Attendees

1 Performance Report
2 BBC Store
3 Budget
4 Governance Review, including Finance Committee and BBC Online delegations
5 BBC Worldwide CEO and CFO Reports
6 Talent Strategy
7 Any other business
Attendees

Present
Tony Hall  Director-General (Chair)
Lucy Adams  Director, HR
Helen Boaden  Director, Radio
Anne Bulford  Managing Director, Finance and Operations
James Harding  Director, News and Current Affairs
James Purnell  Director, Strategy and Digital
Simon Burke  Non-executive director
Brian McBride  Non-executive director
Fiona Reynolds  Senior Non-executive director
Sir Howard Stringer  Non-executive director

With
Tim Davie  CEO, BBC Worldwide and Director, Global
Alan Yentob  Creative Director
Mark Linsey  Controller, Entertainment Commissioning (for Danny Cohen)
Clare Sumner  Chief of Staff, Director-General's Office
Lynsey Tweddle  Head of Executive Unit (secretary)
Jacqueline Hodges  Business Manager
Phil Harrold  Incoming Company Secretary
Rebecca Hoyle  Controller, Commercial Strategy (item 1)
Theo Peterson  Strategy Manager (item 1)
Ralph Rivera  Director, Future Media (item 2)
Michael Fleshman  Senior VP, Consumer Digital Technology, BBCW (item 2)
Beverley Tew  Group Finance Director (item 3)
Andrew Bott  Interim CFO, BBC Worldwide (item 5)
Bal Samra  Commercial Director (items 2 and 6)

Apologies
Danny Cohen  Director, Television
The Board reflected on events since the last Board meeting, in particular the announcement about BBC Three and the coverage of the Deregulation Bill. There was some discussion about both, with the Board remarking that plans for BBC Three now offered an opportunity to emphasise the message about connecting with the youth audience. It was noted that there had also been good discussions with the industry about the collaborative opportunities offered by BBC Three moving to a digital presence.

The Board received an update on the expected Trust findings on the Panorama on North Korea. The Board was also updated on a Fair Trading complaint considered by the Trust which had not been upheld but on which some advice had been given. It was likely to return to the Board once the advice had been considered further.

1 Performance Report

Summary: The Board discussed the new pan-BBC management pack, focusing on the format of the report and the content. Areas of discussion centred on time spent by audiences, development of a core set of key performance indicators, headcount and measures to assess staff engagement.

Portfolio of Critical Projects

Summary: This report presented a monthly performance summary on the portfolio with an additional piece of analysis at quarter end. The Board welcomed the new format which ensured issues were more visible and discussed the main points in the report.

2 BBC Store

Summary: The Board discussed the strategic benefits offered by the proposal as set out, both to the BBC Group and BBC Worldwide. The UK and global aspects to the proposal were discussed and clarity was sought both on the governance structure and technological architecture. The public rationale for BBC Store was considered by the Board who asked that this be set out clearly in any communications or announcements. The proposal was approved as presented, with permission to move into delivery phase. The Board agreed it should continue to track and challenge the project as it progressed.

3 Budget

Summary: The Board discussed the final budget for approval, which overlayed the strategic initiative proposals on to the ‘base budget’. The Board agreed the importance of continuing to align the budget with the ambitions set out in the strategy, particularly in areas such as content and youth. Even with budget approval the Board would still have oversight of spend which would be released in a phased way and approved as per the financial delegation framework. The Board approved the 2014/15 base budget and funding plans.
Before the break for lunch Tony Hall took some time to note that it was Brian McBride’s last Executive Board meeting as he would be stepping down at the end of the month as a non-executive director. Brian had joined the Board in March 2012 for two years and had kindly extended his term for a short period to remain a Board member while new non-executives were recruited. Tony thanked Brian on behalf of the Board for his valuable contribution in Board and Committee meetings and also for additional pieces of work he had taken on. The skills and insight he had brought to the organisation would be difficult to replace.

In turn Brian noted how much he had enjoyed his time on the Board, commenting on the BBC’s exciting future with the strategic ambitions that had been set out.

4 Governance Review, including Finance Committee and BBC Online delegations

4.1 Item focused on implementation of the Review of BBC Internal Governance and an internal piece of work looking to establish a revised executive governance structure. It also included specific detail on how financial and online delegations and responsibilities would work in practice.

4.2 There was some discussion about the new way of working with the Trust with the Board noting that the performance pack would make a difference in terms of reporting. It would be helpful for the Trust and Executive to review the new structure as it evolved.

4.3 The Board approved the final pan-BBC board structure including proposals to replace the removed boards and the changes to Executive Board and Executive Team. The overall delegation framework and the changes in Finance & Business and BBC Online were also approved.

5 BBC Worldwide CEO and CFO Reports

Summary: Tim Davie and Andrew Bott provided an update on BBC Worldwide matters covering strategy, financials and major deals.

BBC Worldwide Dividend Declaration 2013/14

5.3 This paper related to the intention of BBC Worldwide Limited to declare an interim dividend, in respect of the year ended 31 March 2014. The Board noted the declaration.

6 Talent Strategy

6.1 This paper noted the BBC’s success in achieving its public commitment in relation to On Screen Talent by reducing spend on top talent and holding overall talent spend flat over the five years to 2013. It also discussed the future strategic direction and approach to the management of On Screen talent.
6.2 The Board welcomed the progress made over the last five years and discussed the suggested approach. It was noted that any significant deals would come to the Board for approval and these should include the relevant context. The BBC needed to secure deals that represented value for money but it was also important that the organisation remained competitive.

6.3 There was a brief discussion about disclosure and it was agreed that the level at which information was shared should balance the need for further disclosure and commercial confidentiality.

6.4 The Board approved the proposed approach to the management of on screen talent fees and pan BBC governance of On Screen Talent.

7 Any other business

7.1 Anne Bulford updated the Board on the tender for the BBC’s audit contract, including next steps.

Papers for offline approval/ noting

The following papers were circulated for offline approval/noting this month. Unless otherwise indicated below, the papers were approved/noted.

- Minutes from Executive Board on 24 February 2014
- Minutes from Executive Finance Committee on 13 February 2014
- Governance of BBC World Service from 1 April 2014
- Executive Finance Report
- Licence Fee Collection Strategy
- BBC Worldwide Mergers and Acquisitions