

## MINUTES OF THE BBC TRUST CONFERENCE

Held on Wednesday 28 and Thursday 29 September 2011  
in BBC Scotland, Pacific Quay, Glasgow

<b>Present:</b>	Lord Patten	Chairman
	Diane Coyle	Vice Chairman
	Richard Ayre	Trust member
Items 117 – 119	Anthony Fry	Trust member
	Alison Hastings	Trust member for England
	Rotha Johnston	Trust member for Northern Ireland
	David Liddiment	Trust member
	Bill Matthews	Trust member for Scotland
	Elan Closs Stephens	Trust member for Wales
<b>Apologies:</b>	Mehmuda Mian	Trust member

### In attendance from the Trust Unit:

	Nicholas Kroll	Director, BBC Trust
	Alex Towers	Deputy Director
	Phil Harrold	Head of Governance
	Kate Atkins	Senior Adviser, Governance
	Mark Devane	Head of Communications
	Fran O'Brien	Head of Editorial Standards
Items 113, 117 and 118	Meredith Cook	Senior Adviser, Governance
Items 114 – 119	Alison Gold	Head of Public Services Strategy
Item 116	Allan Jack	Head of Governance and Accountability, Scotland

**From the Executive:**

Items 115, 116 and 119	Caroline Thomson	Chief Operating Officer
Item 115	Zarin Patel	Chief Financial Officer
Item 115	Jessica Cecil	Head of Director-General's office
Items 115 and 116	Gautam Rangarajan	Controller, Public Service Strategy
Item 116 and 119	Ken MacQuarrie	Director, Scotland
Item 116	John Boothman	Head of News and Current Affairs, Scotland
Item 116	James Heath	Controller, Policy
Item 116	Alasdair MacLeod	Head of Editorial Standards and Compliance, Scotland
Item 116	Ian Small	Head of Public Policy, Scotland
Item 116	Catherine Smith	Head of Strategy, Scotland
Item 116	Brian Taylor	Political Editor, BBC Scotland
Item 119	George Entwistle	Director, Vision
Item 119	Andrea Miller	Head of Factual, Scotland
<b>Apologies:</b>	Mark Thompson	Director-General

## **AGENDA**

- I12 Chairman's introduction**
- I13 Trustee mid-year assessment**
- I14 Delivering Quality First – Trust discussion**
- I15 Delivering Quality First – final proposals**
- I16 The changing UK- devolution and Scotland**
- I17 The Trust's evolving approach to stakeholder engagement**
- I18 Exploring openness and transparency**
- I19 Arts on BBC Television**

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## **CHAIRMAN'S INTRODUCTION**

112.1

The Chairman opened the conference by welcoming Trust members to BBC Scotland in Glasgow. The conference was the mid-year opportunity for the Trust to assess how well it was delivering against its objectives for the year, and to discuss strategic and other issues.

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## **TRUSTEE MID-YEAR ASSESSMENT**

113.1

The Director, BBC Trust introduced this item by summarising the Trust's performance against its published work plan for 2011-12. He believed the Trust was on course to deliver the commitments in the work plan, noting ongoing work around long term planning and strategy, relationships with the Executive, and the reorganisation of the Trust Unit, which provided independent advice to the Trust.

113.2

The chairmen of the Trust's committees gave their mid-year assessments of the Trust's performance from the perspective of their committees. The Chairman of the Strategic Approvals Committee said that, in line with the BBC governance review, the committee needed to focus more on strategic issues and less on operational matters. The committee would receive a twice-yearly briefing from the BBC's Director of Future Media on the latest developments in technology.

113.3

The Chairman of the Audiences and Performance Committee highlighted the Trust reviews of BBC television, radio and online services which helped to ensure that output was distinctive and of high quality.

113.4

The Chairman of the Editorial Standards Committee highlighted the Trust's review of impartiality and accuracy in the BBC's science coverage and its forthcoming impartiality review of how the BBC covers conflicts such as the "Arab spring". She noted that the committee's response rate on appeals on complaints had improved and that the committee was achieving a good balance between complaints handling and editorial standards work.

113.5

The Chairman of the Finance and Compliance Committee noted the committee's work on its programme of value for money reviews, alongside activity around the BBC's property strategy and fair trading policy.

113.6

The Trust agreed that it was "on track" to deliver the commitments in its work plan and to implement the recommendations arising from its 2011 board evaluation exercise. It agreed to ask the Executive to report on how the priorities of the Trust's Audience Councils were being considered through the Executive's work.

113.7

As part of this item, the Trust considered some of the ways in which it monitored and held the Executive to account, including the requirement for the

Executive to publish an annual business plan. Trust members agreed to align further the Trust's work plan, the Executive Board business plan and the objectives that the Trust sets for the Director-General.

## **114      DELIVERING QUALITY FIRST – TRUST DISCUSSION**

114.1 Trust members considered the Executive's final proposals on the new BBC strategy, *Delivering Quality First*, in advance of a discussion with the Executive. They endorsed the substance of the proposals and welcomed the changes the Executive had made to its section of the publication document since the Trust meeting the previous week.

## **115      DELIVERING QUALITY FIRST – FINAL PROPOSALS**

115.1 The Chief Operating Officer presented the Executive's final proposals on the new BBC strategy, *Delivering Quality First* (DQF). The proposals had been developed through a nine-month consultation process with staff and the Trust had worked with the Executive to set the direction of this work. The proposals followed the publication of *Putting Quality First* in December 2010 which set a new strategic direction for the Corporation, focussed on increasing the distinctiveness and quality of output; improving the value for money provided to licence fee payers; setting new standards of openness and transparency; and doing more to serve all audiences.

115.2 Trust members noted that the DQF proposals aimed to set the course for the BBC to the end of its current Charter in 2017 in the wake of the licence fee settlement which required the BBC to make 16 per cent savings. The DQF proposals achieved 19 per cent savings; the BBC anticipated achieving additional savings beyond the targets in the current efficiency programme that would deliver the 20 per cent target. The aim would be to target the additional four per cent savings for reinvestment back into programming areas to improve quality and distinctiveness. The proposals would result in savings of around £700 million a year by 2016-17 and the loss of around 2,000 jobs across the BBC.

115.3 The DQF proposals were based on a new programme of efficiencies and a clearer focus on the BBC's editorial priorities. The proposed efficiencies – which had been assessed for the Trust by independent advisers from Ernst & Young – included streamlining the Corporation's use of technology; increasing out-of-London production and reducing the BBC's property estate; and continuing to reduce the number of senior managers. The proposed output changes included prioritising and protecting the services and content that delivered most value to audiences. BBC One and BBC Two would be protected in peak time, although there would be small reductions in entertainment programming and acquisitions. BBC Three and BBC Four would be re-focused to play supporting roles to the two bigger channels. Radio 4 would be protected by keeping its underlying budget stable, excluding the impact of efficiency savings, while Radio 5 Live would

focus on its core output of news and sport. There would be greater sharing of news bulletins between Radio 2 and 6 Music, Radio 1 and 1Xtra, and Radio 3 and Radio 4. Within the Nations and regions of the UK, the principle of protecting core output would be applied.

- 115.4 Trust members discussed the proposals with the Executive and sought clarification on a number of issues, including the financial impact on each BBC service, the effect of the proposals on different demographic groups, and the plans for BBC services in the Nations and regions.
- 115.5 The Trust agreed that the BBC should publish one document on DQF, containing a Trust foreword, the Executive proposals and the Trust consultation questions. It approved the Executive's proposals and delegated authority to the Chairman and Vice Chairman to approve any changes prior to publication on 6 October. The Trust would launch a public consultation on the proposals on the same day.
- 115.6 The Trust noted the Executive's analysis of how the *Delivering Quality First* proposals would impact on the BBC's equality duties in relation to audiences and staff. The Executive had undertaken to carry out further equality analysis as the DQF process progressed.

## **116 THE CHANGING UK – DEVOLUTION AND SCOTLAND**

- 116.1 The Chairman welcomed the Director, BBC Scotland and his colleagues to the conference for a discussion about the political and audience challenges faced by the BBC in Scotland following devolution.
- 116.2 The Political Editor, BBC Scotland briefed Trust members on the political landscape in Scotland and the Head of Strategy, Scotland set out audience, market and policy trends, noting the performance of the BBC compared with other broadcasters in Scotland.
- 116.3 The Chief Operating Officer outlined the likely impact of the BBC's proposed new strategy, *Delivering Quality First*, on Scotland. This included meeting the 17% target for network television programmes to be produced across Scotland, Wales and Northern Ireland earlier than 2016, protecting daily news output in Scotland and focussing television and radio output on peak-time programming that delivered greatest value to audiences.
- 116.4 Trust members noted that the overall perception of the BBC among Scottish audiences remained less positive than in the rest of the UK, particularly England and Wales. They discussed with the Executive how best to respond to the challenges and opportunities facing the BBC in Scotland by increasing the quality and value for money delivered to Scottish licence fee payers. They noted that the diverging domestic, social and political agendas in the devolved nations posed an increasing challenge to network news and they encouraged the Executive to

continue looking at how best to serve news audiences in each nation as well as across the UK as a whole.

## **117 THE TRUST'S EVOLVING APPROACH TO STAKEHOLDER ENGAGEMENT**

117.1 The Trust's Head of Governance and Head of Communications gave a presentation setting out the Trust's engagement strategy and activity with its four stakeholder groups – audiences; industry; staff; and “opinion formers” including politicians and the media. The Vice Chairman underlined the importance of this work to inform the Trust's decision making but said it was vital to prioritise activity to gain maximum value.

117.2 Members noted that the Trust's engagement activity with audiences included public consultations, audience research, radio phone-ins and a wide range of events led by its four advisory bodies, the Audience Councils for England, Scotland, Wales and Northern Ireland. They underlined the importance of the Trust consulting and undertaking research but felt that some direct face-to-face engagement was also necessary, including a Trust presence at BBC events. It was agreed that the Trust should do more to demonstrate how its understanding of the audience impacted on the decisions that it made. The National Trust members highlighted the work of the Audience Councils in reaching a wide range of licence fee payers.

117.3 Members agreed that the Trust should increase its levels of engagement activity with BBC staff and the media industry. They also noted the importance of engaging with a wide circle of “opinion formers” including politicians, the media, think tanks and cultural figures in order to ensure that decisions being made by the Trust were informed by a solid understanding of the full breadth of concerns of the audience and the wider communications industry.

117.4 Members discussed the role of the Trust website as part of its engagement strategy and agreed the website should be developed to demonstrate the full range of Trust activities, tell the story behind Trust decisions more effectively, and deliver greater transparency by improving the access to and understanding of material published by the Trust. It was further agreed that the style of the Trust website should reflect the style and design of the BBC corporate websites, and that the Audience Council websites should be included in the project.

## **118 EXPLORING OPENNESS AND TRANSPARENCY**

118.1 The Chairman welcomed the Scottish Information Commissioner to the conference for a discussion about openness and transparency. The Commissioner gave a presentation covering the impact of Freedom of Information (FOI) legislation in the UK and changing public expectations around openness and transparency.

118.2 Trust members discussed a range of issues with the Scottish Information Commissioner, including the resource implications of FOI legislation and how public authorities could measure success in achieving transparency through various metrics. They also discussed the BBC's unique position as both a user of FOI legislation and partly subject to the legislation.

118.2 Members noted that, although the BBC's commitment to openness and transparency was not new, there had been an increased focus on this area in recent years. One of the strategic objectives of the BBC strategy, *Putting Quality First*, was to set new standards in openness and transparency. They noted the Executive now published an annual business plan and additional information relating to senior pay and expenses and talent costs, and the Trust's own work in this area, including publishing reports and research to demonstrate how it reached decisions.

118.3 The Trust agreed to have further discussions on this area, including with the Executive.

## **119 ARTS ON BBC TELEVISION**

119.1 The Director, Vision and Head of Factual, Scotland gave a presentation on the BBC's strategy for arts across the television portfolio, noting that Scotland was one of the main centres for BBC arts production.

119.2 Trust members heard that BBC arts output aimed to reflect and comment on the cultural life of the UK, and its place in the world. Programmes were designed to appeal to a wide range of audiences from arts enthusiasts to more general viewers. Output ranged from the flagship arts series *Imagine* on BBC One to topical arts coverage in *The Culture Show* and *Review Show* on BBC Two to a wide range of arts documentaries on BBC Two and BBC Four.

119.3 Trust members discussed BBC arts output with the Executive, noting that under the proposed new BBC strategy, *Delivering Quality First*, BBC Two and BBC Four would share more arts and music programmes through complementary scheduling and repeats. A small number of arts and music programmes would transfer from BBC Two to BBC Four.

119.4 Members raised a wide range of issues with the Executive, including the balance of coverage between the visual arts and other genres, the range of classical musical broadcast, and the role of arts presenters.