Executive Board

6 December 2010
1030 – 1500
Rm 3028, Broadcasting House, London

<table>
<thead>
<tr>
<th>Attendees</th>
<th>2</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Minutes from the Executive Board meeting on 8 November 2010</td>
</tr>
<tr>
<td>2</td>
<td>Updates</td>
</tr>
<tr>
<td>3</td>
<td>Reforming Pension Provision</td>
</tr>
<tr>
<td>4</td>
<td>Six Year Plan for BBC World Service and Transition to Licence Fee Funding</td>
</tr>
<tr>
<td>5</td>
<td>Global Review Phase II</td>
</tr>
<tr>
<td>6</td>
<td>Commercial Update</td>
</tr>
<tr>
<td>7</td>
<td>BBC North Business Case and Benefits</td>
</tr>
<tr>
<td>8</td>
<td>Sports Rights VFM Study</td>
</tr>
<tr>
<td>9</td>
<td>Carriage of Alba on DTT</td>
</tr>
<tr>
<td>10</td>
<td>Director updates</td>
</tr>
<tr>
<td></td>
<td>Papers for approval</td>
</tr>
<tr>
<td>11</td>
<td>S4C Report</td>
</tr>
<tr>
<td>12</td>
<td>Trials Register</td>
</tr>
<tr>
<td>13</td>
<td>Quarterly Property Update</td>
</tr>
<tr>
<td>14</td>
<td>NED Appointment</td>
</tr>
<tr>
<td>15</td>
<td>Welsh Referendum Guidelines</td>
</tr>
<tr>
<td>16</td>
<td>Any Other Business</td>
</tr>
<tr>
<td></td>
<td>Papers for Noting</td>
</tr>
<tr>
<td>17</td>
<td>Re-tender of Capita TVL Contract Outline Investment Proposal</td>
</tr>
<tr>
<td>18</td>
<td>Quarterly Performance Report</td>
</tr>
<tr>
<td>19</td>
<td>Finance Committee: Summary of papers and actions</td>
</tr>
</tbody>
</table>
Attendees

Present
Mark Thompson  Director-General (Chair)
Mark Byford  Deputy Director-General
Lucy Adams  Director, Business Operations
Jana Bennett  Director, Vision
Tim Davie  Director, Audio and Music (A&M)
Erik Huggers  Director, Future Media and Technology (FM&T)
Peter Salmon  Director, BBC North
Caroline Thomson  Chief Operating Officer
Zarin Patel  Group Finance Director
Marcus Agius  Senior non-executive director (item 8 onwards)
Val Gooding  Non-executive director
Mike Lynch  Non-executive director
David Robbie  Non-executive director
Samir Shah  Non-executive director
Robert Webb  Non-executive director

With
Jo Clarke  Acting Head of the Executive Unit (Secretary)
Jessica Cecil  Head of the Director-General’s Office
Christina Roski  Business Manager, Executive Board
James Hacker  Senior Pension Manager (item 3)
Peter Horrocks  Director, Global News (items 4 & 6)
Dominic Coles  Chief Operating Officer, Journalism (items 4 & 6)
John Smith  Chief Executive, BBC Worldwide (items 5 & 6)
Anna Mallet  Controller, Business Strategy (item 5)
Richard Deverell  COO BBC North (item 7)
Barbara Slater  Director of Sport (item 8)
Alix Pryde  Controller, BBC Distribution (item 9)
James Micklethwaite  Controller, Journalism Strategy (item 9)
Helen Normoyle  Director of Audiences (item 13)

Apologies
None
1 Minutes from the Executive Board meeting on 8 November 2010

1.1 The minutes from the November Board were approved.

2 Updates

2.1 Mark Thompson and Mark Byford updated the Board on recent editorial matters.

3 Reforming Pension Provision

3.1 The paper followed on from the paper taken to the Executive Board in October (EB(10)177) regarding the BBC’s future pension provision and set the final recommendations for agreement following consultation with employees and trade unions which ended on 15 November 2010. Subject to Executive Board approval, the recommendations would be taken for noting by the BBC Trust.

3.2 In introducing the paper, Lucy Adams provided the Board with an update on industrial relations.

3.3 Executive Board discussed the paper with specific reference to the planned support that staff would be given in making choices about pension provision.

3.4 The Board discussed the importance of extracting learning around change management from the experience of introducing pension reform.

3.5 Executive Board

- Noted the consultation feedback which has been considered by the BBC following the end of the period allowed for consultation.
- Noted the BBC’s response to the issues raised during consultation.
- Agreed the recommendations described in section 3, which were in line with the mandate previously agreed by the Executive Board in October.

4 Six Year Plan for BBC World Service and Transition to Licence Fee Funding

4.1 Paper EB (10) 192 six-year plan for BBC World Service and transition to licence fee funding was withdrawn from the Executive Board meeting.

4.2 It was agreed that a new paper would be circulated for offline approval to Executive Board members.
5 **Global Review Phase II**

5.1 This paper updated the Executive on the Global Review and built on earlier discussions in May and October. The Global Review aimed to clarify the purpose of the BBC’s international activities and ensure mechanisms were in place to deliver the ambitions articulated in this paper.

5.2 Executive Board discussed the Global Review, with particular reference to the high-level principles of the BBC’s international activity and the structural and governance changes required to deliver it.

5.3 **Executive Board agreed the statement of the BBC’s global mission set out in the paper**

- Executive Board agreed the key principles of the BBC’s international news strategy
- Executive Board agreed some near-term, pragmatic changes to the international news services:
- Executive Board agree that the primary purpose of international commercial activities related to TV and radio programmes beyond news should be to generate incremental funding
- Agreed a short, clear set of operating mechanisms related to BBCW’s localisation and production plans to support the Commercial Review principles
- Acknowledged that the PS also undertook a range of international activities related to programmes beyond news which serve the public purposes in the UK and globally
- Executive Board noted the update and agreed the next steps set out in the paper.

6 **Commercial Update**

6.1 John Smith provided an update on the commercial businesses, including the progress of the UKTV deal.

6.2 **Executive Board noted the update.**

7 **BBC North Business Case and Benefits**

7.1 As well as explaining the benefits that BBC North would deliver, the paper also covered the operating model that was required to deliver them and the progress that had been made in establishing it. It was intended both as an update to the Trust and as a proposal to the Executive Board, incorporating a governance structure for benefits delivery and a collective commitment to efficiency savings from all divisions with teams based on the Salford site.

7.2 Executive Board discussed the paper and noted that it set out a revalidated business case, which set out the risks and benefits of the project.

7.3 **Executive Board approved onward submission to the Trust**
8 Sports Rights VFM Study

8.1 In August 2010 the BBC Trust appointed MTM London Ltd, an independent consultancy firm, to carry out its planned value for money study into sports rights. MTM London Ltd's remit was to examine the BBC's processes for the acquisition of sports rights - including how the BBC decides what sports rights to try to acquire, how it manages the bidding & negotiation process, and whether the BBC has achieved its objectives. The MTM Report had been completed and the BBC Executive had been invited to submit a response to the BBC Trust. The BBC Trust expected to publish the MTM Report, the BBC Executive's Response and its own overarching assessment in March 2011.

8.2 Executive Board noted the report and approved the Executive response.

8.3 Executive Board delegated authority to the Director of BBC North and the Director of Sport to devise a detailed Action Plan in February 2011 for submission to the BBC Trust's Finance & Compliance Committee on 3 March 2011.

9 Carriage of Alba on DTT

9.1 In October 2009, the Executive considered making the BBC ALBA television service available to the Scottish audience via DTT and made a decision, subject to Trust approval, to remove BBC Radio services from DTT in Scotland during Alba's hours of broadcast to accommodate it. This has effectively zero implementation cost, and enables radio services to remain on-air whilst BBC Alba is off-air. BBC Distribution is investigating whether any radio services could be retained whilst BBC Alba was on-air between 1700 and 2400. Technical testing has yet to confirm that there is an affordable solution that would not have an unacceptable impact on the picture quality of other BBC TV services.

The Strategic Approvals Committee of the BBC Trust is currently finalising its review of BBC Alba and given the time elapsed since the Executive Board’s previous discussion, SAC has asked for the Executive to confirm its position.

9.2 Executive Board confirmed that it remained content with the decision to carry BBC Alba on DTT in Scotland in capacity currently used by BBC radio services in the evening between 17.00 and 24.00.

10 Director updates

a) Audiences and all services

10.1 Helen Normoyle and Mark Byford briefed the Board on key highlights for the previous month.

b) Regulatory and Industry

10.2 Caroline Thomson provided an update on regulatory and industry matters.

c) Finance
10.3 Executive Board noted the Finance Report and the Continuous Improvement Report.

10.4 Executive Board approved the BBC Portfolio Status Report and Healthchecks on Critical Projects for submission to the Trust.

d) Journalism

10.5 The Board noted the update from Mark Byford.

Papers for approval

11 S4C Report

11.1 This BBC management paper provided an overview of the proposed new Strategic Partnership between the BBC Trust and S4C Authority, and highlighted a number of key revisions to the last agreement. The Executive Board had previously approved the BBC’s financial contribution to the new Strategic Partnership.

11.2 The new deed will run until March 2013, when the provisions of the new Licence Fee agreement are expected to come into effect.

11.3 The BBC Trust was seeking to approve the new Strategic Partnership agreement at their December 16th meeting, and the final draft of the new agreement would be reviewed by Caroline Thomson and Mark Byford before progressing to the Trust.

11.4 The Executive Board noted the paper and approved the position it set out.

12 Trials Register

12.1 The Executive Board is required to provide to the Trust a register of pilots and trials, updated on a quarterly basis.

12.2 A summary of the contents of the trials register was included in the covering paper, and the full register was attached. All of the trials had received prior approval by the relevant divisional board (and in some cases the Executive Board).

12.3 Executive board noted the paper and approved its onward submission to the Trust.

13 Quarterly Property Update

13.1 This was the second quarterly property update to the Executive Board for 2010/11. The report had been produced at the request of the Trust and would be presented to the Finance and Strategy Committee (FCC) on 13 January 2011. The last quarterly report
was presented to the Trust on 7 October 2010. It provides an update on the current activities of BBC Workplace together with key property metrics.

13.2 This report had been approved by the Finance Committee (FC) on 5 November 2010 with no further amendments.

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

14 NED Appointment

14.1 Section 31 of the Charter sets out how Non-Executive members of the Executive Board are appointed. This requires the Executive Nominations Committee to propose an appointment to the Trust. Following Trust approval of the appointment, the Charter requires the Executive Board to ‘proceed to make the appointment’.

14.2 The paper related to the appointment of Simon Burke as an Executive Board non-executive director and Chair of the Audit Committee, replacing David Robbie, whose term expired at the end of December 2010.

14.3 Given that the Trust would not be considering this appointment until 13 December 2010, and to avoid any delay in ratifying the appointment, the Executive Board were asked to confirm the appointment today subject to approval being received from the Trust on 13 December 2010.

14.4 Executive Board ratified the appointment, subject to Trust approval.

15 Welsh Referendum Guidelines

15.1 The Referendum on increased law-making powers for the Welsh Assembly is to take place on 3 March 2011. The Referendum Guidelines, dealing with both the Welsh Referendum and the AV Referendum in May, went forward to the Trust’s Editorial Standards Committee (ESC) last month. They state that a specific Guidance note for each Referendum will be issued, coming into effect when the Electoral Commission has made its decision on designation. The Guidance itself needed separate Executive Board approval before being submitted to the Trust ESC. It is to be published on 16 December, when the Referendum Period begins.

15.2 Executive Board approved the Welsh Referendum Guidelines.

16 Any Other Business

16.1 The Director-General thanked the outgoing non-executive directors, David Robbie and Samir Shah, for the great contribution they had made to the Executive Board over their period of office.
Papers for Noting

17  **Re-tender of Capita TVL Contract Outline Investment Proposal**

17.1 The Board noted the proposal.

18  **Quarterly Performance Report**

18.1 The Board noted the Report.

19  **Finance Committee: Summary of papers and actions**

19.1 Executive Board noted the summary