

BBC Trust

MINUTES OF THE BBC TRUST MEETING

Held on Thursday 23 October 2014
at the BBC Trust Offices, Great Portland Street, London

Present:

Rona Fairhead	Chairman
Diane Coyle	Vice Chairman
Sonita Alleyne	Trust member
Richard Ayre	Trust member
Alison Hastings	Trust member for England
David Liddiment	Trust member
Bill Matthews	Trust member for Scotland
Aideen McGinley	Trust member for Northern Ireland
Nick Prettejohn	Trust member
Elan Closs Stephens	Trust member for Wales
Suzanna Taverne	Trust member
Lord Williams	Trust member

From the Trust Unit:

	Jon Zeff	Director, BBC Trust
	Alex Towers	Deputy Director
	Rachel Hallett	Accountability Co-ordinator
Items 128-133 and 137-143	Mark Devane	Head of Communications
Items 128-132, 137, 138, 141	Fran O'Brien	Head of Editorial Standards
Items 128-133, 137, 139-141	Jon Cowdock	Head of Business Strategy
Items 128-132, 137 and 141	Alison Gold	Head of Public Services Strategy
Items 128-132, 138-141	Georgina Hodges	Chief Research and Audiences Adviser
Items 128-132, 137 and 141	Philip Lillico	Chief Adviser, England
Items 128-132, 137 and 141	Gareth Tuck	Chief Financial Adviser
Items 133 and 140	Bronwen Roscoe	Senior Strategy Adviser
Item 135	Stephen Callow	Senior Strategy Adviser
Item 138	Peter De Val	Head of Legal
Item 138	Stephanie Simmonds	Deputy Head of Legal
Item 139	Jonathan Mackay	Senior Policy and Strategy Adviser
Item 141	Kate Hawkins	Research Manager

From the BBC Executive:

Items 133-135	Tony Hall	Director-General
Items 133-136	Anne Bulford	Managing Director, Finance and Operations
Items 133-136	Fiona Reynolds	Senior Independent Director
Items 133-136	James Purnell	Director, Strategy & Digital
Items 133-136	Clare Sumner	Director-General's Chief of Staff
Item 135	James Heath	Director, Policy & Charter
Item 136	Valerie Hughes-D'Aeth	Director, HR
Item 133	Tim Davie	CEO, BBC Worldwide
Item 133	Andrew Bott	CFO, BBC Worldwide

AGENDA

- I28 MINUTES AND MATTERS ARISING**
- I29 DIRECTOR'S REPORT**
- I30 CHAIRMAN'S UPDATE**
- I31 TRUST COMMITTEE REPORTS**
- I32 CHARTER REVIEW PLANNING**
- I33 BBC AMERICA**
- I34 DIRECTOR-GENERAL'S REPORT**
- I35 BBC LONG TERM PLANNING**
- I36 RESPECT AT WORK UPDATE**
- I37 GOVERNANCE REVIEW UPDATE**
- I38 DAME JANET SMITH REVIEW**
- I39 REVIEW OF CONTENT SUPPLY**
- I40 RADIO 1 IN IPLAYER**
- I41 INSIGHT SESSION: VALUE FOR MONEY - THE AUDIENCE VIEW AND THE TRUST'S ROLE**
- I42 BUSINESS HANDLING & COMMUNICATIONS**
- I43 ANY OTHER BUSINESS**

128 MINUTES AND MATTERS ARISING

- 128.1 The Trust approved the minutes of the meeting held on 25 September as an accurate record of proceedings. The Trust approved the publication of the minutes with no redactions.
- 128.2 Trust members noted the matters arising.

129 DIRECTOR'S REPORT

- 129.1 The Director, BBC Trust welcomed the Chairman to her first Trust meeting since joining the Trust on 9 October.
- 129.2 He presented his report, which provided an overview of activity undertaken by the Trust and previewed the key issues to be considered by the Trust at the meeting.
- 129.3 The Director noted that the Trust had given evidence to the Culture Media and Sport Select Committee for its Future of the BBC inquiry. At the Select Committee session on 21 October, the Trust had been represented by the Chairman, David Liddiment and the Director. Sonita Alleyne and Richard Ayre would be giving evidence on Women in News and Current Affairs Broadcasting to the Lords Communications Committee on 28 October.

130 CHAIRMAN'S UPDATE

- 130.1 The Chairman thanked the Director and Trust members for their welcome. She expressed her intention to lead a cohesive board that would work collaboratively to represent licence fee payers' interests.

131 TRUST COMMITTEE REPORTS

- 131.1 Nick Prettejohn, Chair of the Trust's Value for Money Committee, reported that the committee had met on 1 October. It had received updates on the BBC's proposals for its property in W12; on the audit of the BBC's funding of the local television multiplex; and on the review of talent pay. The committee had had discussions with the BBC Executive about the 2015-2018 budget and Project Smart, the update to the BBC's HR and finance systems. The Trust confirmed that the committee had delegated authority to consider whether it would be content for the finance system part of the project to continue to progress to implementation in January 2015. The approach to the HR system part of the project would be brought to the committee for review and approval in due course.

- 131.2 The Chair of the Services Committee, Suzanna Taverne, reported that at its meeting on 1 October, it had received updates on the upcoming Trust reviews of fair trading, speech radio and content supply. The committee had received a report from Director, Children's, one year on from the publication of the Trust's review of children services. The committee had considered the Executive's proposals to launch a Radio 1 video channel on iPlayer and for BBC Worldwide's partnership in the United States with AMC Networks, and made recommendations for consideration by the full Trust.
- 131.3 Alison Hastings, Chair of the Editorial Standards Committee, reported on the editorial appeals it had heard. At its meeting on 2 October, the committee had noted a paper on the regulation of Harm and Offence. The committee had considered two reports from the BBC Executive of breaches of editorial standards: offensive language on the Radio 1 *Big Weekend*, and the inclusion on *Newsbeat* of a recording from a British man who had fought with ISIS. It had concluded that these were serious breaches and that the findings should be published. At an additional meeting on 22 October, the committee had approved the public consultations that the Trust would be carrying out on the BBC's proposed guidelines for election coverage, and on the criteria for Party Election Broadcasts.

132 CHARTER REVIEW PLANNING

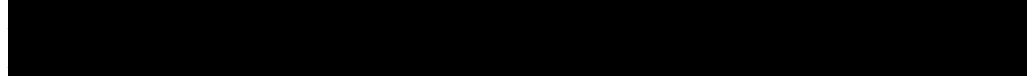
- 132.1 Trust members discussed initial planning ahead of the Charter Review process, including some work on the core principles for future governance as well as the options for public consultation.

133 BBC AMERICA

- 133.1 The CEO, BBC Worldwide and the Director-General sought approval from the Trust for a proposed long-term partnership in the United States between BBC Worldwide (BBCW) and AMC Networks (AMCN).
- 133.2 Under the proposal, AMCN would acquire from BBCW a 49.9 per cent shareholding in its pay television channel BBC America. AMCN would also assume overall control of the channel.
- 133.3 The Executive left the meeting, and Trust members discussed the reasons for entering the partnership and details of the proposed agreement. They considered in particular the provisions for ensuring that BBC America continues to operate within BBC Editorial Guidelines and the need to ensure that AMCN could not change the core editorial vision for the channel without BBCW's consent.
- 133.4 The Executive re-joined the meeting. The Trust approved the proposed

partnership, subject to confirmation from the Executive that, should BBC America wish to change the channel vision before the contractual protections around editorial misalignment take effect, any such change would be subject to BBC public service agreement. The Trust also required the Executive to undertake a post-deal review no later than 12 months after the deal, and to share this with the Trust.

I33.5



Redacted on grounds of commercial sensitivity

I34 DIRECTOR-GENERAL'S REPORT

- I34.1 The Director-General updated Trust members on BBC programmes and services in the last month.
- I34.2 He discussed the work that the Executive has been doing on the BBC budget for 2015/16 and 2016/17 and noted the careful balance that would need to be struck at the end of the current Charter period.
- I34.3 The Director-General noted figures for audience time spent with the BBC and that changes to media consumption habits are affecting younger audiences in particular.
- I34.4 He updated the Trust on work on enhancing audience's personal connection with the BBC; the iPlayer growth rate; results of the staff survey; and BBC procedures to ensure that reporting on the Ebola virus does not cause any risk to staff or public health. He also answered Trust members' questions about recent *Top Gear* filming in Argentina.

I35 BBC LONG TERM PLANNING

- I35.1 The Director, Strategy and Digital set out the Executive's preparatory work for the Government's process of Charter Review, which is expected to begin after the 2015 General Election.
- I35.2 Trust members discussed the roles and responsibilities of Executive and Trust members in the process, noting that the Trust would lead on public consultation.

I36 RESPECT AT WORK UPDATE

- I36.1 The Director, HR provided the Trust with a progress report on the Respect at Work Review of the BBC's policies on sexual harassment and bullying. She noted that most of the actions from the report have been completed. There

were a small number of actions outstanding which related to the Bullying and Harassment policy.

136.2 She also provided Trust members with data on bullying and harassment complaints over the last year, and from surveys completed by staff leaving the BBC.

136.3 The Director, HR outlined the results of the BBC's recent quarterly survey of a sample of staff. A survey of all staff would be launched in late October, and recommendations arising from it would be put in place in 2015.

137 GOVERNANCE REVIEW UPDATE

137.1 The Trust discussed progress against the actions identified in the 2013 Governance Review.

137.2 Trust members agreed that the actions taken had enabled it to make greater use of frameworks to guide its work and to step back from operational matters. They felt, however, that there was scope to further increase openness and engagement.

137.3 Trust members discussed the effectiveness of webstreaming public sessions as a method of increasing transparency, and agreed not to pursue a regular programme of such sessions.

137.4 The Trust would consider alternative methods of improving openness, including greater use of social media.

138 DAME JANET SMITH REVIEW

138.1 The Trust agreed to form a committee with delegated responsibility for giving initial consideration to the report of the Dame Janet Smith Review when it is completed. The Review is considering the BBC's culture and working practices during the years that Jimmy Savile worked at the Corporation.

138.2 The Trust approved the terms of reference for the committee. It would make recommendations to the full Trust in connection with the publication of the report, including as to the BBC's response.

138.3 The Chairman invited those Trust members wishing to be considered for membership of the committee to speak to the Director, BBC Trust.

139 REVIEW OF CONTENT SUPPLY

139.1 The Trust's Deputy Director provided an update on the Trust's content

supply review and outlined proposals for a public consultation. This review would examine the performance of the BBC's current arrangements for the supply of television, radio and online content, and consider future supply arrangements.

- 139.2 He noted that the Director-General's "compete and compare" proposals would be likely to have a significant impact on future supply arrangements.
- 139.3 The Trust agreed that the public consultation should be completed by June 2015, but that the start should be delayed slightly to allow the Executive the opportunity to provide more details on the development of its thinking in this area.

140 RADIO 1 IN IPLAYER

- 140.1 The Trust received proposals to launch a branded Radio 1 section within iPlayer. Members noted advice from Ofcom on the market impact of the proposals.
- 140.2 The Services Committee had already considered the proposals and concluded that the resulting changes to the Radio 1 service were not significant and therefore no public value test was required.
- 140.3 Trust members considered the Services Committee's recommendation and agreed that no public value test was needed. Accordingly, the Trust approved the proposal. Full details of the Trust's decision would be published.

141 INSIGHT SESSION: VALUE FOR MONEY - THE AUDIENCE VIEW AND THE TRUST'S ROLE

- 141.1 The Chief Research and Audience Adviser gave a presentation on audience perception of the value for money offered by the BBC. She noted the factors that affect this perception, and how it varied across different audience groups.
- 141.2 The Chief Financial Adviser set out the Trust's approach to achieving best value for money for licence fee payers, and the progress it had made.
- 141.3 Trust members discussed the issues raised, including the link between the number of ways that audiences accessed BBC content and their perception of value for money. Trust members noted that value for money judgments would be influenced by the BBC's responsibility to fulfil its public purposes as well as by straightforward financial considerations.

142 BUSINESS HANDLING AND COMMUNICATIONS

- 142.1 Trust members discussed the handling and communications of items discussed

at the meeting.

I43 ANY OTHER BUSINESS

- I43.1 Sonita Alleyne reported that she and Richard Ayre had met the Director-General's Chief of Staff and the Head of Diversity to discuss the BBC Executive's measuring of diversity data.
- I43.2 The Chairman noted that the terms of Alison Hastings and David Liddiment on the Trust would end on 31 October 2014. She observed that both had been members of the Trust since 2007, and thanked them on behalf of the Trust for their contributions.