Meeting of the BBC Remuneration Committee

SUMMARY MINUTES

Thursday 23 November, 2017
New Broadcasting House, London

ITEMS OF BUSINESS

1. Minutes from 13 September Remuneration Committee
2. Management reporting - SMRC and Annual Report metrics
3. HR preparation for Project Castle
4. On-air review
5. Executive Director approvals
6. For noting:
   a) BBC Worldwide Gender Pay reporting
7. AOB
8. Forward plan on BBC pay strategy
ATTENDANCE

Members:
- Steve Morrison  Non-executive director (Chair)
- Tanni Grey Thompson  Non-executive director
- Nicholas Serota  Non-executive director

Board members present:
- David Clementi  Chairman
- Tony Hall  Director-General
- Anne Bulford  Deputy Director-General

With:
- Valerie Hughes-D’Aeth  Director, HR
- Gillian Taylor  HR Director, Reward
- Phil Harrold  Company Secretary
- Chris Sandford  Director-General’s Office (secretary)

APOLOGIES

No apologies were received.
1. Minutes from 13 September Remuneration Committee

1.1 The minutes were approved.

2. Management reporting - SMRC and Annual Report metrics

2.1 The Committee received a quarterly report from management on current headcount and pay metrics and on caseload in the previous quarter at the Senior Manager Remuneration Committee.

2.2 Discussing the report, the Committee noted that headcount projections included staff being brought in to the BBC as a result of insourcing and the Government’s additional investment in the World Service. These changes would need to be presented clearly in the annual report.

2.3 The Committee were briefed on significant areas of activity in relation to reward – these included the recent World Service and gender pay reviews and work to respond to these. The Terms and Conditions programme had presented some staff challenges, but these were to be expected given the level of transparency delivered. Equal pay cases and issues related to IR35 continued to be managed.

2.4 The Committee noted the report.

3. HR preparation for Project Castle

3.1 The Committee were provided with a briefing on HR preparations for the proposed merger of BBC Studios and Worldwide. The proposals were to be announced later in the month, including arrangements for the Chief Executive and Chief Creative Officer. Work was underway to establish a consistent structure for the new organisation and to assess potential headcount impacts. It was expected that savings would be realised by the drawing together of commercial and content teams, where some areas of overlap would be integrated.

3.2 The Committee discussed the plan for incentive schemes in the new entity. These would need further discussion, but it was proposed that there would be three schemes, covering senior management, commercial and production teams.

3.3 The Committee requested an additional meeting in January, where final incentive scheme plans would be proposed for approval.
4. **On-air review**

4.1 The Committee discussed the strands of work that would form part of the BBC’s review of on-air talent. The review would seek to establish a clear framework and criteria for pay levels in specific on-air categories, particularly in News and related areas.

4.2 The Committee noted the update and requested to have sight of the final findings of the review ahead of publication.

5. **Executive Director approvals**

5.1 The Committee were provided with a paper, setting out pay proposals for a number of Executive Directors roles. This was in line with the Committee's role in agreeing the remuneration arrangements for all members of the BBC Executive Committee.

5.2 The proposed salary range for the role of Director, News and Current Affairs was agreed.

5.3 The proposed salary range for the role of Director, Customer Relationship was agreed. It was noted that interviews were underway.

5.4 A candidate had been identified for the Group Finance Director role, and it had been decided that the post would sit on the Executive Committee. The Committee approved the salary for the role.

5.5 The Committee noted that the roles of Chief Executive Officer and Chief Creative Officer were to be announced under the proposals for the proposed new BBC Studios and Worldwide. The individuals to take the roles had been mapped across on the same remuneration packages.

6. **For noting – BBC Worldwide Gender Pay Gap reporting**

6.1 The Committee noted that the report was now expected to be published in the New Year.

7. **AOB**

7.1 There were no items of other business.

8. **Forward plan on BBC pay strategy**

8.1 The Committee discussed some questions relating to the formation of a new BBC senior pay strategy, to be considered by the Board.