



Meeting of the BBC Board

MINUTES

27 January 2022
Via video conference

ITEMS OF BUSINESS

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7. Licence Fee Settlement 2022
8. Budget Update
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10. Pension Update
11. Safeguarding Update
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13. Investment Approvals
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ATTENDANCE

Present

- Richard Sharp Chairman
- Tim Davie Director-General
- Shumeet Banerji Non-executive director
- Damon Buffini Non-executive director
- 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
- 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 (items 1-6 and 12-14)

Apologies: There were no apologies

With

- Phil Harrold Company Secretary
- Jo Clarke Secretary to the Board
- Gautam Rangarajan Group Director, Strategy and Performance (item 5 onwards)
- David Jordan Director, Editorial Policy and Standards (items 5-6)
- Glyn Isherwood Chief Financial Officer (item 6 and 8-10)
- Clare Sumner Director, Policy (item 7)
- Rhodri Talfan Davies Director, Nations (items 5a and 8)
- Jonathan Munro Senior News Controller (item 8)
- Tom Fussell CEO BBC Studios (item 8)
- Stephen Wheatcroft Group Treasurer (item 10)
- Rachel Currie Group Director, HR (item 10)
- Balram Veliath Director, Quality, Risk and Assurance (item 10)

BOARD MINUTES 27 JANUARY 2021

1. Apologies and Conflicts of Interest

- 1.1 There were no apologies for this meeting.
- 1.2 There were no conflicts of interest declared.

2. Introductory Session

- 2.1 The Chairman welcomed three new non-executive directors, Shumeet Banerji, Damon Buffini and Muriel Gray to their first Board meeting.

3. Minutes and Matters Arising

- 3.1 The minutes from the 16 December Board meeting were approved.
- 3.2 The Board noted the Matters Arising paper and updates on the actions from the last meeting.

4. Committee Reports

- 4.1 The Chair of the Fair Trading Committee reported on its most recent meeting. The Committee had discussed the quarterly management report, which set out detail of significant trading and separation issues over the third quarter of the financial year. The Committee were briefed on the status of Ofcom's review of BBC Studios and discussed potential questions regarding the treatment of profits from content sales which had been raised during the process. The Committee noted that discussions with Ofcom would continue on this issue and that the review of Studios would not be published until the questions had been resolved. The Committee had also met with representatives of Deloitte to discuss the plan for the annual Fair Trading assurance process.
- 4.2 The Chair of the Remuneration Committee reported on the Committee's consideration of recent salary cases for Executive Directors.

Terms of Reference for the First Impartiality Thematic Review

- 4.3 The Board considered a paper on the methodology and terms of reference for the first thematic impartiality review, on the BBC's coverage of taxation and public spending.

- 4.4 It was agreed that the Chairman of the Editorial Guidelines and Standards Committee would report back to the Board on progress with the review at each Board meeting.
- 4.5 The Board delegated final approval of the terms of reference and authors for the first thematic review to the Editorial Guidelines and Standards Committee at its next meeting. All members of the Board were welcome to attend.

Board Code of Practice

- 4.6 The Board adopted its Code of Practice at its first meeting in April 2017. The document had been reviewed by the Secretariat and regulatory and legal teams to ensure that it aligned with current best practice. Board members were asked to re-adopt the Code or suggest any amendments.
- 4.7 The Board re-adopted the BBC Board Code of Practice without alteration.

Committee Membership

- 4.8 The Board approved the appointment of Muriel Gray as Chair of the Scotland Committee and as a member of the Remuneration Committee as of 27 January 2022.
- 4.9 The Board noted that a full review of committee membership would come to the March meeting of the Board.

Alumni Group

- 4.10 The Board approved the terms of reference for the Executive Alumni Group and steering committee.

5. Executive and Director-General's Report

- 5.1 The Director-General opened his session by noting the BBC's strong performance over the Christmas period, with the BBC providing nine of the top ten TV titles over the period. iPlayer also set a new record between Christmas and New Year with 141 million programmes streamed during that week, 6% up on the same week last year. The success of content such as *The Tourist* and *The Green Planet* had helped to drive a strong performance into the New Year. Upcoming highlights would include the relaunch of BBC 3 as a linear channel in February and the Winter Olympics.
- 5.2 The Director-General provided an update on the evacuation of staff and their families from Afghanistan and commended the ongoing work by teams in News and across the organisation in their efforts to achieve this safely.

- 5.3 The Board noted an update on the handling and adjudication of complaints about the BBC's coverage of an attack on Jewish students in a bus on Oxford Street. The Director-General had escalated them to the Editorial Complaints Unit which had partly upheld them in relation to accuracy and impartiality.
- 5.4 Work on implementing the Corporation's 'Across the UK' plans was continuing. The Director-General would be making announcements regarding the Birmingham hub in February, which would include moving the production of *MasterChef* there.
- 5.5 Deborah Turness, CEO of News at ITN, had been appointed as CEO, BBC News and Current Affairs.
- 5.6 The Board noted the roll out of the new Senior leader Index and the high engagement levels in performance and career development conversations with staff. Directors discussed the competitive environment for recruiting and retaining staff, particularly in some sectors of the business. The Board agreed that the Remuneration Committee's work on incentives should come to a future meeting of the Board.
- 5.7 The Chief Operating Officer provided an update on operations. Following the removal of Plan B restrictions in England, the controls currently in place with regard to audiences, social distancing and visitors were to be gradually lifted. Phase One of hybrid working would restart in England on the 27th of January, but the relaxation of Covid controls and implementation of hybrid was likely to differ across the Nations.
- 5.8 The Board noted an update on a security incident which had resulted in damage to the Eric Gill statue at the front of Old Broadcasting House, London. A full investigation into the incident had concluded and lessons learned were being actioned.
- 5.9 The Board noted a briefing on plans to move the BBC's physical archive from Perivale, West London, and options for the future of the archive holdings. Directors discussed the plans and requested that the team included locations in the Nations and regions in their assessment and look at options for public access.
- 5.10 The Board noted that the three year contract extension with BT which had been approved by the Board in 2019 would now be executed, after having been delayed by the onset of the pandemic.

Festive Performance Assessment

- 5.11 The Board discussed the full performance report for BBC services over Christmas and New Year.

Preparedness

- 5.12 The Board noted and discussed the protocols in place for the BBC's editorial response to a senior royal death.

Editorial Complaints Handling

- 5.13 The Board noted a change to complaints handling procedures as recommended by the Serota Report. The full escalation process had been amended to enable the Director-General to expedite serious editorial complaints to the Editorial Complaints Unit for investigation. This process had been implemented in order to reach an adjudication in the case of complaints about BBC coverage of the attack on Jewish students in a bus on Oxford Street more rapidly. Directors agreed that a more timely response to complainants' concerns was necessary.

EHRC

- 5.14 The Board noted the quarterly update on the implementation of the EHRC recommendations and outstanding pay cases.
- 5.15 The Board agreed that EHRC updates should continue to come to the Board until all the actions were marked as complete, but pay case data would now only be reported to the Executive on a monthly basis.

6. Quarterly Performance Report

- 6.1 The Board discussed the quarterly performance report which reported the BBC's performance across operations and services for the period between October and December 2021.
- 6.2 The Board discussed the audience performance assessment during the period, including in the Nations and regions of the UK. Broadcast television was under pressure across the industry, particularly among the young.
- 6.3 The Board discussed the operational and finance update, including reporting on critical projects and risk. An update on proposals to develop Maida Vale would be brought to the next Board meeting and a briefing on measures to address cyber risk in the BBC would also be provided.
- 6.4 The Board discussed the quarterly Editorial Standards Report. Complaints volumes had fallen to more usual levels.
- 6.5 The Board noted that next year's reporting metrics and targets would come to the next meeting for approval.

7. Licence Fee Settlement Update

- 7.1 The Board noted the details of the final licence fee settlement with the UK Government and the proposed Framework Agreement.
- 7.2 Directors requested a number of draft amendments and checks to content of the Framework Agreement which would return to the next meeting.

8. Budget Update

- 8.1 The Board considered the BBC's base budget for 2022/23, together with an overview of the following two years. Directors noted that it had been developed using a financial forecast that tracked closely to the recently announced licence fee settlement, including a flat licence fee in 2022/23.
- 8.2 Directors noted that the full Budget would be brought to the Board in March for final approval. An additional briefing on Budget issues would be arranged during the intervening period for any Board member who wished to attend.

9 Annual Plan

- 9.1 The Board approved the outline approach to the Annual Plan for 2022-23. The full Plan would return to the Board in March alongside the Budget.

10 Pension Update

- 10.1 The Board noted an update on pension provision.

11 Safeguarding

- 11.1 The Board considered an update on BBC Safeguarding, which provided an update on the ongoing delivery and implementation of the enhanced Safeguarding policy following its adoption in December 2020.
- 11.2 The Board discussed the measures outlined in the update and progress with implementing them.

12 World Service

World Service and WS2020 Annual Performance Review

- 12.1 The Board considered a paper that provided an update on the performance of the World Service for 2020/21. It also provided an update on the World 2020 expansion programme, including a draft Annual Statement for onward submission to the Foreign Secretary.
- 12.2 The Board approved the report on the annual performance of the World Service and the World 2020 Annual Statement for onward submission to the Foreign Secretary.

World Service: Licence Changes

- 12.3 The Board approved recommended amendments to the World Service Licence to include World News in English Services following its transfer from BBC Global News Ltd to the Public Service on 1 July 2021. This was in accordance with the BBC's requirement to set and publish a Licence for the World Service, including subsequent amendments (Clause 34 of the BBC Framework Agreement).

13. Investment Approvals

- 13.1 The Board delegated the investment cases for the extension of the Capita contract; the facilities management contract and *MasterChef* to the Chairman and Shirley Garrod, Chair of the Audit and Risk Committee, for offline approval. [Secretary's Note: All three cases were subsequently approved.]

14 AOB

- 14.1 The Board noted that an away day would take place in April.