



Meeting of the BBC Audit and Risk Committee

SUMMARY MINUTES

Tuesday 21 January 2025

Old Broadcasting House and by video conference

ITEMS OF BUSINESS

1. Committee business
 - a) Apologies and conflicts of interest
2. Board declaration of Effectiveness of BBC's Controls
3. Deep dive on the BBC Pension Scheme
4. Sustainability disclosure strategy
5. Procurement and third party risk
6. E20 - response to the PAC
7. Non-editorial complaints / grievance management
8. AOB

ATTENDANCE

Members:

- Chris Jones Non-executive director (Chair)
- Shumeet Banerji Non-executive director
- Michael Plaut Non-Executive Director

Board members present:

- Nick Serota Non-Executive Director (item 7)
- Tim Davie Director-General
- Leigh Tavaziva Group Chief Operating Officer

With:

- Ian Griffiths Commercial Board NED
- Balram Veliath Director, Quality, Risk and Assurance
- Holly King Group Financial Controller
- Claire Rollo National Audit Office
- Chris Sandford Company Secretary
- Rhona Burns FD, Planning and Insights (3)
- Alison Fleming PwC (item 3)
- Danielle Mulder Director, Sustainability (item 4)
- Stephen Farrell Deloitte (item 4)
- Samuel Jackson Sr. Manager, Sustainability (4)
- Uzair Qadeer Group CPO (item 7)
- Nigel Lewis HR Director (item 7)
- Katharine James Head of SSR (item 7)

AUDIT AND RISK COMMITTEE SUMMARY MINUTES – 21 January 2025

1. Apologies and conflicts of interest

- 1.1 The Chair welcomed members to this additional committee meeting. There were no new conflicts and apologies from the CFO.

2. Board declaration of Effectiveness of BBC Controls

- 2.1 The Committee were briefed on the ongoing work being done to prepare for new Corporate Code requirements coming into effect for the BBC in 2027. The Board would be briefed on the work at the January meeting and it was noted that the Executive had reviewed and updated their assessment of the material risks. It had also been agreed there was a need to ensure the work provided as much value to the BBC as possible, in terms of enhanced control over the business.
- 2.2 The Committee discussed the revised list of principal risks and agreed it was right to focus only on the most critical to the organisation. Work would continue on identifying the design of controls for each risk, and also a clear overview of ownership of the risks across the Group. The Executive would consider the relative prioritisation of the risks at the enterprise level, particularly around funding and audiences. The risks would come back for further discussion at the next meeting.

3. Deep dive on the BBC pension scheme

- 3.1 The Chair noted his declared involvement with Legal & General Investment Management, which was a second order conflict. The Chair would recuse himself if an actual conflict arose, though none was identified. The Committee discussed an overview of the pension scheme, the market context, scheme governance and the current risks being managed. The work on the recent triennial valuation was noted, which had led to a reduced funding requirement from the sponsoring company. It was also noted that the scheme was now fully funded on an actuarial basis.
- 3.2 The Committee noted the briefing and also that wider pension reform options were being considered in the Charter Review process.

4. Sustainability disclosure strategy

- 4.1 The Committee noted an overview of the current and anticipated future reporting requirements for sustainability disclosures. Benchmarks and comparators from other regulatory regimes were discussed, noting that not all requirements pertained to the BBC. The Committee were presented options for updated reporting in the Annual Report and Accounts, and noted that new FRC guidance had just been issued on this

matter. It was agreed the Executive would review the latest guidance and form a final view on the appropriate level of reporting. It was agreed there should not be a separate document and that the reporting should remain in the Annual Report itself.

- 4.2 The Committee would be updated on progress before year-end.

5. Procurement and third party risk

- 5.1 This item was deferred to the March meeting, subject to Executive review.

6. E20 – response to the PAC

- 6.1 The response was approved for submission, noting the move of the practical completion date. It was also noted this was the last report of the type to be submitted to the PAC.

7. Non-editorial complaints / grievance management

- 7.1 The Committee were briefed on handling of non-editorial complaints, including whistleblowing and bullying and harassment cases. The update was noted and the Committee requested a further discussion at the March meeting.

8. AOB

- 8.1 The Committee requested a summary of spend on advisory services to be provided at a future meeting.

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