

BBC Executive Board

10 January 2011

1030 - 1445

Rm 3028, Broadcasting House, London

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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)
Caroline Thomson	Chief Operating Officer
Zarin Patel	Group Finance Director
Marcus Agius	Senior non-executive director
Val Gooding	Non-executive director
Smon Burke	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
George Entwistle	Controller, Knowledge Commissioning
Peter Horrocks	Director, Global News
John Smith	Chief Executive, BBC Worldwide
John Tate	Director, Strategy
James Micklethwaite	Controller Journalism Strategy
Danielle Nagler	Head of BBC HD
Nicholas Eldred	Group General Counsel
Bal Samra	Director of Vision Operations
Helen Normoyle	Director of Marketing and Audiences

Apologies

Peter Salmon	Director, BBC North
Mike Lynch	Non-executive director
Robert Webb	Non-executive director

1 Minutes from the Executive Board meeting on 6 December 2010

- 1.1 The minutes from the December Board were approved.

2 General Update and Agenda for 2011

- 2.1 Mark Thompson updated the Board on current matters and provided a briefing on key objectives for the BBC in 2011.

3 World Service Update

- 3.1 Mark Byford and Peter Horrocks briefed the Board on the re-structuring of the World Service required by the licence fee settlement and how it would be funded.
- 3.2 Executive Board noted that the Trust would be updated at its January meeting.

4 Commercial Update

- 4.1 John Smith provided an update on the commercial businesses.

5 Licence Fee Implementation

- 5.1 The paper updated Executive Board on the implementation of the Licence Fee settlement and process for amendments to the Agreement between the BBC and the Secretary of State, as outlined to Executive Board on 8 November.

6 Delivering Quality First

- 6.1 The paper set out a plan for the first half of 2011 designed to deliver the strategy Putting Quality First within the new Licence Fee. The Executive Board was invited to discuss, comment on and approve the proposed approach, with particular reference to its objectives, scope and productivity challenges and engagement questions. BDG had discussed 'Delivering Quality First' at its meeting on Friday 7 January and an update on that discussion was provided.
- 6.2 Executive Board discussed the plan. The Board agreed that it would be beneficial to engage the wider organisation in the project.
- 6.3 The Board discussed the financial cuts necessary to deliver the projects objectives. It was agreed that a cost cutting target of 20% in total or higher would be required but the Board considered that it would be useful to further explore the timetabling of the intended cuts.
- 6.4 The Board noted that the aim was to take the plan to the Trust by September.

7 Nations Radio Review

- 7.1 The BBC Trust launched the reviews of Radio Scotland, Radio nan Gaidheal, Radio Wales, Radio Cymru and Radio Ulster/Foyle in October 2010 as part of the rolling programme of service reviews required in the Charter and Agreement.
- 7.2 Executive Board noted that the paper constituted a summary of more detailed paperwork on the National radio Services going to the Trust.
- 7.3 The Board discussed some of the distribution challenges in the Nations and regions.
- 7.4 **Executive Board noted the key points.**
- 7.5 **The Executive Board approved the paper for onward submission to the Trust**

8 HD: BBC One Roadmap

- 8.1 BBC One HD launched on the 3rd of November on DTT, DSAT and Cable as a single, UK-wide, feed with no national or regional variants. This reflected the currently low level of HD viewing and the technological and value for money challenges in replicating all the 18 variants of BBC One currently available in standard definition.
- 8.2 Executive Board noted that, as HD viewing increased, this position would need to be considered: the lack of national and regional variants of BBC One HD may have a considerable impact on the consumption of 'opt' programming on BBC One..
- 8.3 Executive Board discussed the challenges around distribution of HD services in regional and national opt-out areas. Executive Board agreed that once opt-outs were launched in the nations, the BBC News Channel should be run to cover them.
- 8.4 **Executive Board approved a four phase HD roadmap in which investment was proportionate to audience and market adoption of HD.**
Executive Board approved the paper for onward submission to the Trust Strategic Approvals Committee and full Trust.

9 Openness and Transparency

- 9.1 At the meeting of the Trust on Thursday 18th November, the Executive presented three options for increased transparency around talent payments, in response to the Trust's challenge in its interim conclusions on Putting Quality First. The Trust asked the Executive to further explore the merits of these options as well as the challenges of delivering these options and this paper set out the Executive's assessment.
- 9.2 Executive Board discussed the paper.
- 9.3 **Executive Board approved the paper for submission to the Trust, subject to draft amendment, to be signed-off by Caroline Thomson.**

10 Director updates

a) Audiences and all services

10.1 Helen Normoyle and Jana Bennett 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

d) Journalism

10.4 The Board noted the update from Mark Byford.

Papers for approval

11 NAO Report on DMI

11.1 The NAO had finalised its report on the BBC's management of its Digital Media initiative (DMI). The Executive Board was required to approve the Management's response before submission to the Trust, which would consider it along with the NAO report and the Trust's own response at the FCC 13th January meeting. The report and both the Management and the Trust's responses would be published on the 1st of February. The Executive Summary of the NAO report was attached at the end of this paper and the full report was available from the Executive Unit on request.

11.2 The Executive Board noted the report and approved the management response for onward submission to the Trust.

12 Risk Report

12.1 The Risk Radar report was designed to inform the Executive Board of the current status and future outlook of key risks and relevant mitigating actions. The primary sources of the information in this report are the risk returns completed by senior divisional management and risk owners in readiness for presentation to the Executive Audit Committee on 6 December 2010.

12.2 Executive Board approved the report for onward submission to the Trust

13 Digital Switchover Annual Report

- 13.1 Clause 41 of the BBC Agreement requires that the BBC Trust provides the Secretary of State with an annual report on what the BBC has done for the purpose of its meeting its obligations in delivering digital switchover.
- 13.2 This was the fourth annual report to be prepared and covered the calendar year 2010.
- 13.3 The Executive Board noted this paper and approved it for onward submission to the Trust for consideration at its Finance & Compliance Committee meeting on 3 February 2011. Subject to the Trust's agreement, the paper would then be submitted to the Secretary of State in February 2011.**

14 Any Other Business

- 14.1 No other business was raised.

Papers for Noting

15 Finance Committee: Summary of papers and actions

- 15.1 Executive Board noted the summary