly Performance Review. For this year's review, the Executive Committee had taken a new approach, focused around the composition of the new audience value framework and metrics. This meant looking at performance at a pan-BBC level in terms of viewing, listening, browsing and news, rather than using a divisional reporting approach as in previous years.
- 3.3 He also updated Directors on the ongoing culture programme. A new set of BAME recommendations had been adopted, which had been well-received by the community inside the BBC. A disability passport had been launched in December, which enabled people to set out their conditions, the support they need to do their job and their preferences. A number of senior-level disability champions were also now in place.
- 3.4 The Director, Content, provided an update on performance. BBC One's adaptation *His Dark Materials* became the biggest overnight drama launch of any channel in five years with an initial audience of 7.2m. David Attenborough returned with *Seven Worlds, One Planet*; episode one of which consolidated at 8.7m. *Strictly Come Dancing* and *The Apprentice* strengthened Entertainment on BBC One, with *Strictly* consolidating at 9.9m and *The Apprentice* at 6.6m. The launch episode of the fifth series of *Michael McIntyre's*

*Big Show* attracted an audience of 7.5m and performed strongly among under 35s. BBC content had received a number of notable industry awards. The BBC won over half of the Grierson Documentary Awards across Factual genres and channels; *McMafia* was awarded an International Emmy; BBC Films won three major awards at *Sundance*; and *The Repair Shop* and *Michael McIntyre's Big Show* received Rose d'Or Awards.

- 3.5 The Director, Radio and Education, provided an update on performance. BBC Children's had great success at the Children's BAFTAS, winning 15 out of the 19 categories they were eligible to enter. CBeebies won Channel of the Year for the second year running. There was more award success at the Rose d'Or Awards with *13 Minutes to the Moon* winning the Audio Entertainment award.
- 3.6 The Director, News and Current Affairs provided an update on performance. The General Election coverage had been notable for its production innovation and the breadth of its geographic range. The BBC's original journalism had received global pick-up with *Panorama's* exposure of war crimes in Iraq and Afghanistan and Chinese re-education camps.
- 3.7 The Director, Nations and Regions, provided an update on audiences and activities. BBC local radio coverage received much praise from residents and politicians for our coverage throughout the recent floods in Yorkshire. A partnership between Radio Sheffield and the South Yorkshire Community Foundation has now raised nearly half a million pounds for flood-hit communities in South Yorkshire. The BBC Wales headquarters on Central Square was now in use, and had been achieved within time and budget.
- 3.8 The Chief Executive Officer, BBC Studios provided an update on performance. The current focus was on developing new global franchise brands – currently *The Watch*, *Bluey* and *Good Omens* were being developed from existing TV shows and commissions. Existing strands were performing strongly, with the Sunday night line-up of *Strictly Come Dancing*, *Seven Worlds*, *One Planet*, and *His Dark Materials* delivering great audiences.
- 3.9 The Board noted the Editorial Standards Report. As suggested previously, a high number of complaints had been received during the General Election campaign, which had resulted in delays to responses. It was likely that the KPI targets would be missed over the next few months as the backlog was dealt with.
- 3.10 The Board considered the Operational Performance Report, which included updates on Finance and the BBC's critical projects. Directors discussed the revenue forecast for the year.
- 3.11 The Board noted an update on issues arising from the IR35 tax rule. Progress with HMRC on a historic settlement remained slow. Given the delay it had been decided to

work with presenters individually to help them understand the financial support offered by the BBC and recoupment of any tax owed. A revised offer regarding accountancy fees in respect of Personal Service Companies had been made. It was hoped that this would enable the BBC to settle individually as an alternative to a global HMRC settlement.

- 3.12 The Board noted an update on the CMOD Programme. The Audit and Risk Committee had examined the project status in detail following concerns about its progress and confirmed the decision to close it down.

#### *New Broadcasting House: Belfast*

- 3.13 The Board noted an update on the project and approved a request to adjust the delivery timetable.

### **4 Pension Update**

- 4.1 Prior to discussion Directors noted who were in receipt of a BBC pension or members of the Scheme.
- 4.1 The Board noted an update on the BBC's pension provision. Directors agreed that Executive Committee would agree the final terms of the 2019 Scheme valuation as part of the Board Budget approval process.
- 4.2 The Board requested that a further update should come to the Board in the first quarter of the new year.

### **5. News Implementation Plans**

- 5.1 The Board considered an implementation plan and timeline for delivering the new strategy for BBC News which the Board had approved in October 2019. Directors noted that a delay had been built into the timeline in order to avoid any potential disruption during the General Election.
- 5.2 The Board approved the outline business and implementation plans, and the proposal to announce the changes in January 2020. Directors noted that it was the largest change programme in BBC News for 25 years and was designed to deliver programming more effectively to a wider range of audiences.

## **6 Radio Strategy**

[paragraphs 6.1 and 6.2 redacted for future publication]

## **7 Distribution Overview**

7.1 The Board discussed a presentation which provided an overview of the BBC's distribution strategy and the underlying distribution policy. This covered how the strategy is applied in each of the BBC's key markets (video, audio and news), the main challenges of each, in particular the threat of self-preferencing and disaggregation by big technology platforms, and the steps being taken to address them.

7.2 Directors discussed the benefits and risks of using YouTube and social media platforms to share BBC content. Whilst these platforms were important for extending reach among young audiences they provided significantly less attribution, data and control. In line with our distribution policy and strategy, the current approach was not to make our programmes available on these platforms, but to use them for promotion and brand building with the primary goal of encouraging young audiences to consume content on our own services, prioritising BBC iPlayer, BBC Sounds and BBC News. The Board noted this approach and that each division is currently reviewing their social media plans.

## **8. International News Strategy**

8.1 The Board considered a paper which provided an update on the BBC's proposed international news strategy. Directors noted the importance of the digital elements going forward. The proposal was now also more detailed around its plans for the training of journalists around the world.

8.2 The Board approved the proposal as a basis for discussions with the Government.

## **9. Committee Reports**

9.1 The Chair of the Editorial Guidelines and Standards Committee reported on its most recent meeting. Chris Banatvala had attended the meeting to discuss his analysis of complaints handling and the recommendations he made regarding the complaints framework which had resulted from it. The Committee had endorsed the recommendations and they would be implemented once Ofcom had agreed them and a public consultation had been held. The Committee had also seen the new Impartiality Guidance which had been drawn up following the *BBC Breakfast* complaint.

9.2 The Chair of the Audit Committee reported on its most recent meeting. The Committee had examined the progress of a number of critical projects, which included the

campaign management system in the Licence Fee Unit and the implementation of the over-75s licence fee policy. The Committee had also reviewed an update on the status of the Stratford East Bank project. Audit Committee had requested a thematic review of all the overseas bureaux to ensure consistency in governance, which would return to a future meeting.

- 9.3 The Chair of the Remuneration Committee reported on its most recent meeting. Items on the agenda had included incentive schemes and a report on the gender pay gap of the BBC's third party contractors.

## **10 AOB**

- 10.1 A Board Call would be held on 21 January 2020 ahead of the Board first scheduled meeting in February.