Executive Board

28/29 April 2009
28 April: 1400 – 1500
29 April: 1115 - 1230
Business Lounge, Bush House, London
(These meetings took place during the Executive Board conference).

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Attendees

Present
Mark Thompson (Chair), Director-General
Mark Byford, Deputy Director-General
Jana Bennett, Director, Vision
Tim Davie, Director, Audio and Music (A&M)
Erik Huggers, Director, Future Media and Technology (FM&T)
Zarin Patel, Group Finance Director
John Smith, Chief Executive, BBC Worldwide
Caroline Thomson, Chief Operating Officer
Marcus Agius, Senior non-executive director
Mike Lynch, Non-executive director
Val Gooding, Non-executive director
David Robbie, Non-executive director
Samir Shah, Non-executive director
Robert Webb, Non-executive director

With
Jessica Cecil, Head of the Director-General’s Office
Lynsey Tweddle, Head of the Executive Unit (secretary)
Seetha Kumar, Controller, BBC Online (item 3)
Neil Land, Chief Adviser, Fair Trading (item 3)
Roly Keating, Director, Archive Content (item 9)
David Jordan, Director, Editorial Policy and Standards (item 9)
Alan Yentob, Creative Director (item 9)
Sharmila Nebhrajani, Director, Financial and Commercial Strategy (item 10)
Keith Little, Chief Information Officer (item 11)
John Linwood, Chief Technology Officer (item 11)

Apologies:
Frances Allcock, Acting Director, BBC People
28 April 2009

1 Minutes of BBC Executive Board held on 27 February, 9 March and 14 April 2009

1.1 The Board approved the minutes and noted, where appropriate, the summaries for publication.


2.1 This report updated the Board on the financial performance of the BBC for 2009, up to the month of April. It was noted that the report had also been circulated offline to the Board earlier in the month and no queries had been raised.

2.2 The Board noted the report.

3 BBC Online

a) BBC Online Service Licence

3.1 This paper provided a near-final version of the new BBC Online service licence.

3.2 An additional paper was also circulated which outlined alternative proposals to the publishing of annex budgets for BBC Online.

3.3 The Board noted that the alternative proposals could set a precedent for other service licences but agreed it was the right way forward for the online service licence.

3.4 The Board noted the new service licence and agreed a small sub-group comprising of Erik Hugers, Caroline Thomson and Zarin Patel could sign off the wording for the alternative proposals regarding annex budgets.

b) Management controls for the assessment of potential market impact of BBC Online

3.5 This paper provided an overview of how the Trust’s requirements and management’s commitment to assessing the market impact of BBC Online could be satisfied. The paper was in two sections, outlining the proposed approach to implementation of two governance processes, namely the prospective and retrospective assessment of market impact.

3.6 The Board approved the recommended processes for prospective market impact assessment and Publisher MOTs (incorporating retrospective reviews of market impact).

c) BBC Online Learning – oral update

3.6 Due to time constraints this update was not given.
4 BBC Global News’ Annual Report to the Trust

4.1 This paper summarised BBC Global News’ performance for 2008-09, focusing on the findings from markets where new audience research had been carried out over the previous financial year. The report focused on audience related measures and Global News’ performance against Value measures in the context of an increasingly challenging funding environment, both for commercially and publicly funded parts of the division. It was noted that Global News’ had a duty to report on its annual performance to the Trust and the Trust had a similar reporting duty to the Foreign and Commonwealth Office to ensure that BBC World Service fulfilled its remit.

4.2 The Board approved the annual report for onward submission to the Trust and also Global News’ main areas of focus in the coming year.

5 Standing Conference on Religion and Belief – terms of reference

5.1 This paper explained that the Standing Conference on Religion and Belief (the conference) existed to provide a point of liaison between the BBC and the UK’s major faith communities. The conference would be available to act in an advisory capacity and would also engage proactively with issues of common concern between the BBC and the faith communities. It would be a successor body to CRAC (the Central Religious Advisory Committee). The terms of reference for the conference were presented in the paper for ratification by the Board.

5.2 The Board noted that although the first meeting of the conference had already taken place, the conference had been made aware that the terms of reference were still provisional until ratification by the Board. The Board’s attention was drawn in particular to its role in appointing the chair of the conference - the chair would deliver reports to the Board (and the BBC Trust) following conference meetings. It was noted that the Trust was deciding whether it would send a representative to meetings.

5.3 The Board ratified the terms of reference for the conference and also the appointment of Bishop James as Chair for a five year term.

6 Help Scheme Performance Measures

6.1 This paper provided the second of the quarterly reports on Help Scheme performance against the Trust success measures.

6.2 The Board approved the paper for onward progression to the BBC Trust.

7 The BBC’s arrangements for promoting equal opportunities as required by the Charter and Agreement

7.1 This paper explained that the executive was required under the Charter and Agreement (Clauses 83 and 85) to report annually to the Trust on its arrangements to promote equal opportunities. The Trust was then required to publish its own report commenting on the effectiveness of the Corporation’s arrangements. It was noted that the paper would also be published voluntarily and had already been discussed and approved by the BBC’s Diversity Board.
7.2 The Board noted the difficulties in building diversity monitoring into the procurement process for freelancers but asked if this could be reviewed again.

7.3 The Board approved the paper for onward progression to the BBC Trust.

8 For noting

a) Summary of papers and actions from Finance Committee

8.1 This paper reminded the Board that the Finance Committee had been established under the delegated authority of the Executive Board. The purpose of the Finance Committee was to ensure the practice of good financial governance across the BBC and the enforcement of the BBC’s Investment Policy and Guidelines.

8.2 The standing orders of the Finance Committee stated that it should provide the Board with summary minutes of meetings on a monthly basis and this paper provided this summary.

8.3 The Board noted the report.

b) CEO Report – BBC Worldwide

8.4 This paper provided an update on commercial activities from the Chief Executive of BBC Worldwide.

8.5 The Board noted the update.
9 Taste and Standards report

9.1 This paper presented the executive report *Taste, Standards and the BBC* for final approval by the Board prior to progression to the Trust. The report on public attitudes to morality, values and behaviour in UK broadcasting would inform BBC editorial decision-making and training, and contribute to the BBC's guidance for programme and content makers. It had been compiled in response to actions agreed with the BBC Trust as a result of the Ross/Brand incident and had been commissioned by the Director-General.

9.2 The Board acknowledged the value of the audience research which gave programme makers greater insights into the views and opinions of the general public. It was suggested that a similar audience survey should be carried out every two to three years to maintain the value of the research. The Board also asked that consideration be given to whether the standards identified should be applied to Independents working with the BBC.

9.3 It was noted that the report had been considered by the Editorial Standards Board and comments made there had now been reflected, strengthening the conclusions and distinguishing those from the recommendations.

9.6 The Board approved the report for onward progression to the Trust, subject to comments made.

10 Update on financial risks

10.1 This paper explained that the Strategic Contingency Exercise (SCE), developed in response to the emerging financial risks facing the BBC together with the cost of the partnership programme, had identified savings to help the BBC remain within its borrowing limit. This paper was the first in a series of updates to the Board to review the risks to the BBC's revenues and costs.

10.6 The Board agreed that money that could be afforded to partnership proposals should be identified and then effectively 'ring-fenced'. There should also be a dialogue with the Trust about the strategic contingency initiatives and what might be released.

11 BBC at Mediacity – core technology procurement

11.1 This paper explained that the purpose of this investment proposal was to gain approval for the capital purchase of the core technology for the BBC at MediaCity in Salford. In order to fulfil the benefits for the BBC at MediaCity and to realise the overall vision, the technology solutions would be delivered via two different streams: technology to be provided by the BBC and technology to be provided by a third party as a 'managed service' to the BBC. This paper focused on the first stream, technology to be provided by the BBC, part of which was on a critical path, to ensure the overall move to MediaCity would take place on time and according to plan.
11.3 The Board noted the headlines of the paper and agreed that significant financial commitments should not be made until the downside risks were clearer or more remote. It was agreed that the next steps outlined in section 8 could be progressed.

12 **Quarterly property update**

12.1 This paper provided the fourth quarterly property update to the Executive Board for 2008/09. The report had been produced at the request of the Trust. It provided an update on the current activities of BBC Workplace together with key property metrics. It had been approved by the Finance Committee on 9 April 2009 and had been amended only to update it for known changes in the dates and outcomes of other papers to which it referred.

12.2 The Board approved the paper for onward progression to the Trust.

13 **Editorial compliance and complaints report**

13.1 This paper explained that six monthly and annual reports on editorial compliance and complaints were required by the BBC Trust. This paper provided the full year report, focusing on serious editorial issues, other editorial issues of significance, complaints handling and complaints findings.

13.2 The Board noted that the Editorial Standards Board had already reviewed and approved the paper. It was also noted that the volume of complaints had been unusually high but that turnaround times had remained strong.

13.3 The Board approved the report for onward progression to the Trust.