



Meeting of the BBC Board

MINUTES

25 March 2021

Held Via Video Conference

ITEMS OF BUSINESS

1. Apologies and Conflicts of Interest
2. Minutes and Matters Arising
3. Committee Reports
4. Executive Reports
5. Licence Fee Financial Scenarios
6. Licence Fee Collection Strategy
7. Budget 2021-22
8. Annual Plan 2021-22
9. Ofcom Production Review
10. Finance Cases
11. AOB

ATTENDANCE

Present

- Richard Sharp Chairman
- Tim Davie Director-General
- Shirley Garrood Non-executive director
- Tanni Grey-Thompson Non-executive director
- Ian Hargreaves Non-executive director
- Tom Ilube Non-executive director
- Charlotte Moore Chief Content Officer
- Steve Morrison Non-executive director
- Nicholas Serota Non-executive director
- Elan Closs Stephens Non-executive director
- Leigh Tavaziva Group Chief Operating Officer
- Fran Unsworth Director, News and Current Affairs

Apologies: There were no apologies

With

- Phil Harrold Company Secretary
- Jo Clarke Secretary to the Board
- Gautam Rangarajan Group Director, Strategy and Performance (items 4-9)
- Kerris Bright Chief Customer Officer (item 6)
- Pipa Doubtfire Director of Revenue Management (item 6)
- Glyn Isherwood Chief Financial Officer (item 7)
- Peter Archer Controller, Strategy (item 8)
- Clare Sumner Director, Policy (items 5, 6 and 9)
- Chris Rowsell Head of Policy (item 9)
- Barbara Slater Director, Sport (item 10b)
- Kieran Clifton Director, Distribution (item 10c)

DRAFT BOARD MINUTES 25 MARCH 2021

1. Apologies and Conflicts of Interest

- 1.1 There were no apologies for this meeting.
- 1.2 Tom Ilube left the discussion for item 10b given his recent appointment as Chair of the Rugby Football Union.

2. Minutes and matters arising

- 2.1 The minutes from the 25 February meeting were approved.
- 2.2 The Board noted the Matters Arising paper and updates on the actions from the last meeting.
- 2.3 The Board noted an update on discussions with ITV regarding BritBox UK. A paper would return to the Board in the event of any substantive change to the agreed position.

3. Committee Reports

- 3.1 The Chair of the Audit and Risk Committee reported on its most recent meeting. The Committee had considered the latest Risk Report and had been joined by the Managing Director and Director, HR, for a deep dive session to discuss the most significant issues that were being managed by HR across the organisation. The Committee also considered emerging accounting and disclosure issues for the Annual Report and Accounts, which would include an update on developing plans for sustainability reporting this year. The Committee noted the outcomes of recent internal audits and approved the Internal Audit plan for 2021-22. It also reviewed the critical project reporting from the PMO.
- 3.2 The Chair of the Scotland Committee reported on its most recent meeting. The Committee had welcomed Rhodri Talfan Davies in his new role as Director, Nations. The session had included an update on the Across the UK plans, including production at Pacific Quay. The Committee heard about plans to grow studio capacity in Glasgow and its input would go forward to the next meeting of the Commercial Holdings Board. The Committee heard about progress being made to increase the number of programme co-commissions between Nations and network. Other items for discussion had included the Quarterly Finance Report and the Annual Plan, the Audiences Report and a session on TV News in Scotland. The Committee had also been joined by Sir John Curtice who had delivered a presentation on how voters views were evolving before the upcoming Scottish Election. The Committee heard that plans were in place for election coverage including a series of debates on key policy issues. A productive session with Ofcom's

Advisory Committee for Scotland had taken place after the business of the meeting had concluded.

- 3.3 The Chair of the Wales Committee reported on its most recent meeting. Items for discussion had included the Director's Report which had provided an update on changes to the senior leadership structure resulting from the appointment of Rhodri Talfan Davies, as Director, Nations. The migration to Central Square was now complete and the transition had taken place very smoothly. Discussion had also taken place regarding the editorial approach to government briefings during the upcoming election period, the plans for which were in alignment with the rest of the Nations. The Committee had also considered the plans for BBC Wales as set out in the Annual and Six Year Plan. An informative discussion had taken place around the audience performance of the BBC in Wales. The Board agreed that it would be useful to see audience metrics for the Nations and the English regions as part of the regular Executive Reporting to the Board.

4. Executive Reporting

- 4.1 The Director-General opened the Executive reporting section of the meeting. Licence fee review documents had been submitted to the Department of Digital, Culture, Media and Sport. Publication of the 'Across the UK' plans had taken place the previous week to a positive reception, as had the announcement of the return of BBC Three as a linear channel. Plans for the whole network television portfolio had also been released. Other announcements had included the plans for commercial growth and for Bitesize support over the summer to help children catch-up with learning. The Board discussed the internal communications of the Across the UK and news modernisation plans and how senior leaders were engaging with staff regarding the changes.
- 4.2 The Board noted an update on progress with the Dyson investigation into the *Panorama* interview with Princess Diana and reports on sessions with the Senedd Cymru (Welsh Parliament), Public Accounts Committee and DCMS Select Committee.
- 4.3 The Director, Content provided an update on performance. *Line of Duty* had returned the previous Sunday and in four days had achieved a consolidated audience of 12.1 million viewers. There had been strong start for *Top Gear*, *MasterChef* launched with an audience 1 million higher than the previous season and *Interior Design Masters* was achieving a consolidated audience of 3 million viewers an episode. *Ru Paul's Drag Race* and *Pretty Little Liars* were performing strongly with younger audiences. In Sport, the Wales versus England game attracted a peak audience of 7.9m, the biggest audience of this year's Six Nations and viewed by half the adult population of Wales. On BBC Sounds podcasts were performing strongly, notably *Grounded* with Louis Theroux and *That Peter Crouch Podcast* but radio stations had been affected by the change in peoples' habits during the pandemic. The BBC had done well at this year's Royal Television Society awards with 14 awards, including Best Channel for BBC One.

- 4.4 The Board noted an update on the situation for BBC journalists and local teams in Myanmar and China. The BBC's China correspondent, John Sudworth, had been moved to Taiwan for security reasons. The Board noted John's excellent reporting from the region, including his coverage of the treatment of the Uighar Muslims.
- 4.5 The Board discussed the audience performance data. A proposal for next year's targets would come to the April meeting of the Board.
- 4.6 The Board noted the Operations update, which included risk and critical project reporting. An update on the EastBank project would come to the next meeting of the Board. Directors discussed the successful completion of the England transformation project and expressed their thanks to Helen Thomas, Director, England, for her leadership and commitment.
- 4.7 The Board discussed the Finance Report.

5. Licence Fee 2022: Financial Scenarios

- 5.1 The Board noted and discussed a number of financial scenarios to aid with long-term planning.

6 Licence Fee Collection Strategy 2021-22

- 6.1 The Charter requires the Board to ensure "that arrangements for the collection of the licence fee are efficient, appropriate and proportionate" (paragraph 20 (7) (b)). This paper was submitted as part of the oversight arrangements through which the Board meets this obligation. The Board considered the paper noting that TV Licensing had a customer contact model that was optimised to balance reputation and revenue collection. It was planned that during the coming year a more service-oriented approach would be developed.
- 6.2 The Board noted an update on progress with the implementation of the over-75s licence fee policy and discussed the associated communications plans.
- 6.3 The Board approved the Licence Fee Collection Strategy for 2021-22.

7 Budget 2021-22

- 7.1 The Board considered the BBC Budget for 2021-22 which had been updated to reflect input from the Board discussion at its meeting on 25 February.

7.2 The Board discussed the Budget and agreed that it aligned with the BBC's strategic priorities over the period to deliver value for audiences. Directors noted that whilst the Budget reflected recently announced plans for Across the UK and other projects the detail of funding required for those new commitments in 2022/23 and 2023/24 would be developed further. The work would also need to be updated to account for any impact from the final Licence Fee settlement.

7.3 The Board approved the 2021-22 Budget.

8 Annual Plan 2021/22

8.1 The BBC is required under its Charter and Agreement to publish an Annual Plan in advance of each financial year. At this meeting the Board considered the draft Annual Plan for 2021-22.

8.2 The Board discussed the Annual Plan and approved it for publication subject to a number of drafting amendments.

9 Ofcom Production Review

9.1 The Board considered a paper which presented its draft submission in response to Ofcom's consultation on the relationship between the public service broadcasters and the production sector as part of its broader PSB review.

9.2 The Board approved the BBC submission to the consultation.

10. Finance Cases

a) EastEnders

[paragraphs 10.2 – 10.3 redacted for commercial confidentiality]

10.1 The Board discussed an investment proposal funding the commission of *EastEnders*.

10.4 The Board noted that *EastEnders* was a flagship programme for both BBC One and iPlayer and was the top performing title for activations across underserved iPlayer audiences.

10.5 The Board agreed the proposed negotiating mandate for the commission of one series of *EastEnders* for 2021-22.

b) Sports Rights Investments

[paragraphs 10.5 – 10.7 and 10.9 are redacted for commercial confidentiality]

10.6 The Board considered a paper requesting a mandate for the acquisition of sports rights

10.9 The Board approved the requested negotiating mandate and agreed to delegate authority to a sub-group comprising of the Director General, Chief Content Officer and Chief Financial Officer, to oversee and approve the final terms of the acquisition.

10.10 The Board also approved a further proposal from the Director, Sport for negotiation of sports rights

YouView Shareholders Agreement

[paragraphs 10.11-10.12 redacted for commercial confidentiality]

10.11 The Board considered a paper regarding a new long term shareholders agreement for YouView which was now ready to be signed

10.13 The Board agreed to transfer delegated authority to the Chief Operating Officer to approve and sign the final terms of the Shareholders Agreement and ancillary documentation.

11 AOB

11.1 The Chairman and Chief Operating Officer shared their reflections on the BBC's induction sessions.