



## Meeting of the BBC Board

### MINUTES

23 June 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. Board Effectiveness Review: Action Plan
6. Executive and Director-General's Report
7. Annual Performance Review
8. BBC Annual Report and Accounts 2021-22
9. Future Strategy
10. Geographic Portrayal on Network TV
11. AOB

## **ATTENDANCE**

### Present

- Richard Sharp Chairman
- Tim Davie Director-General
- 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
- Charlotte Moore Chief Content Officer
- Nicholas Serota Non-executive director
- Elan Closs Stephens Non-executive director
- Leigh Tavaziva Group Chief Operating Officer

Apologies: Shumeet Banerji

### With

- Phil Harrold Company Secretary
- Jo Clarke Secretary to the Board
- Gautam Rangarajan Director, Strategy (items 6 onward)
- Clare Sumner Director, Policy (items 6b and 9)
- David Jordan Director, Editorial Policy and Standards (item 6b)
- Rhodri Talfan Davies Director, Nations (items 7 and 10)
- Jonathan Munro Interim Director, News and Current Affairs (item 7)
- Shirley Cameron Financial Controller (item 8)
- Balram Veliath Director, Quality, Risk and Assurance (item 8)
- Kate Mathers NAO (item 8)
- Claire Rollo NAO (item 8)
- Greg Wilson NAO (item 8)
- Chris Sandford Head of Governance (item 8)
- Leonie Hodge Head of Audiences, Content (item 10)

## BOARD MINUTES 23 JUNE 2022

### 1. Apologies and Conflicts of Interest

- 1.1 The Board noted apologies from Shumeet Banerji 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 would focus on performance and future strategy. The NAO would join the meeting for discussion of the BBC's Annual Report and Accounts 2021-22.

### 3. Minutes and Matters Arising

- 2.1 The minutes from the 28 April Board meeting were approved.
- 2.2 The Board noted the Matters Arising paper.

### 4. Committee Reports

- 4.1 The Chair of the Audit and Risk Committee reported on its most recent meeting. In addition to the review of material for the Annual Report and Accounts 2021-22, and recommendations thereon to the Board, the Committee had considered the quarterly risk report, which set out an overall picture of strategic and operational risks in the last period, as well as trends. The Committee would return to risks around cyber-security, including insider risk and data management, in the Autumn. The Committee also discussed developing proposals for strategic risk oversight, which would come to the July Board meeting. The Committee were updated on the work of the Internal Audit team in the previous quarter, including completed audits and audit actions. Internal Audit reviews of AI and online search were noted. The Committee discussed the quarterly overview of critical projects. It was proposed that the Net Zero sustainability project should be included on the Critical Projects Portfolio and this would come for approval alongside baselining work when completed later this year. Given the changing nature of the critical project portfolio the need to ensure the right split of oversight between the Committee and the Board was discussed, and this would be looked at in more detail, as part of a review of the governance structure.

- 4.2 The Chair of the Remuneration Committee reported on its most recent meeting. The Committee discussed the proposed outturn for the BBC Studios Corporate Bonus scheme for 2021/22. BBC Studios had performed strongly over the year and exceeded targets and therefore met the requirements for the Committee's approval of the associated bonus payments. The Committee had requested that the 2022-23 objectives for senior executives in BBC Studios should be expanded to include impartiality, in line with senior executives in the public service.
- 4.3 The Chair of the Scotland Committee reported on its most recent meeting, which took place in person at Pacific Quay. Matters for discussion had included plans for investment in continuing drama co-commissioned with BBC Content and proposals exploring what network programmes were likely to be successful with the Scottish audiences. The Committee also noted an operational update, discussed the staff survey results and recent audience performance.
- 4.4 The Chair of the Wales Committee reported on its most recent meeting. The Director, Wales, had provided an overview of upcoming events and big creative moments, such as the Wales entry to next year's World Cup tournament. The Committee had noted updates on the implementation of the six year plan, new ways of working and the modernisation of news. The Wales Committee was drawing up a plan for public engagement with audiences and stakeholders. Preparations for the visit by HRH the Prince of Wales to the new BBC building in Central Square, Cardiff were underway.

#### *Editorial Guidelines and Standards: Serota Implementation Update*

- 4.5 The Chair of the Editorial Guidelines and Standards Committee reported on its most recent meeting, which had focused on work related to the implementation of the recommendations arising from the Serota Review and Impartiality Plan. The Board noted an update on progress, including progress with the first thematic review on coverage of public spending and taxation. The Board discussed internal and external communications planned for the end of June when key actions arising from the Serota Review and Impartiality Plan would be completed. Directors also discussed the need for improved tracking and measurement of audience perception of impartiality and requested that the Editorial Guidelines and Standards Committee consider proposals on behalf of the Board. In other matters, the Committee had also discussed learnings from the UK local elections and plans to improve operational complaints handling in Audience Services.

#### *Commercial Board*

- 4.6 The Chair of the Commercial Board reported on its most recent meeting and related activities, which had included a visit to the New York office to meet BBC Studios management and a meeting with Studioworks. A full report from the Commercial Board meeting was circulated to Board members. The discussion focused on the strategic growth priorities for the commercial business; progress with major content

investments; the development of a dividend policy between BBC Studios and the public service and the recruitment of new non-executives for the Commercial Board.

#### *Nominations Committee: Appointment of Editorial Advisers*

- 4.7 The Board approved the appointments of Caroline Daniel and Michael Prescott, as Editorial Advisers to EGSC as proposed by Nominations Committee for two year periods from the commencement of their appointments.
- 4.8 The Board noted that an announcement regarding the appointments would form part of a wider press release on progress against delivery of the Serota recommendations planned for the last week of June.

#### *Nominations Committee: Re-appointment of a Non-executive Director to Commercial Board*

- 4.9 The Board approved the re-appointment of Mai Fyfield as a non-executive director of the BBC Commercial Board, as of 1 August 2022 at the existing remuneration rate, for a period of three years.

### **5. Board and Sub-committee Effectiveness Review: Action Plan**

- 5.1 At its April meeting the Board considered the Board and Sub-committee Evaluation Review conducted by Chris Saul. As requested in that discussion, Secretariat have drawn up an implementation plan for the actions agreed by Directors. Following further input from the Chairman and a meeting of the Nominations Committee on 13 June, the action plan was presented for the approval of the Board.
- 5.2 The Board approve the action plan for implementation.

### **6. Executive and Director-General's Report**

- 6.1 The Director-General opened his session by commending the coverage of The Queen's Diamond Jubilee celebrations, which had received outstanding feedback from audiences and commentators. The Jubilee concert brought the highest TV overnight of the year so far (11.2m) , with strong performance across all demographics. Recent weeks had seen strong editorial delivery of big events. Coverage of the Eurovision Song Contest attracted an average of 9 million viewers across the evening, the second biggest audience since 2002. Upcoming events across the summer included Glastonbury and The Proms, as well as major sporting events such as Wimbledon and the Commonwealth Games.

- 6.2 The Board was briefed on the situation for News teams in Russia and Ukraine. The new look set for News launched this week in London and would be rolled out across the UK.
- 6.3 The Board noted an update on progress with the actions following the Dyson Report. A paper on their completion would come to the July Board meeting.
- 6.4 The Chief Operating Officer provided a report on financial and operational issues. This year's Licence Fee Trust Statement was still being finalised because ONS and BARB data had only recently been made available. The Board noted updates on this year's pay review process and the review of the current pension provision. The NAO were planning two value for money reviews in the coming year on BBC Digital and Across the UK.
- 6.5 The Director-General and Executive Report was noted. The Board also noted an overview of the senior leader performance across divisions which was provided with the report.

#### *EHRC Update*

- 6.6 The Board noted an update on progress with completion of actions from the EHRC review of pay at the BBC in 2020.

#### *Ofcom Reports*

- 6.7 The Board noted a summary of three reports from Ofcom on the BBC which had been published the previous day regarding BBC regulation; operating licence reform and a review of BBC Studios. The Board discussed the reports. Directors agreed that Ofcom's recommendations regarding increasing the transparency of the complaints process and ECU adjudications would be considered in detail by the Editorial Guidelines and Standards Committee at its next meeting. The BBC Studios Review would go forward for consideration by the Fair Trading Committee; the Board noted that its findings did not require any change to the Annual Report and Accounts. The Board welcomed Ofcom's stated ambition to move BBC regulation from a linear to digital model.

### **7. Annual Performance Review**

- 7.1 The Board discussed the annual full-year performance review, which had been conducted by the Executive Committee the previous month. Directors noted divisional performance against objectives.
- 7.2 The Board considered audience performance across the BBC over the year. Directors discussed performance with differing age demographics, both domestically and globally,

and how best to market the BBC's content to them. Director's requested enhanced data on the BBC's iPlayer and Sounds performance and an update on plans for iPlayer at an upcoming meeting.

## **8 Annual Report and Accounts 2021-22**

### *Annual Report and Accounts*

- 8.1 The Board considered the 2021/22 Annual Report and Accounts, which had been updated to reflect comments made by Board members on the most recent draft and also on points raised at the Audit and Risk Committee on 15 June. At that meeting, the Committee recommended the accounts to the Board for signature.

### *NAO Audit Completion Report and Letters of Representation*

- 8.2 The NAO presented their audit completion report to the Board. The positive collaboration between teams working on the audit was welcomed and it was confirmed that an unqualified audit opinion was to be given to the accounts and on the regularity position.
- 8.3 The Chair of the Audit Committee reported on its meeting on 15 June. The Committee had reviewed the audit completion report and Management Letters of Representation and recommended them for signature, subject to receipt of controls assurance from divisional heads.
- 8.4 The Board approved the Management Letters of Representation for signature by the Director-General and Chief Operating Officer.
- 8.5 The Board noted that there had been an unavoidable delay to completion of the Licence Fee Trust Statement and agreed to delegate final approval to the Audit and Risk Committee.

### *Going Concern and Viability Statement*

- 8.6 The Board noted the analysis supporting the BBC's statements of going concern and viability. These were made on a 12 month and a three-year basis, respectively. Directors noted the assumptions underpinning the analysis and discussed the risks and mitigations in place. The Board confirmed approval of the Going Concern and Viability Statements.

### *Internal Audit Assurance*

- 8.7 The Board noted a paper providing assurance from internal audit on the accuracy of unaudited data points and assertions in the Annual Reports and Accounts.

8.8 The Board approved the 2021-22 Annual Report and Accounts for signature and publication.

## **9 Future Strategy**

9.1 The Board discussed and agreed an approach to the future strategy work planned for the summer.

9.2 The Board considered a draft set of five principles which would underpin the work. These were approved subject to minor amendment.

## **10 Geographic Portrayal on Network TV**

10.1 The Board received a presentation on geographic portrayal across the UK on network television, which included the audience context and the benefits of distributing spend and investment across the UK, and how this has grown over time. Board members noted future plans and initiatives to increase spend and investment across the UK, including spend on portrayal, over the next few years and how this would break-down by geographic area.

10.2 Directors discussed the presentation and agreed that more should be done to communicate the investment taking place in the Nations and regions to audiences and other stakeholders.

## **11 AOB**

11.1 The Board noted the plans for upcoming Board meetings and the forward business schedule.